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DIARY

August 28th 1939.

A.M.

Reviewed the position generally regarding measures that could be taken now in order to speed up the arrest of cases under 24(c) on the outbreak of war. Suggested to Harker that he should see H.O. and find out whether they approved all the cases we have put before them. If so, do they agree to our giving the names of these people to C.C.s and asking them to keep the individuals more or less under observation from now onwards. We can I think assume that nearly all Germans featuring on our Suspect Index will have gone prior to a declaration of war. The only possible exceptions are Frl. AHLFELDT and Frl. BINZER, both of whom are remaining, it is thought only because they expect that as women they will be repatriated. Discussed whether it was worth while getting a Deportation Order against them. It was generally agreed that this would serve no very useful purpose.

The case of KUCHENMEISTER was also discussed, but we felt that the chances were that he had already gone and that there was very little that he could pass on to the Germans that he has not given them already. The only thing he could possibly report would be increased activity which on the whole might be a good thing. He must already know the location of all our armament factories.

Z.O.R. rang up to say that Baron de VILLARS was again in this country and anxious to get Lazard Bros. to purchase 60-70,000 Polish Mausers. He says the Poles are still

willing to sell and he thinks these Mausers might be useful to some of our allies, e.g. Greece, in the event of hostilities breaking out. VILLARS does not think anything will happen for at least 15 days and that there will be time to get the arms to this country. I told Z.O.R. he would have to consult the F.O. in this matter. Lazards apparently have black currency in Poland and would be quite prepared to make the purchase if there was a reasonable chance of getting the arms over here. Z.O.R. said that if he could be of any use he would be only too pleased to do anything.

Vivian Seymer rang me up to say that he knew a Miss Dorothy Reynolds of 5 Denmark Avenue, Wimbledon, S.W.19, who was employed by M.I.5 at Plymouth in the last war. She has since been working for Lloyds Insurance. He says she is a very nice woman who seems reliable and has a knowledge of French and German. She applied for work with M.I.1.b. and was told that she would be informed in due course if her services were required. This was some time ago and she has heard nothing.

Arrangements were made yesterday for the following ports between U.K. and Air to be covered either by I.O.'s, or S.B. officers: Glasgow, Ardrossan, Stranraer, Heysham, Liverpool, Holyhead, Fishguard. Passengers will be interrogated and if they are aliens a note will be made of their names.

Arrangements have also been made with the Customs Officers at the following air ports; who will communicate with the local police: Bristol, Liverpool, Renfrew, Carlisle, Blackpool, Croydon and Heston.

Catalogue Reference: KV/4/185 This morning, He is

trying to arrange for similar action in the case of people coming from Eire to this country. He will let us have lists of all these aliens. We should I think inform the Eire Government of any doubtful aliens ~~going there~~, and the general record of this traffic may be useful later on if there is any attempt by the Germans to form some sort of a base in Eire by the use of neutrals.

S.I.S. telephoned to say that from an intercepted conversation between one KLING of the German Embassy and Lord Brockett, the latter was meeting KLING at a picture-shop halfway down St. James's St. Brockett said "The owner is a great friend of mine. This is confidential. I will be there and bring my wife. It will not be so suspicious then. The owner does not know whom I am supposed to be meeting. 30 St. James's St. is the number".

Ascertained that this was Leggetts the print shop. Did not see however that any useful purpose would be served, ~~by this~~ unless general suspicion attaches to the activities of Lord Brockett. It seemed possible that Downing St. might be making use of him. Suggested therefore to Harker that he should find out from Ball if this were so.

I have suggested to all B.2. sections that they should make out a list as far as possible in order of priority of such cases as can be best cleared up through direct interrogation immediately after the outbreak of war.

P.M.

The following is a resume of special material up to about midday on August 27th:

It seems that Hitler's demands are that the Poles should accept before negotiations are reopened the cession of Danzig, and a road through the Corridor, and that Britain should annul her guarantee to Poland.

In the opinion of the Polish Ambassador, the British reply will be firm, but he would prefer it to be firmer. The French reply, which it seems has already been given, is much sharper in tone. Everybody seems to think that Italy is doing her best to avoid war and the Italian Embassy in their usual press reports have said that things are slightly brighter and that anglo-Italian relations are not strained.

The Polish Ambassador is of the opinion that the English are waiting to have their reply commented on by Roosevelt and that they are not only working for today but for history, and have an eye on the future, say 6 months or a year. He does not think that it will lead to a peaceful solution.

It seems that the French Minister's conversation with Hitler on the 26th was completely negative. The French believe that the Turks are behaving satisfactorily and that the diplomatic atmosphere is distinctly clearer. The Germans hoped the Russian Pact would create a disturbance, but Paris and London are firm and thus all have not reacted as expected. The situation with the Far East is improved and it is possible that the French may abandon the Chinese and change

their attitude in favour of the Japanese. The French believe that the Poles are ready to discuss matters or to put forward suggestions, but only on the assumption that they are not threatened.

The German report on Sunday's British press is that there is no opposition to the Government and that if the latter refuse Hitler's proposals the Press will support it.

In the opinion of one member of the German Embassy it was possible at 1.27 p.m. on the 27th August "that the peak had been crossed" but he hardly dared to say so.

D.S.S. heard at about 4 p.m. that D.M.O. & I. was optimistic about the situation, basing himself to some extent on the fact that there had been no further movements of German troops during the last 24 hours. He thought that this was very significant.

Harker saw Van, who seemed slightly more hopeful. It seems quite definite that there is to be no Munich. Van thought that if there is no war within the next 48 hours the crisis would peter out.

August 29th.

A.M.

We informed D.N.I. a short time ago that as a result of a speech of Lord Stanhope's, mentioning the efficiency of our submarine detectors, the German Intelligence Service had become very interested in this matter, as they themselves had nothing of the kind. Enquiries made by a naval officer show that the Asdic Gear is being fitted to trawlers

in a number of ports by naval ratings. The firms undertaking this work and local police have been warned, but the surface is bound to be considerable. The Admiralty suggested an officer of M.I.5 should be sent down to each port with a view to ascertaining that undesirable people do not have access to the trawlers in question. Discussed this matter with Harker. It seems that no useful purpose can be served by the presence of an M.I.5 officer and that all that can be done in the circumstances has already been done.

Crocker telephoned this morning saying that he had just got back from the south of France and wished to report for duty. I have arranged for Cecil to bring him here after 5 o'clock this evening.

Mr. Connor B. Branch H.O. telephoned to say Supt. of Police, Luton, had informed him that one Hans SCHWARZ, registered Bow St. No. 698 on 30.12.38, as a German, was behaving in a rather suspicious way. This man is employed at a hat factory at Luton. He left work at 10 a.m. today saying that he had to phone urgently. C.C. on obtaining this information got into touch with the Continental Switchboard and asked them to report the conversation.

Special material of the evening of Aug. 27th showed that Daladier had sent another note to Hitler and had received a reply at 4 p.m. on the 27th. The contents of these notes was disclosed. The French seem very confident about the Turks. Otherwise there is very little of any importance.

Information from U.35 was to the effect that Bereitschaftsdienst had been in force since

Sunday last but that no orders had been received regarding Spannungszustand.

August 30th

A.M.

U.35 has sent in a report which indicates that the Germans have got the jitters. It is rather a case of order, counter-order, disorder. There have been recriminations between Party men and non-Party men. Non-Party men are saying: "We always told you that you would get us into this mess, and you will be the first people to suffer for it." P. has the impression that we have got Hitler on the run and that nothing should be done to provide him with a golden bridge to make his getaway.

Discussed this morning with Holt-Wilson and Cooper the Home Secretary's suggestion that tribunals should be set up to deal with enemy aliens. My personal feeling is that enemy aliens should be interned and that they should be called upon to show cause why they should be released. The present suggestion, which envisages a tribunal in each police district, will not in my view be able to deal with all the cases for at least 8 months. In the meantime the Germans will have an opportunity of working on enemy aliens in this country and organising them into some kind of intelligence service. From an M.I.5. point of view it would be far preferable to have them put away. I was told however that it had already been decided by the C.I.D. that internment of all enemy aliens was impossible and undesirable and that there was nothing to be done.

The suggested tribunals are to be established in all registration districts, although it is thought that the same chairman might cover several tribunals where alien population was small. The Chairman, who will represent the H.O. is to be a barrister or a man with legal knowledge. Others on the tribunal will be the local registration officer who should be secretary, the C.C. or his nominee, a representative of the Ministry of Labour, and a staff officer from the local command who will represent all three services. Procedure will be as follows: The C.C. will supply a complete list of male enemy aliens under 60. They will be divided into categories and dealt with in the following order (1) Technicians (2) Ordinary aliens (3) Refugee Technicians (4) Ordinary Refugees. Careful instructions will have to be given to the tribunal as to the most suitable lines for interrogation. The tribunals will recommend either internment, full control as for enemy aliens, or intermediate control. Any information in possession of M.I.5. will go to the C.C. concerned who will lay it before the tribunal. Any appeals for revision by local tribunal will be dealt with by a special central tribunal set up under the H.O., the Home Secretary's decision being the final one. Czechs are to be dealt with on an entirely separate basis and aliens other than enemy aliens under the ordinary Aliens Tribunals set up under the H.O. There are of course a great many other details which have not been decided.

Cooper is issuing instructions that any Germans on our Suspect List who have left the country should not be readmitted without a fresh visa from Passport Control abroad.

P.M.

Harker has seen Van at the F.O. He is rather gloomy on the question of war, as he seems to think that Hitler is so far committed that he cannot go back.

W.O. have discovered that their Embarkation Officers, who have been mobilised in order to control troop movements, have been operating at several ports in uniform with arm-bands marked "Movement Control". There is now a considerable concern as by so doing they may give away our embarkation ports, which we have been trying to keep secret. The matter is being dealt with. The suggestion was put forward that we should try and get out misleading information through double-cross agents or by other means. Allen, who spoke to me, and I both agreed that it would be better to do nothing.

Special material of the 28th contained nothing of particular interest. Most Embassies appear to be gloomy about the prospects and feel that negotiations have reached an impasse. They do not see how Hitler can recede from the position he has taken up.

Cooper showed me his draft of the meeting about the tribunals for dealing with enemy aliens. He had inserted a para suggesting that aliens should be allowed to be legally represented. I said that this would create an impossible situation but that I would refer the matter to Colonel Holt-Wilson. I also told him that on reconsideration we felt that the officers from Commands would be of little value and that there might be considerable difficulty in supplying some 240 of such officers. He said he would mention these points when talking to Maxwell.

Discussed with White and Hunter the question of observation of suspect Germans. GRAF is already under observation and we have added KOPP, BODE and one other.

August 31st
A.M.

Discussed the Aliens Tribunals with Colo Holt-Wilson. He has amended Cooper's dr on the following three points:

1. There will be no officer from Commands, but M.I.5 will have the right to send down an officer in particular cases of importance.
2. There will be no legal representation of aliens.
3. The suggested Appeal Tribunal which will deal with revision of cases cannot deal with non-enemy aliens who are covered by an entirely separate Advisory Committee under para.18b of the Emergency Regulations

Discussed with White the question of searching the German Travel Bureau and steamship line offices in time of emergency. We agreed that this would be desirable, and he is getting out the necessary particulars for S.B.

U.35 has sent in another report emphasising the previous one. He seems very confident that disintegration has set in and even suggests that if the order were now given to it is doubtful whether the Germans would march. It is difficult to estimate how much his views are based on documents or on gossip in diplomatic circles. It is also difficult to assess the significance of the new War Council from which Goebbels, Himmler and Ribben

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trop are all excluded. It may be one further move in the general game of bluff, or it may indicate that there has been some sort of serious internal dissension.

The Russian view of the Soviet-German pact would appear from the Communist press to be roughly as follows:

Stalin has made a master stroke and driven a wedge into the Anti-Comintern Pact. This pact is in no way incompatible with a full mutual assistance pact between Russia, England and France, since such a pact would not necessarily be directed against anybody. If therefore this pact were signed before Germany committed an act of aggression against Poland, Clause 4 of the German-Soviet Pact would be inoperative and Russia would be at liberty to render assistance to ourselves, the Poles or the French. No comments are made on the postponement of the ratification of the German-Soviet Pact, which is extremely difficult to explain, unless it is meant to encourage us to make a Mutual Assistance Pact or to stiffen Polish resistance in order that war in the west will be more likely. The effect must at any rate be to leave the Germans in some state of uncertainty.

DAWKES heard from KUTZNER, who has given him an address in Oslo to which to communicate his reports, and also certain other reports which he will receive from Palestine.

The following is a summary of special material for 29.8.:-

The Poles seem rather pleased that Hitler is increasing his demands beyond the question of Danzig as they evidently feel that this will

prevent the British from pressing them to compromise over Danzig. Beck and the Polish Ambassador feel that our note to Hitler is perhaps to some extent an attempt to force him to open direct negotiations with the Poles. They hope that this demarche will not be misunderstood and that the Germans will not regard it as weakness.

Summary for the 30.8:-

The French seem to think that Italy contemplates neutrality with a view to helping Germany against the west after Germany has dealt a blow at the Poles. They realise however that Italy might change her mind. Maiski says that according to unofficial circles in Moscow the Russians are withholding ratification of the German-Soviet Pact because they wish to exercise certain pressure on Germany. If the treaty is not ratified it falls to the ground. It seems that although the treaty is operative at the moment the clauses regarding one year's notice before cancellation do not come into force until after ratification. Maiski has apparently allowed journalists to publish the fact that this is the view of "an important Soviet diplomat in London." It would seem therefore that he must be acting on instructions from Moscow but with what purpose in view is not clear.

Harker saw Van today, and gave him U.35's latest report. He says he has had it confirmed from a number of sources that the Germans have got the jitters. He thinks definitely that we have them on the run and that even if we stand completely firm there may very well be no war. If however the Germans do decide to fight he does not think it will last very long.

SEPTEMBER 1st
A.M.

Attended a meeting at C's office at 9.30. to discuss with Capt. Daru of the Zeme Bureau the setting up of an Anglo-French Bureau in this country. The purpose of the Bureau is to obtain information from existing French agents operating through Scandinavian countries and to recruit such agents from neutral seamen others who may be thought suitable. For this purpose it is necessary for them to have a close liaison with ourselves and have the necessary facilities at ports through our security officers and the immigration authorities. We shall also be able to give them other facilities, although their main purpose is espionage and not counter-espionage. Major Thornton of S.I.S. will be a permanent representative on the Bureau and act as liaison officer between the French and ourselves. The French Bureau will consist of Capt. Daru and two other officers, and a staff of about 9 secretaries and orderlies. D.S.S. has approved of this arrangement.

While we were discussing this a message came through to the effect that Danzig had been taken over and that the Germans had started bomb Warsaw and other towns.

After this meeting I went on with Mr. Cowgill to Transport House where we saw Tollerton. We have arranged with him to obtain a document which will fill the requirements of our double-cross agent Peters. The Ministry of Transport have a very elaborate and efficient scheme for the diversion of shipping which is already in operation. A questionnaire to ports was sent out some time ago in order to enable the

Ministry of Transport to work out this system. We are letting Peters have a copy of this questionnaire which he could quite easily have obtained since it has been in the hands of port authorities.

P.M.

The telegrams for the arrest of German Party members and German suspects in Category I were sent out at 1.30. The telegrams for the arrest of persons under Section 18B were sent out between 3.30 and 4.30.

It was apparently decided that instructions regarding Categories II and III should not be sent out until the following day.

At the request of the H.O., D.S.S. and B. agreed that nobody on our lists of Party members or suspects should be stopped at ports unless we had any very special reason for holding them.

I enquired of the Aliens Branch what the position was and was told by Ralfe and Perkins that instructions had been sent to act on our list circulated to ports, but that this had just been cancelled on Maxwell's instructions. The position then was that none of our suspects would be arrested if they succeeded in reaching one of the ports. It was then agreed that we should supply a short list of people in whom we were particularly interested. I got a list of some 16 Party members and suspects to Mr. Perks at about 5 p.m. and asked him to get it through to the ports by telephone.

About 7.30 Cooper rang up from the H.O. to

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say that as Dr. JAECKH's name had been discovered on the port list and since he was a nat. Brit.subject, doubts had been cast on our list in general as to whether there might not be other British subjects. Maxwell had therefore given orders that no action was to be taken as regards categories II and III until the Aliens Branch of the H.O. had checked up the names over their files.

I spoke to both Clayton and Cooper and said that this whole business about the lists had reduced our contemplated action and instructions to a farce, and I asked whether there was any objection to my taking up the question with D.S.S. and Sir Alexander Maxwell. I telephoned D.S.S. and asked him to speak to Maxwell.

SEPTEMBER 2nd
A.M.

D.S.S. informed me that he had spoken to Maxwell who had agreed that if we would check the lists and D.S.S. would give his assurance that it included no British subjects, action could be taken against Categories II and III.

I told D.S.S. I did not see how we could check the lists without getting up all the files. He then spoke to Maxwell again, who rather reluctantly agreed to instructions regarding Categories II and III going out to C.C.s provided they were told to check carefully against the possible inclusion of any British subjects. This was done and the telegram was sent off about 11 a.m.

D.S.S. suggested to Commissioner that he might consider having up Sir Oswald Mosley and Harry Pollitt

and asking them what their attitude is and that of their party in the present situation. It was thought that in this way one might get some public declaration of policy from them which would help us and the Police in dealing with the Fascist and Communist problem.

The Commissioner thanked D.S.S. for the suggestion. He was actually at the time considering what course of action he should take with regard to both parties. He had come to the conclusion that for the time being it would be better to wait and see whether they infringed the law in any way. If they did, he would act immediately.

Sneath says that up till 31.8.39 the Fascist Party were taking a definitely pro-German attitude, but that there had not been any time to estimate whether a change had taken place in the last two days.

Hollis says that the Communist Party show strong signs of supporting the war on grounds of Germany's aggressive action to deprive the Poles of their independence.

A warrant for general postal and telegraphic censorship was given at about 12 noon on 31.8.39. By 6 p.m. telegraphic censorship was working. Postal censorship started to operate on outgoing mails at about midday on 1.9.39. So far we have received no results but it is probably due to a shortage of staff, which will not be properly organised until its premises in Liverpool are occupied.

P.M.

S.B. report that they arrested some 30 suspects under Category I. They are sending over to us the documents that they have obtained. These arrests include SINGER the journalist.

S.B. appeared to have taken in his wife as well and put her into Holloway Jail as they thought that she might be destroying his papers. They now want to know what to do with her. We have told them to release her and tell her to go.

Harker saw Jebb today. There seems to be some sort of hitch as regards a declaration of war, mainly on account of the French who have to put the matter before the Council which is meeting at 3.15 this afternoon. It is reported that Bonnet is inclined to wriggle.

Van now feels that war is inevitable. He had previously been under the impression that Hitler would not face up to the attack on Poland.

According to special material Hesse of the D.N.B. returned having been sent back after a violent interview with the Fuehrer. He was to stay in the Embassy as a Press Adviser. Instructions have been issued that he is not to be arrested or detained if he attempts to leave.

SEPTEMBER 3rd
A.M.

At 10 a.m. particulars were given of the presentation of our ultimatum to Germany which was to expire at 11 a.m. At 11.15 the Prime Minister spoke stating that as no guarantee of the withdrawal of German troops from Poland had been received, our Ambassador had asked for his passport, and we were now in a state of war with Germany.

At 11.30 Air Raid warnings were sounded. They subsequently turned out to be a false alarm.

P.M.

The French declaration of war 5 p.m.

Present reports show that out of a total of 826 Germans, 349 have left voluntarily and 69 have been arrested. This leaves a total of 408 unaccounted for.

The Germans have protested against the arrest of AHLEFELDT on the grounds that she is secretary to the Ambassador in his capacity as head of the German

Colony. She has of course no diplomatic priveleges of any kind, but at H.O. request we have agreed that she can be released provided she is seen on board by S.B.

The Germans have also protested about the arrest of GRAF the baker. We have given orders that he is to be held, as we wish to interrogate him.

At present, with the exception of 16 individuals specially selected by us as technicians, all German are being allowed to leave. Other aliens can also leave without permission for a period of about 7 days when the Permit Office will be set up. The same applies to British subjects.

The Oxford Don took matters into his own hands yesterday and objected on security grounds to the internment of two Germans who had been resident here since 1926. H.O. got into a flat spin and the decision had to be reversed.

Passport Control are asking what our requirements are with regard to the British subjects abroad wishing to return to this country. In the last war they had to get visas from Passport Control if they were coming from military-controlled areas.

At about 10 p.m. M.I.3. telephoned to say that the German Legation in Egypt had asked that Germans should be left at liberty in return for similar facilities granted to Egyptians in Germany. Instructions have been issued to G.O.C. and Sir Miles Lampson to press for their internment, and we have wired to Maunsell supporting this policy.

Air Raid Warning 3 a.m. but nothing happened.

THIS IS A COPY
ORIGINAL DOCUMENT RETAINED
IN DEPARTMENT UNDER SECTION
3 (4) OF THE PUBLIC RECORDS
ACT 1958. *March 2000*

SEPTEMBER 4th.
A.M.

According to this morning's paper, the embarkation of enemy aliens is to be allowed to continue for 7 days. I confirmed that this was the case with the Aliens Branch. Informed D.S.S. that I thought it was most undesirable that Germans should know that they have another 6 days in this country in which to obtain any information which they could take back to Germany. D.S.S. took up the matter with Maxwell who said that the period of 7 days had been agreed to by M.I.5 on some previous date. D.D.S. says that a period of 7 days was never agreed to by any of the Committees on which he was serving. The period of time is purely arbitrary and can be fixed by competent authorities. D.D.S. is seeing if anything can be done to remedy the present situation which he agrees is highly undesirable.

A German arrived today with his wife from the continent stating that he was returning to his job at Siemens Schuckerts branch in the U.K. His wife was sent back and he was interned as a technician.

A Travel Permit organisation is already in being. Stafford has some 3-4,000 applicants and is dealing with them at his discretion as he cannot possibly refer the cases to us.

Discussed with Jeffes the question of visas for British subjects coming from abroad. Agreed that no useful purpose would be served by imposing such restrictions.

of S.I.S. rang up to say that he thought that they might usefully recruit some agents from our interned suspects before they were sent back to Germany. Arranged with Dick White to look out for any likely cases.

Special material of 2.9.39 showed that at 9.20 p.m. Hesse was trying to establish contact with Sir Horace Wilson through Steward of the Downing Street Press Office. From a conversation that Hesse had had at 9 p.m. with Schmidt the interpreter in Berlin it was clear that Schmidt, who was apparently acting more or less on his own, was anxious to get Sir Horace Wilson over to Berlin on a confidential mission which should not be disclosed either by the Germans or ourselves. The impression given was that SCHMIDT was genuinely working for an eleventh-hour settlement behind the backs of his chiefs.

At a late hour on 2.9.39 Winston had a heated conversation with the French Ambassador. He was extremely worried by the lack of action by the French and the general uncertainty of the position, even going to the length of saying that if the French did not stand firm we should abandon the Continent entirely. Corbin tried to reassure him that the delay was only due to certain technical matters, but Winston seemed somewhat unconvinced. He apologised for speaking so frankly and was evidently in a very excited state. According to Bonnet the delay was due to Gamelin who said that he needed 48 hours, but this period had been reduced to 24 hours.

The Americans through our Embassy in Washington, have informed us through one LEVINE, a journalist, who was closely associated with KRIVETSKY, the Soviet agent a coding expert named KING of the F.O. has for a long time been handing out information to the Soviet authorities. They also have another agent (unidentified) in the Cabinet Secretariat. KING appears likely to be J.H.KING. Cadogan is prepared to let him run for 48 hours on the chance of our procuring evidence. He is then to be arrested. Harker is consulting Sir Horace Wilson about the man in the Cabinet Secretariat.

SEPTEMBER 5th
A.M

We have an interesting report from S.B. about the attitude of the C.P. They have decided to liquidate their branch offices ~~to~~ to adjust their press to conform with the war policy. They also intend to join the Army and show that they are able fighters in the cause of anti-Fascism. While they realise that they may lose 75% of their membership they think that after hostilities cease they will have made a strong nucleus on which to build in the remaining 25%.

We are prepared to let Communists into the Army rank and file but it is not our intention that they should obtain posts where they have access to confidential information. Tom WINTRINGHAM has just applied for such a post under the War Office, with the Transport, Mechanical Section, which is anxious to employ him. We are intending to oppose his employment in a confidential capacity.

Spoke Menzies, who tells me that a big explosion had occurred at Wilhelmshaven, for which I gather we are indirectly responsible.

Dulanty rang up today to know if we would allow 30 Germans to pass through this country in transit. He said they were all decent people who wanted to return to their own country. He is going to give us their names. He complained that Dublin were unable to get into telephonic communication with their Legation in Paris, but he is going to tackle the D.O. about this.

P.M.

S.B. have informed us that 139 Germans have been arrested and 12 British subjects, leaving 260 still unaccounted for, probably because the search of T.I. is not yet complete.

News today that we have bombed two German battleships at Kiel but that 5 of our planes were shot down in the process. Up to the present the French do not appear to have moved in any direction. A large number of pamphlets were dropped all over Germany by our planes. It seems that they flew at such a height that they were not detected by the Germans. So far there have been no bombing attacks on us. An informant of I.P.I. who has just returned to Germany says that he thinks it unlikely that the civilian population here would be bombed because the Germans are so afraid of the morale effect of any bombing on their civilians.

A man calling himself William MULLER @ KNIGGE went to the police today offering information. He said that on the advice of the British Consul in Cologne he had returned here on 2.9.39, that he had been working on various fortifications on the western front and could give information of value. He was detained at Rochester Row pending examination by Hinchley Cooke. Hinchley Cooke tells me that he is a thoroughly unsatisfactory person. His passport bears no outward stamp by the German authorities although he says the train was held up at the frontier. The fact that he comes from Cologne is also suspicious. We are proposing to hold him indefinitely or at any rate until we can make further enquiries.

A Jew called ROSENSTEIN turned up at the H.O. saying he had a lot of information about fortifications on the Rhine. It appears that he had been to several other offices but everybody was too busy to talk to him. He has been seen by Aitken-Sneath. We are still in the same muddle about Germans leaving the country and Cooper has promised to take the matter up again.

M. has got an agent who is to be in charge of Mosley's secret headquarters. The B.U.F. have already gone very near to infringement of D.R. on an instruction that they have issued to their members in the Forces.

Our agent Dawkes has received £20 from the Germans through a bank in Oslo, and has enquired regarding ways and means of communication in future in view of censorship.

Members of the German Embassy were sent off yesterday and an undertaking was given by the shipping line that they would not be landed in Holland until Sir Neville Anderson had crossed the Dutch frontier.

German suspects have been arrested in Egypt. Some of them may be deported later.

I.O. Fishguard telephoned to say that a German, JFMANN, had been intercepted on his way to Ireland. He was travelling on a German passport but when arrested produced a British one. He is a dual national and member of the NSDAP. Instructions given to hold him pending enquiries.

Another of our suspect women has been traced to Burnmouth. When arrested she produced evidence to show that she had just married a Cypriot. She is of little importance.

SEPTEMBER 6th

A.M.

A German named Werner GOBEL has been sentenced to 6 weeks imprisonment for landing without leave. He has been here for 8 days and said that he had previously been employed at the German Air Force Information Centre at Halle. He may be a plant. Hinchley Cooke will see him first, and if he considers him reliable will arrange for the Air Ministry to interrogate him.

Further instructions are being made in view of congestion at the Permit Office for aliens including enemy aliens to be allowed to leave for another week after Saturday next. We have said that as far as enemy aliens are concerned they should not be allowed to leave after Saturday next but that in the meantime we reserve the right to search

them and hold them at the ports if necessary. As re other aliens and British subjects we have no objection to their departure during the time specified.

The Air Ministry have carried out a search of SPILLE apartment and have ascertained that he recently bought a great deal of Air Force cloth, the inference being that he may contemplate putting spies into our Air Force uniform at some future date. According to the Press this has already been done extensively by the Germans in Poland.

There is a question down in the House to ask what steps have been taken to liquidate the Link and the Anglo-German Fellowship. The answer is that Carroll of the Link has already handed in a complete list of his members to the police and offered to give them facilities to search his papers. By now he has probably destroyed anything of an incriminating nature. As regards the Anglo-German Fellowship, this organisation has been moribund for some time.

Robertson's section report that warning signals were intercepted before the raid on Kiel somewhere in the vicinity of Driffild Aerodrome from which the raid started. This seems to call for some action to clear all areas in the vicinity of aerodromes and I am taking this up.

Hinchley Cooke on the basis of a telegram interrogated a German at the London Hotel and took certain of his correspondence including a letter in code to somebody up north. The code had the appearance of being a perfectly ordinary business one, but the man at the London Hotel was obviously so alarmed that enquiries were made. It now turns out that the individual in the north has confessed that he was a German spy. (R.F.V.)

P.M.

The latest return shows that the following totals have been arrested: Germans 161, Swiss 1, Czechs 2, British 12.

The Ministry of Supply have asked that a German at present employed in Wales should be sent urgently to the R.O.F. Irving, Ayrshire to assist in the erection of a machine. He appears to be the only man who knows anything about the job. I said that we would arrange with the local C.C. for the man to be sent up under escort, that the Ministry of Supplies would have to be responsible for him while he was working in the factory and that C.C. Ayrshire would look after him at the end of his day's work. The responsibility for any mishap in the factory would have to lie entirely with the Ministry of Supplies, and as soon as the man has completed his work for the W.O. he would be interned as a technician. It seems amazing that we should be dependant on a German at this moment for the working of our Ordnance Factories.

SEPTEMBER 7th

A.M.

A wail has gone up from the Acting German Consul in Glasgow. He writes to the German F.O. from prison: "Seit Samstag Sitze ich hier im Gefangnis von Barhinnie"

I have spoken to Dunbar of the ~~Touche~~^{Touche} Department who says that our consuls have not at the moment been allowed to leave Germany. He wants us to hold the members of the Glasgow Consulate but will let me know if they can be released under restriction order.

I have considered the question of Dulanty's party of Germans who wish to return to their native country via U.K. Some of them are technicians who will be useful to the enemy but I think that we should be well-advised to let them go through. We could not have them sent over here and then arrest them without previously disclosing our intentions to the Free Government.

In the other hand if we did so the Germans would probably remain on in Eire which from our point view would be extremely undesirable. I therefore decided that they should be allowed to pass thro en bloc. Clayton has rung me about this and agr to the suggested action.

P.M.

I have gone into the question of searching the c of the Travel Bureau and the Anglo-German Chamber of Commerce. D.D.M.I. wants the Travel Bureau s for information about the German railways. Exac what information is not stated. It has also occ to me that the War Trade Intelligence Dept. might get useful data from the Anglo-German Chamber of Commerce. After consultation with the legal exp it seems that our best way of proceeding is unde 88a, putting forward as our grounds for search t there is reason to believe that these organisati were in part a cover for other activities. If o course we knew exactly what we were looking for could proceed under 80a and order those in autho to produce the required documents.

Grand of the Ministry of Information was anxious ~~purget~~ Danilo, Skoropadsky and Korostovetz from leav the country as they might engage in intrigues, c continent. After consultation with Jebb and Col of the F.O. who agreed, port officers are being instructed to prevent these people embarking, an in the meantime we will obtain a restrictions or

I have been looking into various cases which wan clear up by interrogation and/or search. In mos cases it seems desirable that we should proceed interrogate in the first instance under 80a and if necessary proceed to 88a, 88c, search of prem and person.

Winston has enquired about a friend of his, Eugene Spier, who has been arrested. I told Clayton what we knew about him and he seemed satisfied that the man should remain in prison until we had time to investigate his affairs more closely.

According to an F.O. telegram the Irish Minister in Berlin has advised Irish citizens to return in spite of the declaration of neutrality. We have issued instructions to Security Officers through D.4 that they should note the names and destinations of any Irishmen going back from Germany. We can then pass them over the records both here and in S B. and satisfy ourselves that they are harmless or that they return to their own country.

An application has come through for a number of Soviet citizens to come to this country to take delivery of orders already placed. We shall I think have to take rather a strong line about these applications. We cannot in the present circumstances have Soviet citizens wandering about our rearmament factories. Getting B.4b to look into the cases of those already here.

Special material indicates that a good deal is going on with the Italians. Laval is believed to have been in Rome and there is talk of an agreement on the questions of Djibouti, Tunisia and the Suez Canal. There is also a rumour that Grandi has been in London for the last 2 days.

Paravacini, Swiss Minister, has just taken over the German Embassy. He is apparently amazed at what he found. Roughly 300 rooms, each with 3 telephones and 2 wireless sets; innumerable quantities of keys; switches in one room seem to turn on lights in another. He is thoroughly mystified.

At 5 p.m. there were under arrest 178 Germans, 12 British, 2 Czechs, 1 Swiss.

Press reports today state that the French have broken through a loop of the Siegfried Line near Saarbrücken.

Kenneth

Charles saw Mason MacFarlane and Stronge, our M.A.s in Berlin, who have just returned. The former thinks that the leaflets policy is wrong and that we ought to be dropping bombs on the Germans. He feels that when Poland has been wound up the Germans will sue for peace and if the German population have not already had a taste of our bombing they are not likely to be so eager for their Government to come to terms. Stronge on the other hand thinks that the leaflet policy is right and that bombing might only have the effect of stiffening German resistance.

SEPTEMBER 8th
A.M.

During the night further warning signals by an enemy agent were picked up in the vicinity of Driffield.

The question of domestic servants has once again been raised. Maxwell is averse to any steps being taken to instruct people in the Services to lay off their alien domestics. He wants them to be dealt with by the tribunals in due course. My feeling is that we should press the three Services to get rid of enemy alien servants whether employed in or outside barracks, and that any other alien servants should be vetted. At present the Army and Air Force will not allow enemy alien servants in barracks and alien servants only after being vetted. The Navy seem to have them everywhere.

It has now been discovered that in the mass of regulations under which we are working it would be extremely difficult to impose the death penalty on a spy, if we happen to catch one. We could only

proceed under the ~~Prison~~ Act and D.P.P. thinks that we should meet with a good deal of difficulty in proving our case.

It is no longer possible that people should go to Ireland without getting a permit, although I understand that aliens and British subjects are being allowed to leave for other destinations without a permit.

Winston has discovered that Eric Gardiner Camp, who was tried some time ago under the Official Secrets act for selling plans to the Russians, has got into Napier's Works where he has access to extremely confidential work. The management have undertaken to dismiss him.

I have spoken to Monier-Williams about the employment here and the entry of Soviet citizens who are taking delivery of goods from various firms. I told him that we did not like having these people about the works and intended to tighten things up. He quite saw our point but from a strictly departmental view D.O.T. would deprecate anything which tended to cut down our export trade. He asked that if we intended any drastic action we would let him know beforehand.

We have issued our first warrant on a bank today in connection with the case of Quen^y Joyce. We are asking the Westminster to produce the account of Christian Bauer with whom Joyce was in contact. We also intend to serve warrants on the Swiss Banking Corporation and Schroeders in connection with the accounts of various suspect Germans formerly employed at the Embassy.

Discussed with Monier-Williams the winding up of German firms and possible assistance they might be offered by our obtaining access to the records of the Anglo-German Chamber of Commerce. He said that these matters were at the moment in the hands of Mr. W.S. Rainbow of the B.O.T. who has powers under the Enemy Trading Act, but for some reason or other has not yet

got going. Cecil is going to see him and find out the position.

Arrest figures today were: Germans 194, Czechs 2, Swiss 1, British 12. At large 79.

H.O. are clamouring for information about Spier. We have given them our reasons for interning him. These sort of cases of intervention by Cabinet Ministers cause a frightful dislocation and a lot of work.

SEPTEMBER 9th
A.M.

A Swiss subject named Halle has been arrested in error. He has the same as a German member of the NSDAP, and we have ordered his release, after representations by the Swiss Legation.

I have agreed on the procedure with Kendal for sending enemy aliens about the country. In criminal cases the normal procedure is for the C.C. wanting a man to send the necessary escort to fetch him. In the present case, that of Schuftan, a mechanical expert required by R.O.F. Irvin, this procedure does not seem to be necessary. S.B. will give him a permit to travel and will inform C.C. Ayrshire that he has been sent off. They will meet him and see that he is placed under the necessary restrictions.

Cooper informs me that in a weeks time landing conditions for all ordinary aliens are to be cancelled.

Capt. Preston, A.A. Command, W.O. Ext. 135 reports that various people unidentified in uniform have been asking questions from some of his units. He would like to know what action his officers should take. He has been told that they should try and satisfy themselves regarding the bona fides of these people and if in doubt hold them pending enquiries. They

should report the whole affairs to the Security Officer at the local Command.

We have just heard that we have caught a deserter in uniform who has been travelling about in a car, changing the number. It seems probable that he is the man previously reported by Stammers as trying to get information from R.A.F. Observer Corps.

Archer tells me that the bombs dropped at Kiel were 1 ton bombs.

P.M.

Arrangements for setting up of tribunals are proceeding. Have discussed this matter with D.D.S. He still thinks that our records should be searched only for cases where internment is not recommended.

As regards subsequent employment of any of those left at large and also the employment of ordinary aliens, he tells me that H.O., acting on a list of different categories of employment will stamp the passport of every alien indicating exactly what he might or might not do. No change of employment can take place without reference.

The Home Secretary has now demanded by return the reasons for the internment of GLAS. Wickham Steed, Seton Watson and the French Ambassador have all weighed in on his behalf. The case appears to be a cast iron one.

SEPTEMBER 10th

P.M.

Fritz HELLER, Swiss, was released at 4 p.m. with apologies.

D.N.I. expressed anxiety about the embarkation of troops at Avonmouth, Cardiff, and Southampton. He was afraid there might be a leakage of information through the Italian Embassy and consulates. In

In order to prevent this he suggested that some hold-up might be staged as regards telephones and telegraphs. Ascertained that telephones were operating between Embassy in London and Rome only, and that censorship could hold up telegrams for a few hours if considered desirable. It was feared however that this would be detected since Embassy telegrams backed by the Ambassador have priority.

Spoke Beaumont-Nesbitt who was very anxious that something should be done. In the meantime D.S.S. saw D.N.I. who after consultation with his staff seemed to think that no action was necessary. What he was really worried about was leakage from the French side. I again spoke Beaumont-Nesbitt who said that if possible he would like delay carried out during the next 4-5 days on both telephones and telegrams.

The question was raised under what powers we could now intern enemy aliens. The answer is that all G.C.s have powers under royal prerogative.

Rosinski has been interned and it now transpires that he has been in touch with a man called Bolton who was paying him sums of money. A letter obtained from the censorship points very strongly to Bolton being a German agent.

Wickham Steed has asked for special privileges to be granted to Holtermann, social democrat, who has been working in Transport House in efforts to bring about the downfall of the Nazi regime. We took the view that we cannot exempt him at the moment from the normal restrictions imposed on enemy aliens. If we did we should have a flood of applicants from all those who were pleased to call themselves Social Democrats.

I have raised the question of Irish censorship. There is at present nothing to prevent the Germans

setting up an espionage bureau in Ireland from which they can run agents in this country. The only effective measures would be postal, telegraphic and telephonic censorship both on north and south.

External censorship has been set up in Ireland and the Eire Censor is collaborating with our Chief Censor. Censorship in N. Ireland is on exactly parallel lines to that in force here and is run by the Chief Censor in this country.

J.35 has reported that the reason for the German abstention from bombing England or France is that Hitler intends to destroy Poland and then offer to make peace on the grounds that he has taken no offensive action against the allies.

U.35 also gave us information about an American agent of German origin proceeding to U.S.A. We have passed this on to Herschel Johnson.

Other S.I.S. reports show the desertion of 30-40 S.S. men to Switzerland and the expected presence in Berlin of Molotov to sign a military alliance between Russia and Germany. This alliance contemplates the invasion of both Roumania and Poland.

The Home Secretary was pleased with our report about J.F. Glas and has decided that for the time being at any rate he should remain where he is.

The Egyptian P.M. has promised G.O.C. Egypt that German suspects will not be released.

Total arrests in U.K. by 5 p.m. today are 202 Germans. 68 unaccounted for.

SEPTEMBER 11th
A.M.

We have continued enquiries about the interception of telephones and telegrams. Woolcombe has arranged that
Catalogue Reference:KV/4/185

immediately there is any indication on the tele of the reporting of troop movements we shall be informed. We then propose to stage a temporary down of telephonic and telegraphic communication Rome.

U.35 has reported that the S.African Minister a Hague is giving out that he has it on the authority of the British Govt. that the Athenia was not torpedoed but struck a mine. Dominions Office are asking for a report from Bland about the minister who is Dr. Van Broekhuizen. They will then consider whether we should inform de Villiers or they should deal with the matter through their Commissioner.

Had a further talk with Cooper about the cancellation of time conditions. This is only to apply to arrivals in the country and not to those entering at any date. I protested to Cooper that these measures being taken without prior consultation with our His only answer was that it was a matter of general policy given out by the Home Secretary and previously approved by the Cabinet. Since however there is a C.I.D. Sub-Committee which is supposed to deal with these matters his answer is not a very good one. He also contended that we had approved months ago the decision to allow enemy aliens other than those on our suspect lists to remain at liberty. This is in fact incorrect since Govt. War Book Chap. 9 p. 11 says "It is not proposed that general internment should be automatic on the outbreak of hostilities. It is however expected that it would probably be necessary very shortly afterwards." The first intimation of any change in this policy reached us two days before the outbreak of war when we were confronted with the suggestion to set up tribunals. Unfortunately we agreed to this suggestion.

C.C. Lancs called in today. He said that as regards the majority of his enemy aliens he has not the slightest idea whether they are genuine refugees or not, neither does he see how he can possibly

SEPTEMBER 12th

A.M.

35-

Snow who was arrested under 18b, has been using a wireless set which was given to him by the Germans, under our direction from Wandsworth Prison. He called up 3 times and received a reply.

We are still getting reports about the man visiting Air Force Observer Corps. He travels in a car with a bogus number. The latest information is that he was arrested 4 times yesterday and said he was an officer named BRIDGEMAN from M.I.5 and on each occasion was released on the assurance of Scotland Yard. This came from Capt. Preston in charge of A.A. at the W.O. I asked him to get chapter and verse if possible. It is difficult to do anything unless we know what C.C. and what officer of Scotland Yard is concerned. I am beginning to believe that the whole thing is a myth.

It is difficult to know whether this war is being run by Joe Kennedy, H.O. or the fighting Services. On 4th Sept. Kennedy was telling Halifax exactly what he thought we ought to do. Great care must be taken by France and ourselves not to set back American opinion by any air action that would enable American opinion to be brought to think that we had been the first to resort to indiscriminate bombardment.

The H.O. are full of appeasement on the home front. The idea is that all aliens in this country including it seems a large proportion of enemy aliens, should be harnessed into the national effort. For this reason the conditional landing of all aliens is to be cancelled in a week's time. The decisions are taken with regard to control of aliens without any reference to the Security Service, on whom the real responsibility rests. I am going to try and get out some memorandum with a view perhaps to getting the Service Dept.s to weigh in and adjust the balance.

I heard yesterday that RAPP, the taxi driver who was down for arrest on account of his association with the German Embassy, drove his own taxi into Brixton Prison with an S.B. officer inside. The S.B. man then got out and ordered his arrest.

Had a discussion with Canning about 88a of the D.I. For the time being S.B. are quite prepared to act under Section 2 on a Superintendent's warrant provided we supply them with the facts. When things settle down we may have to go before a

O.C.Devon tells us that since the crisis 250 aliens, 60 of whom are enemy aliens, have moved into the Torbay area. He now has a total of some 400 aliens, 120 of whom are enemy aliens, and he is getting rather worried about their proximity to the coast. I have suggested to him that he refuse permits and have explained that tribunals are going to deal with enemy aliens. It is also open to him to prevent residence in the vicinity of vulnerable points.

On Sept.6th German strength was reported as follo

1750 long range bombers, 858 of which were in the west.

380 short range bombers,

1215 fighters,

670 reconnaissance machines,

305 coastal and ship-borne aircraft,

1000 troop transport.

The Polish strength at the outbreak of war was:

494 bombers, only 30 of which were modern bombers

Our pilots who dropped the leaflets report that the search lights were badly operated and that there was no attack by German fighters.

THIS IS A COPY
ORIGINAL DOCUMENT RETAINED
IN DEPARTMENT UNDER SECTION
3 (4) OF THE PUBLIC RECORDS

P.M.

Total number of arrests up to 5 today was 206. 61 of those on the Suspect Index are still unaccounted for.

SEPTEMBER 13th

A.M.

Special material for the 11th indicates that discussions are going on between ourselves and the French regarding the possibility of giving some direct assistance to the Polish Forces.

There was a bad mixup yesterday by the Ministry of Information. They issued some sort of communique about the arrival of British troops in France. This was printed by the newspapers. They then sent the police out to confiscate all those which were in print, but finally decided to allow the information to be published. It makes all our efforts to keep watch on leakage of information regarding troop movements through Italian sources rather fruitless.

Saw Herschel Johnson today at his request. He had had a letter from Dunn who was worried because Paget, Passport Control New York, had established direct contact with the War Ministry and the F.B.I. on political and espionage matters. Dunn was anxious that all this information should be bottle-necked through the State Department. I had to give an assurance that we should so inform Paget. Herschel Johnson was careful to explain that this was only a personal reflection on Paget and that the State Dept. were only too anxious to assist us in every possible way. They were however worried about a liberal exchange through the police and military owing to the very delicate international situation. I asked Johnson privately what he thought of the leaflet policy. He said "This must be right off the record, but if you want my private opinion I think it is entirely wrong. There is much too much emphasis laid on the note that we are fighting the Nazis. In point of fact we are fighting the Germans and this should be realised."

Saw Commander S.I.S. He is anxious to start working on our internees as soon as possible and has appointed to be in charge of this work. E. will have the assistance of Supt. Jempso of S.B. and also who is kicking his heel at the Tower of London while waiting for the arrival of German prisoners of war. I suggested we might perhaps pool our resources with S.I.S. in the matter of the interrogation of prisoners, whom there are over 200. Howard was quite in agreement. I suggested to him that he might perhaps like to interrogate some of the German sailors whom we have already taken off neutral ships.

The Frenchmen arrived today. Capt. Daru and Capt. Beliard. The latter is the son of Col. Beliard who did the same job here in the last war. A scheme has been worked out by which any agents whom the French or ourselves recruit will be inserted in our Black List with instructions that we should be notified immediately of his arrival, but that he is not to be refused leave to land. In this way a man arriving will appear to the port officer as a genuine suspect whom for special reasons we wish to come in and have followed. If a new agent is recruited by Passport Control abroad his particulars will be sent to this country in special cipher by the P.C.O. and we shall then issue similar instructions to ports.

We have had a bad piece of news today. U.35's special source has got into difficulties and wishes to make use of his British passport. No further details at the moment.

P.M.

I drafted a strong minute for D.S.S. on the whole alien situation, suggesting that some thing should be done to adjust the balance between the interests of the H.O. and the

U.35's special source reports under date 11.9 that the German F.O. takes the view that France is not enthusiastic about the war and will welcome any reasonable pretext to conclude peace. Germany intends after the defeat of Poland to start intensive propaganda in France to dissuade the French from fighting for British Imperialism. This will be followed immediately by the putting forward of peace proposals by Mussolini.

Another report from S.I.S. by a diplomat of a neutral state more or less confirms this view but adds that just before the achievement of final success by the Germans, the Russians would make a token advance right along the Eastern border, not really so much to help Germany, as to make sure that the Germans did not come too far across in the direction of the U.S.S.R. After this there will be a terrific drive for peace by the Duce and the Pope, and if this is turned down Italy will come in on the German side.

U.35's special source considers that our leaflet policy has been a failure. His views are confirmed by a senior representative of the Dutch General Staff, who thinks that the general effect has been unfortunate and the people are contemptuous and irritated by a personal attack on Hitler, whom the Germans regard as the man who holds their fate in his hands, has caused special irritation. The time has been ill-chosen, the Germans are flushed with success against the Poles and are elated at the inactivity of the British and French. The paper bombardment has been consequently the subject of many derisive jests. It would be better to chuck 15 tons of bombs and then talk.

Other opinions are that the idea is good but that the type of pamphlet is poor. It is suggested that it would be better to say that Danzig, from the German point of view is not worth a world war, that whatever the outcome Germany at least would be plunged into chaos and Bolshevism, and that if the Germans thought that after a few facile successes against the weakest of their enemies they only had to make peace proposals for them to be immediately accepted, they were making the mistake of their lives. The Allies could and would prosecute the war to a successful conclusion, namely, the liberation of the German people from a regime which inevitably made Germany world public enemy No.1.

SEPTEMBER 14th
A.M.

U.35 special source and his servant are arriving in this country by aeroplane today, and will be accommodated in a flat in London. We still do not know what has happened.

We are trying to get Dick White's informant to Holland, which may perhaps compensate to some extent for the loss of P.

SEPTEMBER 15th

A.G.3. have raised the question of interviewing internees. I have expressed the view that it would be much better that internees should receive no visitors for the time being until we have got their cases cleared up. I think however we shall probably have to give way in cases under 18b so far as legal advice is concerned. We have taken this question up with H.O., who will be expected to report to us before they are allowed to make a visit.

The S. of S. for War has been pressing us to take on Pat Hastings in M.I.5 as a legal adviser. The answer's a lemon.

D.D.S. has had a long talk with Sir Claud Schuster who is in charge of setting up the tribunals. Schuster is rather in the dark about the alien situation. He had not realised that about 50,000 were at large and that little was known about their antecedents. He has evidently formed a bad impression of Cooper, from whom he could get no sensible direction. He had not seen our recommendations as to the lines interrogations were to take. D.D.S. consulted Schuster about somebody with legal knowledge to represent our point of view in regard to the tribunals. Schuster mentioned his son-in-law Turner who is coming to the office to take up this work. He should be helpful in putting things on better lines.

Heard that WENNINGER had left certain property at his apartment in Chelsea. Although I spoke to Dunlop who said that he was technically inviolable, I asked him to forget the conversation and arrange for Archer to go down and have a look. There was nothing very exciting there, but certain keys for his safe-deposit were found. Archie Boyle was very keen for Archer to have a look at the safe-deposit. The question is however rather delicate, although I have ascertained that the proprietors are quite sound people and likely to play.

P. returned by aeroplane this morning with his servant. He was received by Dick White and is using Dick's brother's flat. P. was convinced that something had gone wrong as he was given a list of agents' names by a member of the Legation Staff, identical with

the one that he had given S.I.S. The curious thing was that one of the names was spelt in the English way. He felt convinced there must be a leakage going on from Stephenson's office and it could only be a matter of time before he was discovered and dealt with. The general impression is that the whole situation had rather got on his nerves and that he felt he could not go on. His servant was magnificent and apparently arranged every detail of P's departure. P. had played up 100% until the moment he left the Legation. The Germans at the Hague must now be scratching their heads wondering how much has gone west.

We had a meeting of the German sections when it was decided that all cases for action under D.R. would be submitted to me and that whenever people were interned under Royal Prerogative or 18b notification should be made to Stephens who will keep a complete list showing names and places of internment.

The status of Danzigers was discussed without any very conclusive result except that as far as we can ascertain from the Treaties Dept. F.O., they should technically be regarded as aliens and not as enemy aliens. In the middle of the meeting a small boy stuck his head into the room and said "Have you any dirty towels?"

A man called John Swift, a citizen of Eire, went out to Amsterdam by air yesterday. The case had been referred to us over the telephone by the Permit Office with insufficient details. It now transpires that he received a visa in Dublin as late as 22.8.39 from the German Consul. When he went out he said that he was connected with underground T.U. movements. We are going to have him searched

and interrogated when he comes back, and I have written to Archer about it. We shall obviously have to be very careful about Eire citizens visiting the continent.

SEPTEMBER 16th

The Oxford Don, who is a real tiger, brought me a case of a German concerning whom nothing is known but who had annoyed the S.C.O. at Southampton by wandering about while troops were embarking. The Oxford Don recommended his immediate internment. While cordially agreeing I felt that we were only nibbling at the problem. It seemed highly desirable at this stage that any enemy aliens in the vicinity of ports where troop movements were going on should be interned forthwith. Consulted D.D.S. who finally agreed that we should write a letter to Maxwell. Later however he spoke to Maxwell on the telephone. Maxwell was obviously worried at the suggestion as he thought it might be taken as an excuse by certain C.C.s to order wholesale internments throughout the country. He consented however to something of the kind being sent to certain C.C.s on the understanding that they would only act where they had reasonable grounds for suspecting that an alien was taking an undue interest in service matters. This seems to be the thin end of the wedge and after consultation with Allen we decided to drive it well home by drafting a letter for the H.O. to send out to all C.C.s and which we hoped would cover them in interning alien enemies who were over-inquisitive regarding any works of importance throughout the country. D.D.S. is now trying to gild this pill for H.O. consumption. If it goes through we shall have more or less torpedoed the whole tribunal system.

Norman Kendal spoke to me about the case of Bernard WEISS, ex-Berlin Police Chief who has been interned. We have agreed to release him and have informed the H.O.

For some reason however Kendal or his deputy Howe wish to be present at the interrogation of any enemy aliens sent up from ports to Cannon Row. There does not seem to be any objection from our point of view but it seems to me that they are likely to waste a great deal of the time, and that if one or other of them cannot make himself available the arrangement may be very inconvenient. I am not worrying, because I think by the time Stephens has interrogated an alien in German (which neither of them understand) for two hours, they will find the proceedings very boring and give up the arrangement.

The Oxford Don has gone off the deep end and has instructed D.4 Branch to issue a circular that all Danzigers should be regarded as enemy aliens. This is in direct contradiction to the F.O. view. The necessary adjustments are now being made.

Total number of arrests to date is now 225, 24 being still at large.

SEPTEMBER 17th

We received news at 9 a.m. that the Russians had crossed the Polish border at 4 a.m. Later in the day it was announced that the Russians had taken this action since Poland's Government no longer existed and it was necessary that the Russian minorities in the Ukraine should be protected.

Discussed the question of Russian suspects with particular reference to R.O.P. There are standing instructions about R.O.P. installations and C.C.s have been keeping a special watch over them since the outbreak of war. We have got a list of the more prominent communists employed at the installations and also a list of the Russians. I have asked B.4b to get a rough estimate of the total number of U.S.S.R. citizens who might have to be interned, and also to let me have a small list of those who are specially suspect.

At the moment F.O. are making no pronouncement as to whether we are at war with Russia or not. They do not seem to think we shall be.

The Cabinet War Committee have published a note on Eire and were anxious to get information about the possibilities of espionage being run on Eire territory. I sent a note to Col. Dykes setting out the whole position and giving him our opinion of the measures at present in force in Eire to combat German activities. I also mentioned the suggestion of cooperation in wireless interception and the desirability of imposing censorship.

The Oxford Don has created a stir by refusing an exit permit to a British engineer employed by Babcock & Wilcox who is now seeking a job with the Turf Board Ltd. in Eire. He takes the view that technicians are likely to be useful to us at this time and should not be allowed to leave the country. On broad principles he is quite right. Unfortunately however the Ministry of Labour take a different view. They are experiencing considerable difficulty in the House in getting through the Labour Control Bill

and Bevan, with whom I spoke in the absence of Leggett, feels that it may lead to considerable trouble if we try to prevent a man from taking work wherever he likes. The only case in which we can really object on security grounds would be that of a man who had been employed on specially secret work and wished to leave the country to take employment elsewhere.

Special material for 13th September indicates that the Poles are pressing hard for British air assistance and decisive action on the western front. Pressure was also being brought to bear on the French. The Poles were to be given aeroplanes and would supply the pilots. The Air Ministry were evidently doubtful about the value of this and raised difficulties about the inadequacy of the landing grounds. It seemed to the Poles that the view of the British was that immediate help to the Poles was not of great practical value, that the war might last three years, when Poland would reap the benefit of victory. In other words the British Govt. could not see their way to throwing good money after bad.

SEPTEMBER 18th

John SWIFT, the Irishman who said he was connected with the Underground T.U. Movement in Germany, returned yesterday. He had in his possession a letter of introduction from the German Bakers Union dated 23rd August 1939. As he received his visa from the German Legation in Dublin on the 22nd, it would seem that he could not have got it on the strength of this letter. He was also successful in bringing out a number of anti-Nazi leaflets from Germany. He said that

he was not searched on account of the letter from the Bakers Union. He refused to give any details as to the people with whom he was connected either here or in Germany. I am inclined to doubt the bona fides of this man and have written again to Archer.

S.B. report that the officials controlling the Tottenham Dust Destroyer have received from a Japanese contractor two tons of literature, papers, books etc. which they were asked to burn without making any reference to the police. An official in charge of the Dust Destroyer looked over the literature and refused to burn it. It appears that the Japanese contractor had received the documents from the Japanese Embassy. A recent B.J. shows that Embassies abroad have been instructed to destroy any papers that they do not feel it essential to keep and to make special arrangements for the safety of confidential documents. Samples of the literature are being sent up for our inspection.

We have a report that the Italian dual nationals are leaving this country on their Italian passports and we assume that they will probably be coming back on their British ones. There is no suggestion that they are being called up. It seems more likely that they think Italy will be a quieter place than London for the duration of the war.

An illicit wireless station within 10 miles of this office has been picked up. It is in touch with at least 5 other stations, one of which is in France, and is sending frequent messages by day and night. Our D.F. stations have completely failed to locate it, although signals were very strong. It

is believed that the balloon barrage may be having a serious effect on D.F. work.

V.V. told me that David Boyle was the Mystery Man who went to Germany just before the outbreak of war and that his purpose was to contact a certain German general whom it was thought might lead a revolt in the German Army.

P. and U.35 are considering a scheme by which P. should come right out in the open and denounce the German regime in the press and on the wireless.

I heard of a Greek the other day trying to get back to his own country. He had to obtain about 5 permits and his great difficulty was to get them to synchronise. A delay of 48 hours in the sailing of his boat has now thrown him completely out of gear.

A party of 6 Germans, members of the crew, was taken off the Roosevelt. The Americans have asked that they should be sent back on the Manhattan. I spoke to Herschel Johnson and explained to him our difficulties. I also told him that there had been an ugly scene in Southampton when members of the crew of Manhattan had threatened to force the gangway. We have agreed to let them go back on the Manhattan but I have asked Herschel Johnson to persuade the United States Lines to refrain from sending German crews to this country. I also told him that before long neutral crews would not be allowed to land or to be visited on board.

Spoke Jock Balfour, American Section F.O., and told him what had happened and suggested that the F.O. might usefully

inform all neutrals of what they might expect in the course of the next 10 days. He entirely agreed. I so informed Adam.

S.I.S. reports that the Russo-Turkish Pact will not affect relations with G.B. and France. The French General Staff regard our leaflets as a failure. They think bombs should have been dropped first and leaflets afterwards.

S.I.S. report states that if Turkey becomes involved in war with Germany the U.S.S.R. Pact with Germany would become invalid. Likewise if Germany's attacks Roumania the Russo-German Pact becomes invalid.

SEPTEMBER 19th.

Lord Hankey has been instructed by the P.M. to enquire into the possibility of leakage of information from the U.K. to Germany and suggest measures to stop it. His first step was to enquire into the methods of wireless interception. This led to a wrangle between W.O. and S.I.S. Lord H. had not realised that MI5 were not responsible for wireless interception in this country. We have been asked (a) to put up a brief note showing the various methods by which information could reach Germany and any suggestions which we may have to prevent such leakage; (b) a note on Eire in the same sense and (c) a note on any additional powers required to search and arrest. Lord H.'s interest in these matters prompted by the P.M. seems to give us our chance of getting our views represented in the Cabinet and for counteracting home front

50
appeasement and the policy of making
this country a place fit for aliens
to live in.

SEPTEMBER 20th

The case of leakage of information through King, one of the cypher clerks in the F.O. who was handing it on to the Russians, has developed considerably. Another man is now involved. Arrests have not yet been effected, as the evidence is not ~~very~~ complete. They will probably be interrogated under the Official Secrets Act, but it is doubtful whether we shall prosecute.

Left the office at 3 p.m. for Winchester.

SEPTEMBER 21st

Winchester and Copthorne. Returned to London in the evening.

SEPTEMBER 22nd

Wish I had never been away - piles and piles of work.

Our D.F. stations thought they had pinned down the illicit wireless station to the Italian Embassy but this is by no means certain.

Spoke Mr. Dulanty about the case of SWIFT and told him that we would grant the permit for him to return to Eire but that he could not come back until the whole business has been cleared up. Dulanty quite appreciated the position and said that he would say a word to

Dublin and forward on our letter to Archer.

The question as to whether travel permits should or should not be issued is becoming more and more complex. My own view is that travelling should be severely restricted and that permits should only be granted when the journey is definitely shown to be in the national interest. There are constant applications from Italians who want to go for a holiday. We are turning all these down.

We have also had a case of an American student who wanted to go to Dublin. As visas from abroad are no longer being given to students we said that the permit should not be granted and that the individual should be encouraged to return to U.S.A.

Frequent reports are coming in about German submarine bases on the west coast of Eire. There seems little doubt that something of the kind is going on. We are passing reports on to the Ministry of Defence for their comments. N.I.D. are getting rather exasperated and are thinking of putting up a full-dress memo urging that steps with or without the cooperation of Eire should be taken to safeguard the Irish coast. Members of a submarine crew who were captured the other day were in possession of packets of Irish cigarettes.

H.O. sent us a copy of a letter they were sending the High Commissioner in S.Africa through the D.O. dealing with our naturalisation policy. It seems that the S. of S. has reversed the decision not to proceed with the naturalisation of enemy aliens in time of war. It is now suggested that those who have passed the Tribunal and are exempted from restrictions should if they so desire have their cases considered.

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We are making a mild protest.

Commander Bardwell is very worried about Admiralty petrol storage depots which are being constructed with Irish labour. He wants to have the personnel vetted. I explained that vetting by this department was useless and that S.B. would probably be unable to cope with the volume and that even if they could the results would be by no means conclusive. It would be perfectly possible for two Irishmen to come over from Eire and do all the necessary damage. At the same time it seemed futile to go on vetting all these people from the Communist or Fascist point of view which we were doing at the rate of some 16,000 a month, while there is no check on the I.R.A. who are by far the most dangerous from a security point of view.

Gravesend telephoned to say that a Dutchman called Grandes had arrived en route for Holland. He was searched and found to be in possession of a number of documents referring to aircraft etc. When questioned he gave the name of _____ who he said was in the British S.S. _____ who works for S.I.S., denied all knowledge. The S. _____ at Gravesend stutters and it subsequently transpired that the name was BRANDES.

_____ still denied knowledge but on seeing the papers ascertained that the man was connected with someone else to whom had given facilities on account of purchases he was making for the Air Ministry.

Poliakov is trying to go to the U.S.A. on a lecture tour. He is backed by Lord Tyrrell and Ashton Gwatkins. The case has been
Catalogue Reference KV 74/185 with a warning from us.

~~Snow~~ has been let out of jail and is proceeding to Holland where he is contacting a German agent. He is to go on using his wireless under our instructions and is sending weather reports which the Germans want.

SEPTEMBER 23rd

Our D.F. stations have definitely pinned down the illicit wireless station to the Polish Embassy. There is no doubt now that previous calculations were thrown out on account of the balloon barrage. There is another illicit wireless station ^{which} been detected somewhere near Winchester.

P. and U.35 have worked out a scheme for inducing German airmen to desert. They propose that a message should be broadcast giving details as to a landing ground on some island which can be used by day or night under certain conditions. They think that quite a number of pilots might desert and that in any case the broadcast will have a demoralising effect. In the meantime P. has got himself arrested. He went to the Nazi spy film, where he was recognised by a Belgian who was a connection of Vans. The Belgian reported him to the police, who took P. back to his home. Dick White had to get the party straightened out.

U.35 has worked out a useful plan for getting Dick's agent out to the Hague. Her connections are very good and she ought to compensate for the loss of P. to a certain degree.

This has been one of the worst days since I have been in the office. One continuous stream of questions, telephoning and signing letters. The trouble is that matters of

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policy all emanate from work in B. branch, but that there seems to be nobody in the office whose duty it is to formulate policy and get approval from higher authority. The questions are almost invariably thrown back at B. who have to drive them out of the office, and try to do their investigation work at the same time. We have just got our first batch of names from S.B. of those who are to go before the tribunals, but no instructions appear to have been issued to provincial C.C.s. The vetting of these names is going to throw an increased burden on our experts, since wherever there is a trace a summary of information to be put up will have to be carefully vetted, otherwise we shall get into difficulties. I am trying to form a section for this work.

SEPTEMBER 24th

Quieter day owing to Sunday being regarded by other departments as a day of rest. It has not yet been fully realised that the war goes on on Sundays as well as weekdays.

Discussed with Craig information regarding submarine bases on West Coast of Ireland. The Admiralty are worried about this and are anxious to get up a case to present to the D.O. Their view is that they should be allowed to go inside the 3-mile limit in order to control German submarine activities.

D.N.I. does not want us to communicate information from Eire on this question pending some decision. Personally I cannot quite see why. I warned Craig against vague allegations about submarines which reach us and

probably himself from Northern Ireland. At the same time I feel it is highly probable that the Germans are active on the West Coast and that the Govt. of Eire though possibly willing, are ill-equipped to deal with this matter.

The soldiers are getting worried about the troops in this country corresponding with friends and relations in Eire and so disclosing their position and movements. It has once more emphasised the necessity for some form of censorship. So far there has been no decision on this question.

M. has put up a note on the BUF and the Nordic League. I have asked for some direction as to policy. The BUF seem to be getting into the War Reserve Police. It seems to me that the time has come to consider whether we go for these organisations as a whole and have them suppressed, or whether we continue to deal with the law-breakers as and when we find them. If we deal with the organisations as a whole we shall have to do it largely on their programme and literature.

The question has been raised whether enemy aliens interned should receive the balance of their banking accounts. I have asked Holderness for a ruling.

SEPTEMBER 25th

Discussed with Dick White, Sneath, M. and Hollis the question of the BUF and the Nordic League. My view is that we should take stock of the position and make some definite suggestions for cleaning up these organisations. It is

I think worth considering whether in so far as the BUF is concerned the Commissioner should not send for Mosley, confront him with certain evidence from his press and from leaflets and ask him definitely what is the attitude of his organisation in the present crisis. To us it seems that Mosley's future is very much bound up with the success or failure of Hitler, and his purpose would seem to be to impede the prosecution of war. Sneath is preparing a note. There seem interesting developments as regards the Nordic League which is evidently trying to penetrate the Pleace Pledge Union. This move can only be in the interests of Germany. We hopeshortly to have more concrete evidence on this point.

The question of permits is becoming increasingly difficult. It is obviously in our interests to cut down travel as much as possible.

Today we have had cases of members of the Italian Fascio who for one reason or another wish to go to Italy. It may be argued that not much harm will result since they can collect all the information they canhere and have it sent out through the diplomatic bag. On the other hand it is true to say that much more can be acheived by personal contact than by anything sent in in writing, and that from a security point of view any traffic to Italy is undesirable. Allan has taken this up with the D.M.I. and asked him to thrash the question out with the F.O. and let us have a ruling. I have spoken to Stafford and suggested to him that perhaps something could be broadcast to the effect that permits would only be granted when the journey was definitely in the national interest. He

thought that this was possible but said that the great difficulty was Eire. There is I gather to be a meeting on Friday at which I presume we shall be represented.

Cookie's pre-war spy Adams has been given 7 years.

A British subject called Hildesheim who has lived in Germany practically all his life returned here the other day and left his wife and child at Hamburg. In giving an account of himself he said that during the last war he had been employed in the construction of German submarines. He had lately been employed on doing technical translations for a firm in Hamburg. Cookie interviewed him and pointed out to him that his conduct during the last war had rendered him liable to a charge of high treason. Hildesheim turned the colour of parchment and said that he had never thought of that. Cookie has taken his passport and told him he will probably hear further from him in due course. Hildesheim only got his British passport in 1938.

Hordern, C.C. Lances called about the case of Kuchenmeister and left some papers. It seems that people are pressing for K's return, otherwise the wheels won't go round. I said I did not think we could possibly take the responsibility of having him at large here.

Hordern was most anxious that we should let him have copies of letters that we send to Borough C.C.s in his area as he has a special branch which he calls his Q. Branch and which deals almost exclusively with matters affecting this department.

He was rather upset that he had never been put au fait with the activities of the Auslands Organisation and did not know about the case of Kuchenmeister.

I told him that I would see what we could do to put things right.

A Director's Meeting was held today. There was a general discussion on the question of permits. It has been decided that we shall draft a letter to the H.O. embodying our complaints and send a copy to Lord Hankey, asking that some direction should be received from higher quarters.

A note to all C.C.s went out from the H.O. on the 16th Sept. telling them to keep a special watch on enemy aliens observed to frequent the vicinity of places where H.M. forces were embarking or engaged in other war activities. Should C.C.s have reason to suspect that they were taking an undue interest in naval military or air force activities they were to be interned pending the hearing of their cases by the tribunals.

From a conversation between Halifax and the Polish Ambassador it appears that there was a secret protocol in the Anglo-Polish Treaty which made it definite that the treaty was directed against aggression by Germany. We were therefore free to act in regard to Russia in any way which we considered would be most likely to the common end of defeating Germany.

On the 10th Sept. the Hungarian Minister for Foreign Affairs informed the Polish Minister in Buda Pest that on Sept. 9th Ribbentrop had demanded the passage of German troops through

Kassa. The Regent had refused and taken defence measures. He had then informed Mussolini who only a few days previously had told the Hungarians that Germany had no intention of violating Hungary's neutrality. Mussolini was much taken aback and undertook to defend the neutrality of Hungary though by what means was not stated.

An S.I.S. report states that Italy has sent 5-700 aeroplanes to Germany and 100 to Hungary.

SEPTEMBER 26th

A Communist named GOODMAN who was associated with Claud COCKBURN, applied for a permit to go to Paris on behalf of the Daily Mirror and The Week. His application was backed by Lord Faringdon and others. We turned it down on the grounds that if the French asked us to accept one of their Communists we should have refused him leave to land.

The Air Ministry have agreed to accept a number of Polish pilots for training here. There is also a move to saddle us with a vast colony of Polish refugees and to allow Polish mechanics to be employed in our aeroplane industry. There is to be a meeting tomorrow on the subject at 3 p.m. I have no objection to the pilots but feel that we should do everything in our power to hold back another avalanche of refugees. Any of those of military age might well be absorbed by France who according to Capt. Daru is reforming the remnants of the Polish Army.

I have given instructions for all suspect Italians to be placed on the Black List.

Interned enemy aliens are now appealing to the special tribunals set up under Sir Walter Monkton. I have said that we must have prior notice of such appeals and that if it is proposed to release the alien we must be represented at a subsequent hearing. I feel however that there is not much point in reviewing a number of these cases until we have had time to vet the documents seized and to make up our mind whether we ourselves are prepared to recommend (a) release under restrictions or (b) repatriation. The latter does not seem to have been for consideration in the instructions given by the H.O. to the tribunals.

King, the F.O. cypher clerk, has been arrested. He had a safe-deposit for a considerable sum of money in £5 notes. This has been seized and the notes will be traced. Both he and his mistress deny the allegations. They are both under arrest pending enquiries.

S.I.S. have one or two tentative reports about an agreement between Russia and Turkey re the closing of the Dardanelles.

The permit situation is getting worse and worse. I have drafted an urgent note to D.S.S. asking for some direction and for some definition of policy regarding Eire.

Total arrests to date, Germans 231, British 14, duals 4.

SEPTEMBER 27th

The case of King is developing in an interesting way. The notes in his safe deposit have been traced to Pieck, a Dutchman and Soviet agent, and also to the Moscow Narodny Bank. Another man in the code section of the F.O. is also involved. His name is Major Grange. He has been suspended pending interrogation. Another individual named Oake is being interrogated. It seems doubtful that he is very closely involved.

On the 26th D.S.S. sent a strong note to Maxwell urging that more consideration should be given to the security side of the alien problem and recommending that these matters should come more into the hands of the Fighting Services, who should have the last word regarding admission or exclusion. Failing some such arrangement the security service could not be responsible for safeguarding the national interest. The Fighting Services have received a copy of this letter and have been asked for their comments.

At 3 p.m. I attended meeting at the H.O. to discuss the question of the Polish refugees. In reply to a wire from the British Ambassador to Poland the F.O. had already said that members of the Polish Govt. could be granted visas. This had been done without reference to Passport Control or ourselves. I said that provided there could be some guarantee that these people were bona fide officials of the Polish Govt. there would be no objection to their being granted visas in transit to France where

it is intended to re-form the Govt. The F.O. were also anxious to grant visas to Polish Consular officers and staffs in various countries in Europe, but there seemed to be a danger of all sorts of people attaching themselves to the Consulates for the purpose of getting into this country or to France. I suggested that only such members of consulates as had been reported to the F.O. of the Govt. of the country in which they resided, should be given transit visas. The question of Poles of military age was then considered. It was agreed that as the French were forming a Polish legion these people should go to France. There would be no objection to their passing through this country in transit provided they had French visas and that the French would not refuse them right of entry. As regards Air Force personnel, the Air Ministry were proposing to form a unit which would be under R.A.F. discipline; this would include mechanics and ground staff. There was no question of any of the mechanics being introduced into our aircraft industry. The possibility of a naval unit was also under consideration, but if these people came they would also be under naval discipline. Lastly it was agreed that cases of ordinary refugees could not be considered. The F.O. wished to say that special cases might be dealt with. It was requested however that no instructions on this point should be issued to P.C.O.s since it would only lead to a flood of applications. If there were special cases, e.g. mothers-in-law of Ambassadors, applications would be made in any case and could be dealt with as they arose.

should

A difficult permit question is, /a Czech engaged in the leather trade and representing a Czech firm, be allowed to go to Jugoslavia in order to carry on his business from there. Technically he would be trading with the enemy. The probability is that he will go back to Czechoslovakia. He is in fact an enemy alien, although we cannot so regard him. If he is allowed to remain here he will be without means.

We also have a Pole who wants to go back to Poland, to his factory, via Scandinavia. Although technically an ally he is in fact an enemy alien. Both these cases have been held up.

D.M.I. in answer to our query about permits for Italians urges that they should be treated as leniently as possible as we are coming to terms with them over the supply of raw materials with which they will manufacture armaments for this country. This seemed rather doubtful policy in view of an S.I.S. report which shows that the Italians have supplied the Germans with 5-700 aeroplanes.

SEPTEMBER 28th

We have a difficult case of a Swiss called Ita who owns a hat factory in Aylsbury and another in Zurich and Vienna. He is suspect on account of German associations. Should he be allowed to go to Zurich? We have decided to interrogate him thoroughly and reserve our decision in the meantime. A curious point in his case is, that he employed Buckeridge & Braune, the German Embassy solicitors, when applying to the H.O. to be allowed to establish his business here.

I have asked Pilcher whether it would be in order for us to interrogate Braune under 80a and ask him whether he took up this case at the request of the German Embassy. It has occurred to me that we might also usefully ask Braune to try and recollect whether he had any other curious clients sent to him by the Embassy. He must know of a lot and if inclined could be of considerable help. Cookie is going to see him armed with a warrant under 80a.

Matthews tells me that they have a 100 appeals from internees which will be coming along to us. It will be for the Home Secretary to say whether these people are to be allowed to appeal or not, and he will want to have the facts of each case before him. I told Matthews that I did not know how we were going to tackle this at the moment and we were much more concerned getting people in than letting them out. Would it be possible to defer these cases for a month. He rather doubted it. I am taking this up with D.S.S.

Matthews left me his instructions to C.C.s about the tribunals. I pointed out to him that there was no provision by which the people going before the provincial tribunals were to be passed over our records. He took the line that this was unnecessary and would hold up proceedings. I said that the internment or release of enemy aliens was primarily the concern of the security service and to ignore the security records in dealing with their case struck me as being the height of insanity. He said that the matter had been discussed between Maxwell and Sir Ernest Holderness and that we had agreed to our records being ignored.

I spoke to D.D.S. who as far as I can make out never agreed to anything of the kind although it seemed to me that the point had been missed. The procedure was particularly illogical in view of the fact that we are vetting all of the cases for the Met. Police. I finally arranged that in accordance with the existing instructions whereby the chairman of the tribunals when in doubt about a case can draw the H.O. file, H.O. should see that our information was also tapped. As the tribunals have already started work this seems to be the only thing we can do.

Our recommendations to the chairman on the interrogations have not yet been sent out, in spite of the fact that cases are already being dealt with. We only had the draft for vetting yesterday.

Between 7 and 8 p.m. Philip Allen, Secretary to the Home Secretary, rang up about two alleged Dutch inventors, de Voogt and J.R. Carp. Had we any objection to their coming here? It appears that Admiral Towers on the recommendation of an M.P. called Sir Reginald Clerry(?) had said that he would like to see these people. Towers had made no reference to ourselves or N.I.D. It transpired that Carp has been engaged in some very unsavoury gun-running activities over a period of years. After speaking with N.I.D. I was rung up by the First Lord's secretary. I explained to him that Carp was undesirable and that our general experience of these matters was that so-called inventors really came to find out the extent of our progress in any particular line, and that these people might well be acting in German interests, particularly as Carp

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seemed to be the kind of person who would do anything for money. If however the Admiralty were prepared to say that the visits of these people was a matter of national importance we would be prepared to let them come provided that they were given 48 hours visa and we were told the time and port of arrival.

SEPTEMBER 29th

H.O. and F.O. are pressing us to state our policy with regard to repatriation or exchange of German prisoners for people interned in Germany. We have replied that we think that in the first instance we should prefer to return aliens who have been vetted by the tribunals and concerning whom a decision has been arrived at that they should be allowed to remain at large under restrictions. Our stronger cards in the shape of members of the NSDAP should be held for bargaining for the more important people. This matter raised the question of instructions to tribunals that they should ask enemy aliens whether they are prepared to return to Germany, and that even in cases of Aryan Germans who were desirous to stay here, there seemed no reason why they should not be served with a deportation order provided they were not likely to be subject to persecution on racial or political grounds. D.D.S. is taking this matter up.

D.S.S. saw Maxwell and put before him a number of our grievances. We have not yet heard whether they will be satisfied.

C. rang up about Dr. Yelitch, Croat terrorist, who has previously been reported to be in

the pay of the Nazis, and is arranging for the assassination of the Prince Regent of Yugoslavia. He is arriving at Gib. on an Italian boat on Sunday. Travelling under a false name on a Hungarian passport. Can he be turned back? It seems that we have the powers provided the F.O. will stand the racket with the Italians and Hungarians. The matter is under discussion between F.O. and D.N.I.

SEPTEMBER 30th

S. of S. has instructed C.C.s that before interning under Royal Prerogative they are to submit the case to H.O. unless the matter is very urgent. We are arranging that in any case of this sort C.C.s should let us have a copy of their letter to H.O. since it seems that certain cases have already been reported to H.O. who have turned down the question of internment without reference to ourselves.

Spoke Nicholls F.O. who informed me that it had been decided to bring in the Conte de Savoia at Gib. on grounds of searching for contraband, and that Dr. YELITCH would be taken off and interned. It was intended to inform the Italians either at the moment when action was taken or immediately afterwards.

We have heard indirectly that the Cabinet have decided that refugees other than enemy aliens are to be allowed to come here from neutral countries. I suppose these will include a large number of Poles.

Sneath has prepared a memo on the Fascists which is being submitted to the H.O. and to the Commissioner for their instructions

regarding action.

We have obtained a card index of the NSDAP up till 1934. The up to date index was probably transferred to the Embassy but the earlier index was left in cabinets which were sold to a furniture dealer. The latter handed them over to the Police. A good many of the people we had not formerly detected have left. There are some 15 or 20 still in this country, whose internment is being ordered.

There have been a flood of applications by firms for the return of KUCHENMEISTER whom they all say would be of great benefit to our rearmament industry. We are re-stating the case to the H.O. and recommending that if he returns he should be interned forthwith.

Maude has seen Walter Monkton who is in charge of the appeal tribunals. Monkton is very much of our way of thinking. He will be satisfied if we can let him have 10 cases a week.

I gather that Eugen Spier, Winston's friend, is to remain where he is on account of so last minute evidence supplied by Wickham Steed.

Confusion about the granting of Italian permits still goes on. Discussed this matter with D.S.S. who felt that we had no alternative but to let even members of the Fascio come and go as they wish unless we had positive evidence that they were espionage agents.

An S.I.S. report on Eire is somewhat alarmist as regards the internal situation. An attempt at revolution by the I.R.A. does not appear to be out of the question.

W.O. report states that the Belgians have mobilised to a considerable extent and are digging hard along their frontiers. Pappenheim, the German M.A., did a tour of the Belgian frontier at his own request, in order so he said that he might inform the German Govt. of the determination of the Belgians to maintain their neutrality.

The Oxford Don is deriving considerable satisfaction at ordering the internment of a complete company (enemy alien) of "White Horse Inn" which turned up at one of our ports. He took the view that as they had no means they were better where they were. It now transpires that they were going to give performances at various air force depots. If this is true they are certainly better where they are.

Dined with Cassado. He had just returned from a tour in S.Africa and was due to play in Stuttgart on Oct.3. He thinks Stuttgart is too near the Siegfried Line and he does not wish to play in Germany as it will spoil his market in the U.S.A.

OCTOBER 1st.

A quiet day, being Sunday.

S.I.S. report on leaflets states that those referring to Hitler's speeches are effective. Other reports state that all leaflets have completely missed the mark and are regarded by the Germans as weakness. A neutral who

returned from Berlin states that they had an air raid warning which caused considerable alarm. This neutral attended a cinema. When Hitler's portrait was flashed on the screen there was complete silence. Goebbels he said was still working in the background but was not much in evidence owing to his former fulminations against Russia.

The Daily Worker has made another volte face in its editorial of 30th Sept. The war is now an imperialist one and not anti-Fascist. Russia's peace policy must therefore be supported. It would seem to be a case of he who pays the piper calls the tune.

I gather from the censorship that telegrams from Eire to Germany are not to be held up in future. The exact reason is not clear.

According to S.I.S. there was a great deal of German propaganda going on in France on the lines that the French are being made to pull the chestnuts out of the fire for Gt. Britain. I gather that some of this propaganda is not altogether ineffective and that the French are anxious about the Flandin Group.

OCTOBER 2nd

Gerald Thesiger, who is chairman of one of the tribunals, approached Kenneth Younger for guidance. So far he has received no list of questions to be put to aliens (which we compiled and sent to H.O. for distribution to chairmen) and he can get very little local information about any of those who are to come before him except trivial matters such as

having no back light on their bicycles. He was completely at sea as to whether he should intern an aryan German against whom there was no adverse record. Kenneth has done his best to instruct him.

We have had a case of a German director who has been denounced by his fellow British director for impeding A.R.P. precautions at the factory and by refusing to resign, preventing the firm from being employed on Govt. work. We are asked whether this man should or should not be interned. In my view he should certainly go in, but presumably this action would be contrary to H.O. policy. We are putting the matter up as a test case to the H.O.

The S.C.O. Portsmouth came up specially to inform us that the local C.C. had submitted several cases to the H.O. for internment under Royal Prerogative and that these cases had been turned down, presumably without any reference to ourselves. We are making arrangements to ensure that in future we shall be informed.

Barclay of the F.O. has been receiving protests from neutral Governments whose nationals are being held up on the contraband ships at Ramsgate. He asks whether we have any objection to these people being taken off and transferred to Folkestone in transit to the continent. D.4 are dealing with this matter.

A Director's Meeting was held at 5 p.m. today. Discussion was more or less on the same lines as at the previous meeting. It was pointed out that we still had no policy with regard to permits. Even within the office there seemed to be conflicting opinions. I said

that as far as the office was concerned there could only be one view, namely that on security grounds it was desirable to restrict travel to a minimum. There were however other considerations which affect the F.O. and W.O., and that it was for some higher authority in the War Cabinet to lay down a line of policy. D.S.S. said that he had decided to appoint someone to act as liaison between this department and H.O. and who would represent our point of view regarding these matters. Personally I rather doubt whether this will meet the particular issue.

The tribunals were also discussed. I pointed out the confusion which seemed to exist in the minds of chairmen as to how they were placed, and that in the absence of some guidance over and above the list of questions which they were to put to enemy aliens, it was likely that some of them would put everybody in and others would let everybody out.

The matter of Eire was again discussed and it was pointed out how impossible it was to deal with this question piecemeal. It needed some indication of policy from above.

C.C.Grimsbey informs us that a German named ENGERT wishes to be interned for his own safety. I have asked H.O. to let us have a ruling. Clayton says he recalls some memo sent out by Maxwell saying that, for some reason, this question would not arise. However it has arisen, and as Clayton pointed out we have to deal with facts, not with theories.

The Germans issued instructions on the 13th Sept. that all Egyptian and Dominion subjects have to report to the police within 24 hours.

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Robertson tells me that our D.F. organisation virtually no organisation at all. We require 60 experts at least. At the moment we have 27 amateurs twiddling knobs and hoping they may pick something up. We are asking the Americans whether they can give us any help and if we get a favourable reply Cottenham and an expert may go out. In the meantime a station has been located at Belfast. This is interesting as [redacted] had already told us of the existence of such a station. [redacted] is sending highly to Germany both weather reports and reports on military matters carefully concocted. There seems no reason to doubt his loyalty at the moment but he is under close supervision and acting entirely under our orders. When things begin to warm up we hope to do useful work by sending misleading messages.

S.I.S. reports indicate that Italy is to remain neutral, since if she came in on either side there is a reasonable chance of internal revolution. The Duce and party are said to have lost prestige and the King and the army seem to be in the ascendant.

OCTOBER 3rd.

We have had a wire saying that Yelitch has been taken off at Gib. from the Conte de Savoia. Stafford came to see D.S.S. today. He talked a good deal about his difficulties in matters affecting permits. He suffers as we do from the lack of direction. It was agreed that if we wanted to turn down a case we should merely refuse on security grounds without giving any further reasons. We should only state our reasons to the responsible Minister if the case had to be defended in the House.

In the meantime Stafford appears to be taking a certain line of his own. He told us that he had refused a permit to Winston's son who wanted to spend 3 days of his honeymoon in Paris. Permit was refused owing to insufficient grounds for travel. One imagines there will be a backwash.

Maxwell, at the request of the F.O. has prepared a memo showing action taken regarding enemy aliens and action proposed in the future. He seemed to imply that in the case of aryan Germans they would be exempted from internment unless there were specific information or strong suspicion that they were engaged in espionage. I drafted a reply pointing out that this was not at all our view. In the case of an Aryan German who, if he returned to Germany, would not be subject to persecution on racial or political grounds, there was no reason why this man should not either be deported in exchange for a British subject or interned for the duration of the war. D.S.S. took the reply to Maxwell who admitted that he had rather missed this point.

Philip Jordan has applied for a permit to go as war correspondent to Paris for the News Chronicle. We turned him down for the Ministry of Information and the W.O. have for some reason or other assumed that we have refused him a permit. In the meantime Horeb is fuming and says that in the absence of very special grounds the permit must be granted within half an hour. We do not propose to refuse him one as it would obviously be impossible seeing that Jordan is foreign editor. It seems not unlikely however that he will act for Claud Cockburn whose communist correspondent Goodman was refused a permit the other day.

Allan showed me a letter which K. had received from Maxwell in answer to his complaint about the lack of coordination at the ports. Maxwell confessed ignorance of the whole port organisation and particularly of the Field Security Police. Before discussing the matter he wanted to have information as to who these people were and under what powers they were acting. Seeing that the whole question of Security Control Officers and Field Security Police had been thrashed out by endless committees long before the war and that their functions are clearly stated in all War Books, this request seems a little curious.

OCTOBER 4th

D.S.S. attended a meeting about the death penalty for spies. The matter appears to have been overlooked in our Defence Regulations. D.P.P. says that procedure by trial for high treason would be far too cumbersome and in a number of cases ineffective. For instance if a German arrived at one of our ports and was arrested before he had time to do anything, there would be no very good grounds in the absence of special information regarding his mission for preferring a charge of high treason. He could moreover say that he owed no allegiance to the King and therefore could not commit an act of high treason. It was agreed by all the high legal pundits who discussed this matter that it could not be left to the judge to decide whether a spy should be shot or sent to penal servitude for life. A law should be framed so that if the man was convicted of espionage the Judge had no alternative but to sentence him to death on the same lines that he would sentence a murderer. It was of course always open to the King to whittle the sentence down to 3 weeks if he so desired.

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our double-cross agent, has been contacted by a German, whose identity we are trying to establish.

The two Dutchmen de Voogt and Carp, are to go back to Holland as soon as we can get the out of the country. They had nothing to say and the Admiralty do not want them. I hope they have learned their lesson.

We have got a wail from P.C.O. Budapest who says that he gets 30/40 applications a day for visas from enemy aliens. Some of them are women, with children, wishing to join their husbands. We have said that we have no objection to these women being allowed to come after the cases of their husbands have been heard by the tribunals, since it might well happen that the husband would be interned and the wife and children would be left with no one to support them. As regards the remainder, whether their passports are marked J. or not we have said that we do not want them at any price.

The C.I.D. committee on aliens is to be reconstituted. Cooper of the Aliens Branch is being recalled to the H.O. and D.D.S. will spend half his day in the H.O. until all outstanding questions with regard to aliens have been cleared up and some definite policy formulated. At the present rate of action it looks as if he will be there for the duration.

H.O. say that they are receiving a number of telephone applications from people in the services asking for inventors to be given visas for the U.K. They suggest that we should issue a warning to the effect that inventors are not wanted. They seem and that it might

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be as well to refer these cases in the first instance to M.I.5 and the police.

A man called Hewitt, Bristol District organiser of the B.U.F. has been arrested under DR.39b for printing and distributing subversive literature. H.O. are hawering about a prosecution on grounds of policy.

Since there is a definite contravention of the law I cannot see how or why this can be avoided.

The American Embassy rang up about a naturalised American citizen of Belgian origin named Henri KENNIS who had just left for the U.S.A. on the s.s. Penmland. They had been notified by the Belgian Police that this man was a notorious bootlegger and counterfeiter who had amassed a large fortune in the States, and now, armed with 600,000 Belgian francs, was proceeding to the U.S.A. to organise a petrol supply to German submarines operating in the Atlantic.

Cardiff rang up re Charles Horace SMITH, who had left a hotel without paying his bill. His trunks had been opened and had been found to contain a good deal of Nazi literature, addresses etc. We had previous records about this man who had been acting as engineer on one of the Union Castle boats and had drawn attention to his Nazi sympathies. He now seems to be a member of the BUF. He is being charged with obtaining money by false pretences and as soon as he is remanded we shall have a chance of interrogating him.

OCTOBER 5th

Norman Kendal asked what he should do in the case of an Austrian named Engelbert BRODA whose case would normally come before the tribunal. According to S.B. reports this man was a communist and acting in Comintern interests. Kendal does not think he can put this man up before the tribunal as he would probably make a speech to the chairman saying that they both had the same object in view, namely the destruction of the Nazis. Kendal seems to think that we ought to put him in under Royal Prerogative or 18b, but this involves a matter of policy with which our attitude towards the C.P. is rather bound up.

The B.B.C. want to broadcast certain arrangements made by the International Esperantist Society for communication between their members in belligerent countries. There is apparently to be some clearing house for correspondence in Geneva. I said that I did not think the BBC should in any way be a party to the arrangements which might well be a cover for other things. If they broadcast the arrangements it rather implies that they have the approval of the British Govt.

Stephens has been interviewing a number of German journalists who are interned. Some of them are Jews. They all seemed rather distressed at the conditions under which they were living. One complained that he had not changed his socks for 3 weeks. Stephens replied "Will you kindly sit over there and keep your spats on".

The Ministry for Information published a story today about parcels of butter which had been going from this country to Nazi leaders. This story is absolutely true and had previously been checked up through the Post Office. The sender is one Arthur Hentzen a Bradford wool exporter of German connections. His solicitor, Mr. Early, who is a member of the German Chamber of Commerce, has asked that the article in the paper should be withdrawn by the Minister and is coming up five and drum tomorrow morning to see Charles Peake at the Ministry of Information. We have given Peake the background as regards Hentzen and Early.

At the request of the First Lord, Cecil is going to Brussels to see King Leopold. Winston has a friend, Stein, who professes to have the entree to the King. I gather Stein has been used for establishing direct contact. Cecil is to take a letter to the King from Admiral Roger Keyes about Stein and to receive the King's answer as to whether Stein is persona grata. Winston is looking ahead to the time when the Belgian neutrality may again be violated. He wants to have some plan worked out, which would be impossible if any attempt were made to deal with the politicians. The King's influence and control is considerable

OCTOBER 6th

Discussed the case of Rosinski. This man was employed by the Military Academy in Berlin till 1936 when he was dismissed owing to his wife being not strictly aryan. He came to this country and made contact with eminent strategists and was also friendly with Horeb. We had always regarded him with

suspicion. He was interned at the outbreak of war and subsequently certain specific allegations were satisfactorily explained. We told this to the H.O. who now propose to let him out. I explained to D.S.S. that there were two sides to this man's case, firstly the specific allegations and secondly the fact that he was a German and had intimate Reichswehr connections. One aspect of the case had been cleared, but he could not possibly be cleared of the other. He should therefore remain interned. D.S.S. put this view to Maxwell and told him that if the man was liberated it would be entirely on the responsibility of the S. of S.

This is the type of case on which the H.O. and most of the chairmen of the tribunals seem hopelessly confused. I have suggested that Turner should go round and see all the chairmen privately and explain to them our point of view. This might tend towards some measure of uniformity. I asked Pilcher whether he thought this ~~suggestion~~ was grossly improper. He said undoubtedly in peace time it would be, but in the present circumstances he did not think there was any real objection. He himself would deal with the Appeal Tribunal.

The British Centre against Imperialism and the International African Service Bureau have issued literature which constitutes an offence under DR.39b. Both these organisations are more or less under the I.L.P. and have their headquarters in the same building. This raises a very delicate matter. The I.L.P. are preaching that the imperialist war is an opportunity for all colonial peoples to throw off their yoke and if it was considered expedient there is

no doubt that they could be closed down. The matter is being considered.

Matthews tells me that so far only 2% of those exempted by the tribunals have been interned. We had a case today where a man had already been before the tribunal and had been exempted, and had now been put inside again on further information from ourselves.

OCTOBER 7th

Gen. French saw D.S.S. today on the question of censorship of mails between this country and Eire. I gather that it was impossible to undertake general censorship at this moment but that if we had any addresses either in this country or in Eire which we would like covered the censorship were now in a position to do this. I have asked B.2 to let me have any such addresses.

There are indications that both H. Pollitt and J.R. Campbell are at loggerheads with the Party on the question of Russian policy. There seems to be a possibility that Pollitt will resign.

Cooper rang up today about the case of Edward SEMMELBAUER, his wife and family. This man who is a chemist went to Ireland for a holiday on 15th August. When war broke out he applied to the German Consul at Dublin who told him to return to Germany via England. He and his wife were taken off at Liverpool and interned. The children were sent to a home. The Swiss Minister has now intervened. Cooper wants the wife and children to go back to Erith where they are domiciled. I said the husband would have to be interned as a technician, and that the wife and children could go straight back to

Germany, possibly in exchange for some British subject. We do not however desire them to be left at large at E.ith.

OCTOBER 9th

Discussed with B.4b. the question of the Czech Communist group here. It seems that we might usefully take the opportunity of sending these people to the French. As a group they are apparently anxious to fight the Nazis, although they may engage in subversive activities once they have enlisted. Since however the French have given all Czechs in France the alternative of joining the Legion or an internment camp the probability is that they will know how to deal with them.

According to an F.O. despatch the Belgian Ambassador in Berlin and the Belgian Consul in Cologne both agree that our leaflets are having the reverse effect. They say that the Germans remember our propaganda in 1918 which did not exactly bring them the peace they wanted. The people generally are not warlike but resigned.

Special material of 30 Oct. 6th indicates that there is a change of attitude by the Italians vis a vis the French. There are also indications that the Poles ultimately hope to raise an army of 500,000 for service on the Western Front. This army will include a number of Poles from the U.S.A.

D.S.S. is to be a Major-General and D.D.S. a Brigadier.

C.C.s are writing in about aliens in the vicinity of aerodromes and on the coast, and

re wanting to know what they are to do. One of them on the recommendation of the local A.F. Commander wishes to clear an area of 10 miles round the aerodrome. If we applied this to all vulnerable points about the country there won't be a square yard on which an alien can stand.

The real answer of course is that all enemy aliens should be interned.

We have had an enquiry as to whether any alien firms here should be allowed to trade abroad. The particular application is by a Jewish refugee firm who want to sell textiles.

I have said that provided we know nothing against the individuals concerned the matter should then become one for the B.O.T. to ensure that the firm are not trading with the enemy.

The British Mission in Algiers wired to us about the activities of one William MELLOR concerning whom the French were anxious. It was said to have connections with doubtful aliens in French North Africa. Sneath ~~in~~ ~~unsubstantiated~~ replied that it was unlikely that this man was the well known Mellor, of the Daily Herald, but probably a Capt. Mellor, journalist, who had had former connections with Morocco and was associated with members of the B.U.F. Reply came back "The Mellor to whom you refer is a staff officer in this Mission and instituted the enquiry". Then, rather bitterly, "We pointed out the Mellor referred to by the French is Left Wing not Fascist". We are anxious to reply "Sorry you've been troubled. Glad to know your present whereabouts which has been duly noted in your dossier".

A Directors meeting at 5 p.m. Eire was again discussed. H.O. have suggested that permits to Eire should be discontinued. They say that they can see no object in the system since it was really instituted in order to prevent people of military age from leaving the country. This is a little curious since no one has yet defined what military age is. There is needless to say no reference to the Security aspect of the question. We are taking the opportunity of putting a full dress memo on the situation in Eire as seen from the security angle. This memo will deal also with the question of censorship.

I mentioned the suggestion previously made that an isolation camp should be established in which enemy aliens should be placed for a month prior to leaving the country. D.D.S. said that he would mention this to the H.O. but he did not think it was likely to be very favourably received.

I also mentioned that we were getting a flood of H.O. dockets. We had hoped that in time of war the numbers would have been considerably curtailed. The real trouble is that there are no guiding principles on which anybody can go. If there were whole classes of individuals who could be dealt with by rule of thumb, there would be no need to refer these files to us. As it is however every single case has to be treated on its merits.

OCTOBER 10th

We have been asked to receive 17 Polish cryptographers who are said to be experts in Russian and German cyphers. We have said that we will be guided by C. & C.S. I gather however that they do not want all these people and would much prefer to see them in France. Denniston

as already had a talk with them in War. saw and believe thought their claims as regards German and Russian cyphers can to some extent be maintained. If this is so they might be very useful.

everybody is getting very worried about Cecil, except me. There has been no news since he left on Thursday except his police pass which has returned from Dover. I expect he has had difficulty in getting an appointment with the Distinguished Person.

K. sent for me today and showed me a letter he had received from Maxwell regarding the case of Rosinski. S. of S. has decided to release him since it is his policy not to intern Germans qua Germans but only if there are strong grounds for suspecting them of subversive activities. I told K. that I thought this policy had gone too far, and that we ought to take the whole question up with the Fighting Services. He agrees that the position is serious and is going as a preliminary step to speak to Van. In the meantime the Legal Section have prepared a long memo in which they are suggesting that the H.O. should send a copy out to chairmen of tribunals. This memo puts the whole onus of proof upon the alien who should show cause why he should not be interned. It deals particularly with the type of alien who is really German at heart although he may be anti-Nazi. I do not think the memo will be very palatable reading for the H.O.

The main features of S.I.S. reports are as follows:

The Russians are getting ^a/closer and closer grip on the Baltic States. They are also

bringing pressure to bear on Bulgaria. Hungary is worried about her trade with the U.K. She would prefer to export to us and obtain sterling rather than to comply with an agreement to supply foodstuffs to Germany in exchange for manufactured goods. She hopes to find a way to increasing her British exports. Yugoslavia is showing slight signs of looking towards Russia. The Italians are making conciliatory gestures to the Turks and Italy generally is showing signs of becoming more pro-Allied. Ciano takes the line that as Hitler broke his word not to make war for 3 years Italy is free to break hers. Mussolini is reported to have sent a message to Daladier, through Volpi, saying "I have the cards in my hands. Let me play them".

Special material of Oct. 5th indicates that the French are extremely worried about the mysterious Swede who was active during the period immediately prior to the outbreak of war. This man is said to be again on his way to England. There is another individual with whom he is associated who is referred to as "Ballet Russe". There is some idea that these people are working with the British Govt. on a new appeasement plan.

OCTOBER 11th

Curry saw U.35 last night, who had just returned from Holland. He had a special mission on behalf of Stephens. It seems that S.I.S. are in touch with certain disaffected elements in the Reichswehr, who are proposing to organise a coup d'etat within the next few days. Their programme is to arrest all the principal leaders of the Party on the grounds that they have sold their country, and laid up large balances for themselves abroad.

Hitler is to be the only exception and will be allowed to remain as a puppet head. The army could not attack him on account of their oath of allegiance, but they would see to it that he was rendered entirely innocuous. Two envoys are said to have come to Holland on his mission and were anxious to see a British Cabinet Minister in order to get some assurance that if they took over and proposed the restoration of Poland and Czechoslovakia, Germany would be given an honourable settlement. They were told that it was impossible for a British Cabinet Minister to be involved in a matter of this sort but that if a notice which they had prepared found its way into the "Basler Nachrichten" before Thursday, they could go ahead. The message in the paper is that it is reported that there is movement by certain elements in the German army to arrest all Party leaders on the grounds that they have betrayed the State etc. U.35 in order to get this message through to the B.N., approached a contact of his in the Swiss Legation. This was necessary in order to get the use of the Press telephone line. The Swiss Legation must have had some idea of what is intended but they put U.35 in touch with the representative here of the B.N., which is generally speaking anti-Nazi in tone. This representative thought the story was a good one and worth publication, and a message was telephoned through last night. When it appears it will be broadcast 2 or 3 times as a news item by the B.B.C. and this is supposed to give the signal for a general revolt. It all sounds rather Phillips Oppenheim but there may perhaps be something in it. In the meantime H.M.G., uninformed, are entirely disconnected with the project.

Sir John Anderson has, without reference to ourselves, has written to Lord Lloyd agreeing to the admission to this country of 100 alien students from all over the world. This is a departure from the decision reached that only in very exceptional cases should visas be granted to students, tourists or theatrical troupes. We only heard of this matter through the courtesy of passport control. We were never even asked to vet these people and even if we had been it was doubtful if the machine could stand it. The vetting is already nearly a fortnight behind. The trouble is that if we do not lay down hard and fast rules about permits and visas which eliminate certain categories and only depart from them in very special circumstances, the whole machine here both as regards the Registry and section officers is clogged. Endless time is being expended on investigating each case on its merits and we are prevented from getting down to cases that really matter. It is the old grievance that the more you increase the surface of leakage by the admission of aliens of one kind or another the more difficult it is to detect cases of espionage. In fact the whole problem becomes unmanageable. I am going to try and draft some letter to Maxwell on this subject.

The Army are proposing to admit quite a number of aliens and enemy aliens after they have passed the tribunals. They seem to think that if a man has passed the tribunal he is harmless. M.I.1 have however entered a caveat and suggested that these people would not be acceptable unless they had previously been approved by M.I.5. I pointed out that the tribunals investigation is quite valueless and that it will in the present circumstances be quite impossible for M.I.5 to guarantee the bona fides of any enemy alien. If it is

decided to admit these people who in the end will probably be more trouble than they are worth it must be arranged that they are employed in positions where they cannot possibly do any harm, and this in itself is a very difficult point to ensure.

OCTOBER 12th

Cecil returned from his journey to Belgium. The King refused to see him, but I gather that he is sending some communication indicating that Stein is persona grata. The King's position is a very delicate one, since if either his ministers or the people thought that he had in any way jeopardised the neutrality of Belgium, he might be forced to abdicate. Feeling in Belgium on the maintenance of neutrality appears to be very strong and there will only be a change if some violation takes place by Germany. Stein created a good impression but he is certainly a man of mystery. He evidently has very good connections both in Belgium and Holland.

Cecil saw Winston on his return, who seemed satisfied though somewhat disappointed.

A suggestion has come in through General Fisher from one of his officers that we might scatter dud German banknotes in millions over Germany. It is thought that this would lead to a complete economic dislocation. There may be something in the idea but firstly there is always the chance that the Germans would attempt something similar over here and secondly this practice hardly fits in with the high moral tone of the war! I have sent the suggestion on to V.V. expressing the view that perhaps when the war has deteriorated through the use of poison

gas, bacteria etc. a suitable occasion might arise for a venture of this sort.

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U.35 has returned to Holland. He says that the German diplomatic and journalist staffs are extremely depressed and that Germans generally in Holland are very unpopular. He deplores however the lack of pro-British propaganda. The Germans apparently have an excellent service and see that their papers reach Holland regularly and in large quantities. It is impossible to buy any British paper which is less than 3 days old.

I discussed with Allan and Norman questions of restricted occupations. Norman was to attend a meeting on the subject, since the H.O. were proposing to allow all aliens who had passed the tribunals to take their place in the queue at Labour Exchanges. We are making a stand against this and are also asking the various service depts. to give us their support.

H.O. have adopted an extraordinary attitude in the case of Bethman-Hollweg. This man passed the tribunal and was subsequently found to be one of the original members of the NSDAP. We therefore had him interned. There followed endless protests and Maxwell thought that as the Chairman of the tribunal had said that he was a fit subject for naturalisation he should be released forthwith. We have said that we cannot accept this view and that the case must take its course and come before the Appeal Tribunal.

H.O. have suggested that the permit system for Eire should be abolished on the grounds that it was primarily for the purpose of preventing those of military age from leaving the country. They argued that since military age has never been defined and the H.O. have declared that British subjects are free to come and go until they are called up the system has served its purpose. No account appeared to have been taken of the Security aspect. Pilcher has drawn up a memo on the whole question showing that the granting or withholding of permit to Eire is only part of a problem which is causing us grave concern. We have said that rigid censorship should be imposed and that the permit system should be continued on the basis that no facilities are granted unless the journey is in the national interest. A copy of this memo is going to Lord Hankey.

Eire neutrality is rapidly becoming a farce. A German submarine sailed into Dingle Bay with the crew of a cargo steamer which had been torpedoed, and two British aeroplanes landed in Kilmarnock, but after the necessary repairs had been made were allowed to proceed. A representative of the Civic Guard, who was subsequently questioned, ended with the

following remark "And who in the name of God are we supposed to be neutral against anyway?"

The Marston Press, who print the Daily Worker, are also engaged in printing petrol coupons for the Govt. Communists think this is a very good arrangement and are doubtless making the most of it.

OCTOBER 13th

I spent a considerable time in trying to get all sections to say what categories in so far as travel is concerned could be dealt with by rule of thumb instead of reference to this office. I also get B.Sections working on the categories of H.O.files which which are unnecessarily sent to us for observations. I then proposed to send off a letter to Maxwell explaining our difficulties in this respect and requesting that something should be done to establish general principles which will cut down the work of this office and prevent endless cases being sent over here to be treated on their merits.

D.S.S. showed Van Maxwell's letter in which it was stated that H.O. did not propose to intern Germans qua Germans but only if we had some specific information against them. Van there and then dictated a very strong note to Halifax on the question, saying that unless some change in this policy were effected things might go seriously wrong.

Princess Hohenlohe and her mother have applied for exit permits to proceed to the U.S.A. The ostensible grounds are that her son is seriously ill. Actually she is

probably going either to see Hans WIEDEMANN Hitler's envoy in San Francisco, whose mistress she has been, or else to consult an American crook lawyer in connection with her case against Rothermere. There is also the possibility that Rothermere may be paying her to leave the country. She had been paid about £5,000 a year by Rothermere to work on appeasement. She is now suing Rothermere for breach of contract and in consequence his solicitors are trying to persuade the H.O. that the Princess is a dangerous Nazi agent and should be deported. Rothermere is considering whether he will not go to the Attorney General and ask him to give his fiat that the case should be stopped in the national interest. Personally I think that it would be in the national interest that the case should be heard.

A man called Revescz, a Hungarian describing himself as a co-ordinator of information, applied for a permit to leave this country. He was backed by Winston Churchill. In turning up our records we found that the Seme Bureau regard him as a Nazi agent in the guise of a Left Wing refugee. D.S.S. told the First Lord who said that he had the utmost confidence in this man who had been his publishing agent for many years and that he was proposing to put him into the Ministry of Information. He thought the Seme Bureau had libelled him but would like us to make further enquiries. We are doing this, and in the meantime are allowing the man to travel without being searched.

Representations are being made by M.P.s and others about Hanfstaengel. Stephens has interviewed him. Our conclusions are that since he has remained a Party member and that

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his son is a member of the Hitler Jugend, and since he has been indirectly in touch with Hitler regarding his return to Germany right up to the middle of August he was not a proper person to be at large. He had never published any articles against the Nazi regime in spite of long-drawn-out negotiations and in one instance he had refused to give evidence in a claim against the German Government dating back to the last war and had placed all the information at the disposal of the German Under Secretary for Foreign Affairs.

Bethmann-Hollweg is another case in which representations are being made. This man passed the tribunal but was subsequently arrested on account of his name being found in the card index of the NSDAP at Cleveland Terrace. The H.O. took the view that he ought to be released at once because the chairman of the tribunal had suggested that he was a fit subject for ~~national~~ nationalisation. We have pointed out that in our view it did not follow that because a man had been a member of the Party and subsequently found himself out of sympathy he was necessarily a fit person to be at large. We therefore thought that the man should take his turn before the appeal tribunal.

We have had our first case under the Trading with the Enemy Act. An Indian named SETHIA was going out to Italy in order to complete certain transactions for the sale of goods to Germany. I do not think the case is a very hot one.

Jane has been down to see Percy GLADING at Maidstone. "Miss X" had told us some time ago that Glading was very worried because Peters the Soviet agent had placed him in charge of certain people who were giving information

purely for money and not for party reasons. Glading did not like these people as he thought they might compromise the whole Party.

When interviewed Glading was rather stuffy at first but gradually, under a good deal of flattery, his own conceit got the better of him. The conversation developed on professional lines and in the end Glading even softened towards "Miss X", when he realised that he had placed her in a very difficult position. His real grievance was against S.B. in producing the porter at Fawcett Court who swore that Glading had visited Brandes' flat. This he said was a lie. Otherwise he regarded the whole business as a fair cop.

He did not say anything very useful except that as regards the other people who had been working for Peters they were not very far from Whitehall. The inference was that if he knew that he probably knew a great deal more. Jane is going to visit him again shortly.

OCTOBER 14th

Nothing very much occurred beyond an excellent lunch with the French. They have settled very comfortably with a French cook and servant into an ugly little villa in Ealing.

OCTOBER 15th

Had a long discussion with Adam and others about permits, visa applications and the handling of reports from SCO's. A fairly satisfactory system has been worked out.

P's disappearance from Poland has caused a good deal of mystery. The Germans are making

out that P. has gone back to join his regiment at his own request, have asked the Dutch to make enquiries about his disappearance; other rumours about him are that he has gone on a secret mission to the U.S.A. and that he has been seen recently at the Hague.

Pollitt seems to have toed the Party line and will not come out in open opposition.

Discussion has arisen within the CPGB as to whether the party should penetrate the Army and cause disaffection or whether they should make political capital by objecting to serve.

We have just heard that the prisoners at Clacton are to go to Seaton in S.Devon. Spoke Col. McLeod AG3 who is arranging for our internees to be sent either to Northholt or Lingfield where they will be more easily accessible.

A fine legal point has arisen on the application by Miss Phyllis Dalrymple for a permit to travel to Yugoslavia where she intends to marry a German, Alois Brasch, and return with him to his native town of Gratz. This matter was submitted to the Legal Section who replied in the following terms:

"It is abundantly true that for the purposes of the Trading with the Enemy Act a person shall be deemed to have traded with the enemy: 'if he (and by the blessed interpretation ^{Act} 1889 words importing the masculine gender shall include females) has had any commercial, financial or other intercourse with, or for the benefit of, an enemy'. It may be assumed, I fancy, that Miss Dalrymple is intending to have intercourse with an enemy. That in all

conscience should be enough. We need not delve into the difficult problem as to whether it would be for the benefit of the particular enemy, who may indeed be pathetically unfit, that Miss Dalrymple should have intercourse with him. Speculation would not be uninteresting on the basis of the particulars supplied on Form P. in respect of the Irish birth, hazel eyes, and dark blonde hair of the young lady, but let it pass! No man who cared anything for the melody of words will be pleased by the name of the individual to whose address Miss Dalrymple desires to proceed, see form P. para. 8. A terrifying aspect of this proposed course of conduct is that it may indeed be perilously near to High Treason. I will find out tomorrow. Meanwhile she should not be allowed to leave."

At 6 p.m. we received a request from M.I.1. for a note on the Peace Pledge Union. This was required by the S. of S. for a meeting of the cabinet the following day. I gather that the question of the P.P.U., B.U.F. and C.P.G.B. had been raised by Winston who was annoyed at seeing Fascist signs written on walls. Our view is that the penetration of the P. .U. by the Nordic League and the B.U.F. should be ~~exposed~~ ^{exposed} out through publicity in the press.

A woman has written in from the East Coast drawing attention to the large number of kites being flown by children and others. She considers these highly dangerous. I have asked D.D.S. whether kites were allowed in the last war.

From a conversation between Halifax and Corbin the impression is gained that the French are very apprehensive about a breakthrough on the west, and their general policy

is to gain as much time as possible. This is apparently the reason why the British Govt. have not turned down the German proposals at once and have said that they will be carefully examined.

German propaganda in Spain is on the lines that Russia and Germany are defending the interests of the workers against western capitalism. This only goes to show how near in some ways to one another Bolshevism and Fascism are.

Special material shows that there is a certain divergence of opinion between ourselves and the French over the Turkish Treaty and the negotiations going on in Moscow. It is not quite clear what these conditions are but probably they affect the Dardenelles, and the question of Turkish neutrality unless Italy joins the war.

An interesting example of the muddled state of international relations is the fact that the Soviet are still recognising the Czech Minister in Moscow.

Heard of the sinking of the Royal Oak.

OCTOBER 16th

Cookie has arrested an Austrian named KAFKA who was to be a Nazi spy in the Austrian Legion which is being formed for active service. Kafka is being held temporarily for travelling without the necessary permit from the local C.C. It seems that he had been attempting to get a list of the legionaries. He was also found to be in possession of a revolver without a licence.

Sir John Maffey has sent his representative over here to discuss the question of permits to Eire. Apparently there are a good many complaints locally about the difficulties placed in the way of travellers.

Nevile Bland has written in requesting that facilities be given to Dutchmen to travel more freely to this country. He thinks it would do a great deal to improve relations. He does not seem to realise that Holland is riddled with German spies and that Dutch neutrals are most likely people to be employed as agents.

Norman has attended a committee on employment of enemy aliens. It has been decided to abolish the schedule of restricted occupations and to refer all cases where an alien is applying to go into a munitions factory. The alien will take his place in the queue at the labour exchange and when a suitable post has been found his name would be referred to M.I.5. If we have no trace he will be given a permit subject to the approval of the Service Dept. concerned. Personally I do not think that this is enough since the tendency of Service Depts. will be to let the people in, if production needs are urgent. A letter is being drafted by Allan to the Service Depts. suggesting that no permits should be given to enemy aliens unless overwhelming reasons are advanced.

John BYRNE, an Irishman, has been given 3 months hard labour for being found in a protected place for a purpose prejudicial. He was in the vicinity of a searchlight, and when questioned said he was looking for an aeroplane. A suit of khaki uniform was found at his room, which he said had been stolen from a soldier in the 1st Battalion.

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H.O. have agreed to investigations by the Society of Friends into cases of German members of the D.A.F. at Holloway. They are to ask these people whether they would be willing to return to Germany. I have told Clayton that this is not our idea at all. We think that they should either be forced to return to Germany or to remain interned for the duration of the war.

According to Swedish special material Molotov when interviewing the Estonian representative a few days ago said "There is no use in going on talking about this trade business. We want to get on to serious matters". So far Russia has refrained from doing what she wanted to do. Now Russia is strong and will take any action she likes".

There was a raid today on the Forth Bridge. 4 enemy planes were brought down and the damage to our ships and personnel was slight.

OCTOBER 17th

Our first case under the enemy trading act is not to be pursued except in so far as the charge under D.R.11 is concerned.

Miss Dalrymple is not to receive her permit. The legal view is that under D.R.2A(1) she is assisting the enemy, as it must be assumed that she will give her husband all the assistance in her power.

Hollis and I saw Leggett today. He seems quite satisfied on the whole of the labour situation but is a little afraid of trouble if food prices rise and wages are kept low. Both Govt. and T.U. leaders are anxious to avoid

an abnormal rise in wages as it will only lead to a great deal of trouble and dislocation after the war when they have to come down. There is therefore a danger of agitation on the lines that the T.U. leaders are in league with the Govt. in opposing measures which would be of benefit to the workers. Leggett's policy is as usual to sit heavily on all unofficial strikes and keep all disputes within the Unions. At the same time he is anxious to know of any genuine grievances and to get them removed at the earliest possible moment. Recent troubles have been caused almost entirely by mismanagement of Govt. Contract branches who are, he says, without exception the worst employers of labour.

Leggett was interesting about the P.M. He says the T.U. leaders do not really trust him. One of them said to him that the other day after an interview at Downing St. "We left No.10 at 19 minutes past 12 and we are sure that he told us everything up to that moment, but he did not tell us what he was going to do at 20 minutes to one." Unlike Winston, the P.M. seems to talk a language which they do not really understand.

There was an East Coast Raid warning today but nothing happened.

OCTOBER 18th

Special material seems to indicate that the Polish Air Force may after all be trained in France. There seems to have been some misunderstanding about the whole question.

The Turkish Foreign Minister has left Moscow. The indications are that the Turks have not agreed to the two conditions which Moscow

was trying to impose, namely the closing of the Dardanelles and neutrality on the part of the Turks unless Italians come into the war. The above view is only surmise gleaned from odds and ends.

KING got 10 years. The Judge told him that he wondered whether he ought to be trying the case at all. In other words whether it was not a matter for Court Martial.

Another illicit wireless station has been discovered. The sender is the messenger of the Civil Lord at the Admiralty. His messages seem to be fairly harmless, but each day he says that he is sending from a different place off the coast. He started on the East Coast and came down the Channel and now says he is off the coast of Portugal. This may be a code of some sort reporting on the movement of ships. He is to be raided as soon as he again becomes active.

Our memo to the H.O. which was to be sent to the chairmen of all tribunals went off on the 17th.

Indian internees up to date are 850 out of 2000. This figure compares favourably with our own which is about 330 out of 50,000.

OCTOBER 19th

The First Secretary to the British Embassy in the Argentine has been given a permit to take his German cook with him. She has a German passport issued 1938 and valid till 1943. This matter is being taken up with the F.O.

S.I.S. have sent in an interesting report on

Italian intentions. There seems little doubt that they will remain neutral. The general feeling in the country is that as they have fought Bolshevism in Spain they cannot be called upon now to fight for it elsewhere. Ciano has become more anti-Axis.

I had a long talk with G.P. Slade who is working on questions affecting Eire at NID. I think I succeeded in convincing him that our relations with Archer of the Ministry of Defence were of a very frank nature and that if any Intelligence Service were set up in Eire and happened to go wrong we might lose his assistance, which was of great value to us in getting reports on the activities of Germans in that country. He is going to explain the position to DNI and suggest that we should in future send reports regarding submarines activities to Archer and get his reactions. I said that I did not think there was any objection to sending them both through us and through Sir John Maffey.

Slade tells me that we are now going to appoint a Naval Attache in Dublin.

A Dane named ANDERSEN wishes to reside here for safety, and at the same time run a condensed milk factory in Denmark which is supplying goods to Germany. He also has a factory at Minsterley in this country. The question arises as to whether he should be allowed to reside here and trade with the enemy.

OCTOBER 20th

H.O. are very worried about the case of KAUFMAN, a dual national who was interned in the early stages of the war when attempting

to leave for Ireland. He is a member of the NSDAP and travelling on his German passport. H.O. wanted at first to release him. We have however persuaded them to issue an order under 18b.

Mathews of the Aliens Branch tells me that out of 4,000 enemy aliens who have been placed on restrictions by the tribunals, 1,000 have already appealed. He is inclined to recommend that the Home Secretary should refuse these appeals, at any rate for the present.

So far only 1% of those coming before the tribunals have been interned.

There was a meeting the other day of the 23 chairmen in the Met. District at the H.O. at which Maxwell endeavoured to give them some policy, which they could work on. They all disagreed and said that they proposed to continue working on their own line. Roughly 50% of them place no restrictions and the other 50% order full enemy alien restrictions.

Carew Robinson of the H.O. is worried about visits to prisons. We have now said that visits of legal advisers or relations can be authorised for all original internees, seamen etc. In cases of people subsequently interned under Royal Prerogative legal advice can be given but relations should not be allowed to visit without prior reference to ourselves.

The Reader's Digest are attempting to collect data about camps etc. in order to send out their back numbers as advertisements. They are I think quite innocent but are being warned that they are committing an

infringement of D.R.3.

The Ministry of Information have been ringing up to have our approval to wild stories which the Press wish to publish about the Secret Service. The particular paper in question is the Sunday Graphic, with Kemsley and House, who both have German connections. The particular article had a good deal about making use of spies when we got them and forcing them to continue their communication with the enemy. If we cut out these particular passages we indicate to the press that they have hit the nail on the head. In a negative way therefore they could quite easily build up a fair picture of our activities. The only course therefore is to ban all such articles entirely. This I gather is being done.

As regards cases in which we are interested, it is suggested that no reference should be made in the press until ~~it~~ has been decided whether they are to be held in camera or not.

Shepherd is going to establish a liaison in these matters with the Ministry of Information

The Attorney General refuses to give his fiat to the case of Hewitt, the BUF organiser at Bristol who has been distributing leaflets which were an obvious infringement of D.R. I gather that this course was taken as a matter of Cabinet policy. Hewitt was acquitted on the charge of being in a protected place, and fined £10 for taking a photograph to which charge he had pleaded guilty.

Sethia the Indian who was prosecuted for taking a letter out of the country was fined £50.

Maiski is rather intrigued by the overtures which he is receiving from the British Govt. His colleague in Paris seems to be getting the cold shoulder. Maiski does not appear to know very much of what is going on in Moscow. He has been seeking an interview with Lloyd George presumably on the question of the peace line which the latter has adopted.

It seems that according to the Treaty of 1929 with Russia the latter cannot enter into arrangements with Italy or Bulgaria without Turkey's consent. If she did the Russo-Turkish pact would be at an end. The Turks have been emphasising this point when making requests to us to give them a more or less free hand to deal with the Russians. They have assured us that they will do nothing contrary to the spirit of their proposed agreement with ourselves and the French. Turkey seems to be appearing in the role of mediator between Russia and G.B.

Benes has had an interview with Halifax on the future of Czechoslovakia. We have refused to make any statement about the restoration of the old Czechoslovak frontier as being one of our war aims. We have however made it clear that the Czech Legation here is still recognised. Benes alleges that he is still in touch with the Protectorate Govt. who have been giving him funds. Sabotage is going on but there is to be no revolt at present.

On 17.9.39 according to a despatch from Moscow, the Polish Ambassador was sent for by Potemkin and told about the proposed invasion of Poland. The Polish Ambassador protested

and left ~~a~~^{the} note which had been handed to him on the table. Before he got back to the Polish Embassy the note had already been delivered. He sent it back again to the Narkomindel who refused to receive it and took it back again to the Polish Embassy. Finally the Polish Ambassador put it in the post addressed to the Narkomindel.

According to an S.I.S. report the Russians have already suggested to the Germans that they should hand back Memel to the Lithuanians. Apparently all work on the Memel fortifications is suspended.

OCTOBER 21st

A Naval Attache disguised as an ex-Naval Officer is to be attached to Sir John Maffey. It is hoped that he may be able to make some progress on the submarine question.

It has been decided that no reference is to be made in the Press to arrests or sabotage cases or to cases held in camera. The Ministry of Information will instruct the Press accordingly.

Farrer tells me that the Treasury are reducing the tempo of the blockade to peace time Civil Service procedure. It looks therefore as if the M.E.W. will have their wings clipped.

A woman who has passed the tribunal wants to return to Hamburg. We have decided that she is to have no permit on the grounds that she might carry out information. If H.O. raises a stink we shall press for an isolation camp.

The Postal Censor is sending us certain letters passing between neutral countries or between a neutral country and an enemy country which have been taken from neutral ships calling at neutral ports. F.O. have informed neutral countries, but think that letters cannot be regarded as contraband and should go on after examination. In practice objectionable letters are being stopped.

A question has arisen as to whether we should pass on such letters to the Americans if we consider they are of interest to the U.S.A. It seems that the Censorship have been in the habit of sending some of them direct. This is obviously undesirable, firstly because it duplicates the channel and secondly because the censorship are not in a position to comment on the contents of the letters or the people writing them. The matter has been taken up by Younger.

S.I.S. report indicates the disgust of several prominent German Admirals at Ribbentrop's Baltic policy. Raeder put forward a memo which was signed by two others and had the support of the C.in C. The three Admirals resigned but their resignations were not accepted. There appears to be considerable ill-feeling in the Fleet about the whole incident.

Opinion on our leaflets is that they are too dull. It is thought however that personal attacks on prominent Nazis might be harmful if some of the mud stuck. Precautions are therefore being taken in Germany to collect any such leaflets. What has impressed the Germans most is the fact that we are able to drop leaflets all over Germany, including Berlin with impunity.

They had always been led to believe that their anti-aircraft defences were impregnable.

OCTOBER 22nd

Winchester.

OCTOBER 23rd

The tribunal has interned Karl GUHL of Ozalid and his wife, on information supplied by us.

On Sunday T.A.R. raided the illicit wireless at the house of Hammett, the messenger to the Civil Lord of the Admiralty. It was found that the wireless was the property of Hammett's son who had been an enthusiastic amateur for 3 years. The father denied all knowledge of what his son was doing. Enquiries are proceeding.

Curry has suggested that we should give the Mercedes case to Crocker and also certain other cases connected with doubtful firms. We are preparing a memo and I propose to get Crocker to come down and examine the files.

Capt. CHRISTIE and Cornwall EVANS attempted to leave the country today for Switzerland. The latter had in his possession a telegram signed by Van saying "Come at once". As no intimation had been given to the S.C.O. neither of these people were allowed to proceed and their papers were confiscated.

According to Besthorn, the German N.A. at the Hague, present policy is to wear us down by submarine warfare and aerial attacks on the

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Fleet. It is not intended at present to carry out any offensive in the West or to bomb open towns.

OCTOBER 24th

We have had another case of an enemy alien who has passed the tribunal and wishes to return to Austria. Spoke D.D.S. who states that H.O. have now agreed in principal to the isolation camp. D.D.S. thinks however that as this woman is apparently a harmless cook, she is hardly a suitable subject for the opening ceremony. As the Swiss have intervened on her behalf we are saying that we will treat her as a special case, without prejudice to any future action.

D.D.S. is staggered by the atmosphere of the H.O. He says they do not seem to realise that there is a war going on. He arrived there at 9,30 yesterday and was unable to see anybody in authority. He could find nobody for an hour and a half except the charwomen.

He has been having a battle about passes for all civilians. Anybody who wishes will be able, on application to the police, and after establishing his bona fides, and by filling in a somewhat complicated form, to obtain a pass which will establish his identity as a British subject. These passes will be necessary for those wishing to enter the protected area which has now been declared north of the Caledonian Canal. The whole of the north of Scotland will be roped off by guards. Nobody will be allowed to enter without proper authority and a satisfactory explanation of his business. Production of new civilian permits

will be a sine qua non. Metropolitan Police have refused to undertake the work involved and arrangements have been made for it to be undertaken by the Military Permit Office. There will be a space on the permit indicating when an individual is a dual national, and subjects of Eire will be told that they can proceed to the frontier at their own risk, but will have to satisfy the local control as to their business.

The above system has become a matter of urgency owing to the attacks on the Fleet. It seems that it was already laid down in the Admiralty War Book that the whole area north of the Caledonian Canal should be declared a protected area but that the question had been overlooked. A permit to enter the area north of the Caledonian Canal will not authorise the holder to proceed either to the Orkneys or the Shetlands, for which an additional permit will be required.

As an example of a square peg in a round hole, the Oxford Don recounts that one of his colleagues, an eminent professor of Mediaeval History, has been offered the position of Controller of Lard in the Ministry of Food.

The Cabinet discussed the question of action against the B.U.F., C.P. and P.P.U. in connection with Stop the War leaflets, and Pacifist propaganda, on the 16th. The Home Secretary felt that a distinction should be made between definitely defeatist and obstructive propaganda directed against the Govt. war policy and towards a policy of appeasement. The Cabinet did not think that leaflets which had been issued up to the present were likely to do very much harm, and were inclined to defer action until they had got a really good case. They felt however that if action

was taken it should be against the B.U.F., C.P. and P.P.U. This sounds very unimaginative since many of those associated with the P.P.U. are doubtless unaware of the fact that it has been penetrated by the Nordic League and the B.U.F. for purposes which are definitely in the interests of Germany. If they are prosecuted they will become martyrs in the cause of peace. We have suggested to the H.O. that by far the most effective way of dealing with the P.P.U. would be by question and answer in the House and by subsequent publicity in the Press. This might well have the effect not only of disintegrating the P.P.U. but also the B.U.F. and the Nordic League.

Hankey has replied to our memo. about a censorship in Eire. He does not think that a case has been made out, although he does not like the present situation. He does not however seem to be very well informed on the many loop-holes which exist. e.g. he says that as far as is known the German Legation in Dublin has no illicit wireless. It is not of course necessary to have an illicit wireless in the Legation. One might exist anywhere in Eire or even in Northern Ireland, where one has already been reported. Moreover Archer has no means of detecting these illicit transmitters. We asked him the other day to enquire about one at the Kilmacurra Hotel. He replied that he had neither the personnel nor the equipment for dealing with the situation. We are sending a reply to Hankey.

A dual national called Osborn^y sailed for Flushing on Sept. 2nd, but changed his mind on arrival and came back to Gravesend. Immediately on arrival he said he wanted to go back

to Germany. In spite of the fact that he was born at Ealing the I.O. and S.C.O. decided to have him interned. His solicitor has written in saying that he is a British subject altho' travelling on a German passport, since he has never made any declaration of alienage. He goes on to state that in the last war DSBORN served in the German Army, and presumably does not realise that he is virtually admitting that his client has committed high treason. The H.O. are now making an order for the man's internment, under 18b.

Hermann FRITSCH @ FRENCH, a British born subject of naturalised German parentage who has lived here for 30 years and served in the B.E.F. during the last war, returned to Germany with his wife just before the outbreak of the present war. He has now decided that he is not in sympathy with the policy of the British Govt. vis-a-vis the Nazis and has elected to remain in Germany. He has sent his wife back to England.

F.O. have had a wire from Peking asking whether they can marry a Eurasian British clerk to a former secretary of the German Embassy and whether the lady can have a British passport. We have pointed out the danger that this may be a marriage of convenience in order to enable the lady to commit an act of espionage and that therefore we were against her being given a British passport, or in any case that she should not obtain an Empire-wide endorsement.

A German named Hans CRAMER, a Director of a British firm, is offering activated carbon for use in the production of gas masks. We are advising that Cramer is already somewhat suspect and that the affairs of the firm are being investigated. It may be that he

may be a suitable subject for internment.

Commander Arnold Foster of S.I.S. rang up about a somewhat disjointed and cryptic story of an illicit wireless station. I gather that he had intercepted certain messages which indicated that there might be an illicit station on a boat on the Tweed near Melrose. He wanted to know whether we could ascertain whether such a boat was situated there and whether it had a metal bottom. I do not know how we can find this out except by turning the boat upside down, but the Radio Three are working on it.

OCTOBER 25th

Slade of the Admiralty called with Capt. Grieg who is to be our N.A. in Dublin. It has been decided that he is to be officially described as an N.A.. This of course is a confession to Eire in the sense that it recognises her as an independent country. I gave Grieg a brief summary of our relations with Archer in case he happened to come across him, but said that I thought it would be better if he did not refer to our liaison in any conversations with Archer. I recommended to Grieg, although it was actually outside my province, that if it were possible for him to arrive at a point where we could supply Eire with equipment of one kind or another and so place them under an obligation to us, we should have much better grounds for interfering in matters affecting German submarine activities on the West Coast. I gather that something on these lines is already in contemplation.

The case of Stanek has come up again. Most of the office has been looking for the file for days. It was in the drawer of

Major Bardwell's table. The man has been exempted from enemy alien restrictions by the tribunal in spite of the information we supplied. He is now proposing to go to S. Africa. There is still some doubt as to whether he was not formerly at any rate connected with the Gestapo. He is being interrogated and only if his explanations are satisfactory shall he be allowed to leave. In any case we shall inform the S.Africans who will probably send him back.

Wells of the H.O. rang up today about the export of currency. He has been in touch with Rowe-Dutton of the Treasury on this matter. R.D. has several cases of aliens which have aroused his suspicions. Wells has told him to refer any such cases and also cases of British subjects when the circumstances are really curious. This will be one more burden on M.I.5. but obviously the work must be done.

Maunsell has written from Egypt saying that out of 101 suspects, 45 are in custody, 3 at large and the remainder left the country before the outbreak of war. There are still however a large number of Germans against whom nothing very definite is known, who were left at large. They are said to be engaging in propaganda of one kind or another with the native population, belittling the allied war effort and glorifying German military achievements, prophesying the early collapse of the democracies under the quadruple weight of German, Italy, Japan and Russia, and spreading rumours that Britain will not only send Egyptian troops overseas, but will conscript Egyptian Labour, restrict cotton sales, requisition cattle and transport animals and generally re-enact the mistakes committed in Egypt in the last war.

This propaganda is apparently being spread not only by German males who have retained their liberty and by the wives of internees but also by German women married to Egyptians and by governesses and maids in Egyptian families. Maunsell recommends (1) internment of all male Reich Germans under the age of 65, (2) repatriation of their wives, (3) the holding of (1) in custody as bargaining counters to secure the release of the Egyptian diplomats in Germany and (4) if (3) is secured, the repatriation of the Reich Germans under (1), with the exception of suspects and those electing to remain, who should be held in concentration.

OCTOBER 25th

The tribunal in Bradford interrogated an enemy alien the other day on the following lines:

"You are a Social-Democrat. This means that you are not an enemy of Hitler. Consequently I am interning you". This is a good illustration of the confusion that exists in the minds of some of the members of the tribunals.

Wilhelm NEININGER, a technician of military age, attempted to leave the country on the grounds that his wife and child might suffer if he did not return to Germany. We felt that he should be interned as an aryan technician but our decision seems illogical when many of the tribunals are allowing people of this type to remain at large.

Mathews is arranging for us to have a list of all those interned by the tribunals.

Hordern C. Clancs whom I saw today is deeply shocked by the policy of the H.O. vis-a-vis

enemy aliens. He is raising the point with the H.O. as to whether his powers under Royal Prerogative were taken away from him when the tribunals were set up. He argues that he has powers similar to those ~~invested~~ in the tribunals. If therefore they order no restrictions can he then impose them, without H.O. authority or without advancing fresh grounds?

I told Hordern that C.C.Cards. had evidently found himself in a similar dilemma. He had interned a man on the outbreak of war, the H.O. had released him, he had then gone before the tribunal, when his release had been upheld and all enemy alien restrictions had been removed. He thought that the man should be interned and asked for our support, which in the circumstances we felt unable to give.

In certain German musical programmes, short sharp sentences are being interpolated which when pieced together form continuous and coherent messages. Evidence tends to show that it is not necessarily the speaker at the broadcast station who is interpolating the remarks, but more probably someone in this country or in France working on the same frequency as the German station. The pause in any programme is used for speaking the message.

OCTOBER 26th

"Snow" has returned from Brussels with £470 in notes and a small number of detonators concealed in a piece of wood. He was accompanied by another double-cross whom we put up as a man interested in the Welsh Nationalist Movement. "Snow" has also had a letter with his salary, which was posted in Bournemouth.

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He thinks he can establish the identity of the writer. The money is to be banked and "Snow" is to receive instructions regarding the appointment of agents.

We have been consulted by the Censorship regarding the stopping of the export of certain papers from this country which are calculated to create false impressions and to mislead public opinion abroad. It seems that the D.W. and the "Tribune" have already been given export permits. We are suggesting to the H.O. that the export of the D.W., "Action" and other Communist and Fascist papers should be stopped. We ~~have~~ suggested that the "New Leader" should be on the list. We are inclined to leave the "Tribune" for the time being.

Dick White has paid a visit to M.I.7 where he had a talk with Lt.Col. Aylmer Vallance and Major Warburton. M.I.7. is engaged in trying to establish the ~~movement~~ of public opinion in this country for the information of the General Staff. It also has a close liaison with the Dept. of Propaganda Abroad, i.e. Campbell Stewart's dept. Warburton has some scheme for using civilian internees as laboratory material for certain experiments M.I.7 wish to carry out in order to estimate the effect of their own and allied depts. propaganda. We explained that these people would not be very suitable material as they have lived here for some time and many of them might very well have the English point of view. We thought that prisoners of war would be much more suitable subjects.

M.I.7. put out a weekly summary of public opinion in this country, copies of which are being sent to us.

There is another dept. known as E.H.
Catalogue Reference: KW4/185

which is situated in Electra House and is run by a Col. Brooks, who is the London representative of Campbell Stewart's organisation. He is responsible for drafting propaganda for enemy countries and the control of propaganda policy. When it is necessary to find underground channels into Germany etc. help is sought from Major Grand's organisation. If we obtain any information or come into contact with anybody who might assist Col. Brooks we should pass the information through S.I.S.

Dick also saw Col. Holland who controls Dept. M.I.R. This department is run on the pattern of the Arab Bureau which ran the Arab Revolution in the last war. Its function is to study study subversive movements in enemy countries with a view to planning insurrections in conjunction with military strategy. It does not go in for political dabbling, its activities being essentially military.

Cecil lunched with Seal, Private Secretary to the First Lord. It appears that there was no warning of the attack by German bombers on the Firth of Forth. The American N.A. was lunching with the Admiral in the "Southampton" when the bombs began to drop.

in Brussels
Dick's informant is doing well, and looks like being taken on as a member of the local German Legation staff. The latest information is that the Germans have 100 small submarines based on Heligoland and about 20 large ones based on a secret depot in the Atlantic, locality unknown.

OCTOBER 27th

The "Snow" case looks promising. "Snow" and his Welsh friend are to do a course in Germany on intelligence and sabotage. The friend is to start a stamp business, which is of course the old form. It is understood that the Germans are sending messages on the backs of stamps. "Snow" brought back with him some instructions ~~about the size~~ of a postage stamp. These are being brought up by the Post Office. It is believed that they contain information about a man in Liverpool with whom "Snow" is to get in touch. In the meantime steps are being taken to look through the mails at Bournemouth and Southampton for envelopes which are similar to the one addressed to "Snow" which contained his pay.

Crocker is coming here tonight to study the Mercedes case.

OCTOBER 28th

A German called Franz Joseph SCHONMANN arrived here in August ostensibly on a visit to a Miss Bunt Lindsay of 116 Leighton St. Glasgow. He now writes to H.O. saying that he was formerly employed at the Ford works at Cologne, that both his parents were full Jews, and that in spite of this fact he managed to disguise his origin from the Gestapo. He had stayed with the firm for a sufficient time to amass a certain sum to keep his old mother and was seeking employment abroad. He had not registered with the police neither had he visited Miss Lindsay whom he did not know but to whom he had obtained an introduction from a man called HERMANN in Holland. The whole circumstances looked peculiar and we have told H.O. that we are interning him under Royal Prerogative.

D.S.S. saw the Adjutant General today on the question of employment of enemy aliens in the Army. The A.G. dislikes the whole policy and said that he had had it forced upon him by the politicians. He was however insisting that none of these people should be accepted unless they had been approved by M.I.5.

D.S.S. explained to the A.G. that our difficulties in this matter were considerable and that we were not really in a position to give him any real guarantee.

The A.G. mentioned that the Govt. had received a report from the Yugo-Slav Minister that the Germans were contemplating some attack on this country by dropping men in parachutes. He personally did not attach much importance to the rumour but said that certain precautions were being taken. The Govt. evidently expect a violation of Dutch and possibly Belgian territory.

The question of the use of telegraphic addresses has been raised by the Censorship. As far as outgoing telegrams are concerned we asked that the sender should give his full name and address, and also the full name and address of the addressee, on a part of the telegram which will not be telegraphed. The only difficulty is in the case of telegrams coming from abroad. We are suggesting that the cable companies should request that similar action should be taken by their offices abroad. If they cannot carry this out I think we should be prepared to waive the point.

Brigadier Martin M.I.1. has suggested that a representative of the News Chronicle who thinks he had detected an illicit wireless station, should be shown the apparatus we use and taken round in a van in order to get a cross-bearing.

He would then write up the story in the Press. D.S.S. telephoned Martin to say that we had strong objections to any publicity being given to this matter. It was in our interests that the Germans should regard us as grossly inefficient in these matters, particularly as "Snow" is sending them weather reports. If they thought that our organisation was good they might well ask him how it was that he managed to get his messages through.

The French have been taking about running a counter-espionage organisation in Eire. We have sat on this politely but heavily.

Judge Eareangay, Chairman of one of the metropolitan tribunals, has written to say that in the absence of records from M.I.5 decisions might be arrived at which would not be reached if the records were available. H.O. have replied weakly that he must get on with it and that the cases can always be re-heard administratively by the H.O.

OCTOBER 29th

Circulars are being distributed by the BUF who seem to be carrying on a campaign to induce those of their members who are of military age to become conscientious objectors. This appears to be part of a regular political campaign calculated to embarrass the Govt. and hinder the prosecution of the war. D.P.P. does not regard the circular as a contravention of D.R.

Brendon Bracken M.P. has put several pertinent questions to the First Lord about Censorship to Eire, or the lack of it. His last query is "If this is not being done, what is the use of all our wonderful censorship?" Slade of NID

rang me up for an answer, which I gave him. Perhaps we may at last get something done.

The C.P. are to increase their industrial activity on the lines of criticism of the T.U.C. policy of co-operation with employers and with the Govt.

One Eduard RIES, an ex-member of the NSDAP and a Storm Trooper till 1938 when he married a girl of not strictly aryan descent, wishes to be treated as a refugee. He was exempted by the tribunal in the absence of information. We are now suggesting to S.B. that they should reopen the case and have the man interned.

The question of sending parcels to prisoners of war in Germany has been under discussion by the Censorship. In the last war it was found that enemy agents in this country sent parcels to prisoners of war containing secret messages, knowing that these parcels would first be examined by the German S.S. before delivery. In order to safeguard against this it is proposed that some central organisation should be set up for purchasing the goods desired and packing them for despatch. M.I.5 are as usual to be asked to vet the personnel who are employed.

Special material indicates that the Turkish Pact with this country and France was signed after Russian approval had been obtained. The Pact does not guarantee Rumania from attack by Russia. It seems also that Turkey would remain neutral in the event of a war between England and Russia. Turkey maintains her right in the event of war to leave open or close the Dardanelles.

It is rumoured that the Italians are making an effort for a conference in Belgrade of the Balkan Entente plus Bulgaria and Hungary. It is hoped to come to some sort of defensive arrangement against Russia and Germany. The Italian Ministry of propaganda has banned the use of the word "axis".

S.I.S. reports show that Russia and Germany are working in close harmony and that anything in the nature of a rift at the moment is mere wishful thinking.

The German Generals are said to be very worried about the Russian advance in the East and are urging peace in the West. Hitler has appealed to them for unity and has promised to bring Gt. Britain to heel in the West.

Ribbentrop on his last visit to Moscow spoke of the "ramshackle British Empire" and German-Soviet cooperation in Iran and India by the "two great proletarian nations". There seems to be a general trend towards the Left in Germany and the war is being represented as a struggle between proletarian and capitalist countries. The orthodox leaders of the movement and particularly Rosenberg are much worried by the turn of events.

The Soviet Govt. is reported to be seeking air and naval bases in Bulgaria.

On 17.10.39 S.I.S. reported the possibility of a violation of Dutch neutrality.

The Germans have a poor opinion of Russian officers they have met in Poland and of Russian fighting efficiency generally.

An American Legion is being formed clandestinely

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in various countries. The organiser in London is Hugh P. Guiler, managing director of the City Bank Farmers Trust Co. Ltd. Guiler has made a clean breast of his job to Joe Kennedy who has told him unofficially to get on with it.

A report from Sweden is to the effect that the Germans are extremely active there and that no counter-measures are being taken. There is no British propaganda and British papers are days old. Business connections are extremely bad. On the other hand ~~no~~ direct telephonic communication to Germany has been going on ever since the beginning of the war. Neither does there appear to be any censorship of letters from Germany to Sweden.

OCTOBER 30th

Drinkwater, H.O., rang up about the Czech Tribunal which is to start operations shortly. There will be 10,000 Czechs to go before it. Very tentatively I have suggested that the Tribunals should sort out these people with the aid of the Czech Refugee Committee and the police, to establish how many of them are bona fide Czechs and where there is any doubt the question of nationality or the bona fides of the individual, they should refer to us. We would also supply them with a few names of Czechs who we should like specially examined. I also raised the question of some of these people joining the Czech Legion in France. This would provide us with an opportunity of getting rid of some of them.

I have had a long discussion with Archer, Curry and Allan today about the possible sources of

leakage through firms with German connections. Archer has collected a lot of data which I hope may help us to get qualified enemy alien technicians interned.

There was a meeting today of about 6 people from the Censorship Dept. to discuss an order from the S. of S. for War that the censorship was to be imposed forthwith on telephone conversations from Liverpool, Glasgow and London to Dublin. I gather that this is the result of a request from the Admiralty. I suspect that this was the reason for Slade's enquiry about censorship to Eire made yesterday. We have been hammering at this business ever since the war started and Winston has managed to get a move on in 24 hours.

S.B. report that their officer at Newcastle has telephoned to say that an ex-radio officer who says he is from the American ship "City of Flint" has turned up at the port. He states that he left the ship at a North Norwegian port. Under the direction of the S.N.O. Newcastle he was handed over to the P.C.O. for interrogation owing to his unsatisfactory demeanour. He was taken direct to the Admiralty by the S.B. Officer. He left at 1.15 and is due in London at 7.45 pm. His name is James Gerard McConnochie.

Miss Huggins has just made a request for more light to Dawson-Cusack. The immediate result has been that every light in the building has gone out. I am told that the electricians have just arrived. If they are responsible they should be interned for impeding the prosecution of the war.

OCTOBER 31st

S.I.S. reports show that in mid-October there was talk of Hitler stepping down in favour of Goering and confide the destiny of the nation to the Army. Another report stated that a military agreement between Germany and Russia existed but that it could only come into force if Germany was pressed on the Western Front. Sweeping changes are said to be taking place in Soviet Russia both as regards social and economic policy. These are to include the dissolution of the collective farms, sanctity of private enterprise in industry up to 50 employees, and private ownership of property. The monopoly of foreign trade is to continue in the hands of the State.

German propaganda is to be directed towards showing that the fight against England is a fight against international Jewish capitalism.

D.D.S. tells me that the main base of the Fleet is being transferred from Scapa to the Clyde, and there is a movement to declare the Clyde area and also Rosyth, Humber, Harwich and Blyth protected areas. The idea of creating the whole area north of the Clyde an officially protected area is now off. The Orkneys and Shetlands are however to be so declared, and we are appointing a security officer to deal with permits etc.

The Snow party is interesting. The microphotographs have been brought up and a detailed questionnaire covering an immense variety of subjects has been revealed. Snow had instructions to get this work done by ESCHBORN to whom a covering letter had been sent.

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At the beginning of the war, as a result of censorship, a telegram was intercepted, and Cookie interviewed a German at a London hotel. He eventually decided to let the man go but made enquiries about the addressee who was ESCHBORN. The latter was interrogated and virtually confessed to being a German spy. He has since been left at large. Snow is to go up and see him and will let things develop in the ordinary way. It will be interesting to see what E's reactions are.

Snow and his Welsh friend appear to have had an interesting time in Brussels, where they had long discussions with various unidentified Germans. The idea is that they should both be employed on blowing up factories and works of importance in this country, for which ample funds are to be made available. There is a suggestion that explosives should be sent by submarine and landed somewhere off the Welsh coast. Snow was offered £50,000 for anybody who would fly one of our latest craft to Germany.

Colonel Le Hardy, Censorship, rang up to say that a telegram in cypher from the German Legation in Dublin to the German Embassy in Washington had been intercepted in Nova Scotia on some date prior to October 8th. It is understood that the Eire authorities have given an undertaking that no further cypher telegrams from the German Legation will be allowed to leave the country.

The Polish Air Force are to be accommodated at the Isle of Sheppey. An Air Ministry officer is to be charge of them and says that the pilots are quite good material. We are also to be supplied with 270 Polish airmen

and mechanics who form the equivalent in Poland of Imperial Airways. For some reason or other these people are ultimately to be used for communication between Palestine and Greece.

I lunched today with Gooch, who was recommended to us by Sir Edward Crowe of D.O.T. He has lived most of his life in Japan and should have the necessary background for running our Japanese section.

NOVEMBER 1st

Cecil and I had a long discussion with Thornton about permits for people wishing to visit French territory. The French want to know what significance attaches to the fact that an individual has been granted a permit. We have been bound to say that a permit constitutes no guarantee of the bona fides of an individual, because all applications are not being referred to this office.

Adams suggested that France should come under the Military Permit Office. This would ensure that all applications were referred and vetted. There might of course be cases where information in our records would not constitute sufficiently strong grounds for refusal of a permit. In such a case the French would probably like to know what information we had about the individual in question. While this of course will involve us in extra work the question of reciprocity on the other side as between the 2eme Bureau and Passport Control would have to be considered. We shall also have to make arrangements with S.I.S. since at present such information as we have about aliens or British subjects is passed to the 2eme Bureau by S.I.S. and their representative in Paris.

At 2 p.m. Allen received a request from the War Office that somebody should go and see C.I.G.S. and the Secretary of State on the question of Eire Censorship.

I went to the War Office at 2.45. After a few minutes with the C.I.G.S. who was mainly interested in the creation of a protected area on the Clyde, we both went in to see S. of S.

I was cross-examined for half-an-hour. S. of S. explained that Mr. Winston Churchill had complained that within 24 hours of the discussion in the Cabinet that the Fleet was ~~to be transferred~~ ^{transferred} from Scapa to the Clyde, the fact had become known to the German Authorities and that they were even broadcasting information which they must be getting out of the country by rapid means. S. of S. wanted to know how such leakage could occur. I said that I had no definite confirmation of the stories of leakage which had come from the S.N.O. in Glasgow, ~~but that~~ the C.C. was submitting a report, but that I should not be in the least surprised if in the present circumstances leakage was occurring. I understood that out of 50,000 enemy aliens, men and women, in this country, we had only interned some 350 and that many of the remainder were not even subject to enemy alien restrictions. Speaking personally, I felt that the proper course would have been to intern all these people and let them show cause why they should be let out. ~~As a result~~ ^{of} The policy of free admission of aliens over a period of years had presented the Security Service with a task which was in no way comparable to that of 1914. The fact was that the surface of leakage was so large and the collection of information so easy, that

it was difficult to get down to the people who really mattered.

S. of S. then asked about his friend ROSINSKI. I explained that ROSINSKI was formerly a lecturer at the Military Academy in Berlin and must have many friends in the Reichswehr. He was not, strictly speaking, a refugee, and had only lost his post on account of his wife. He had then come to this country and had been received everywhere. He might be anti-Nazi but there was no reason to suppose that he was anti-German, and if a military dictatorship came into power in Germany his sympathies might be entirely with the enemy. We felt that people of that type should be under lock and key.

S. of S. also wanted to know about RICHTHOFEN and HANFSTAENGEL. I said that they were more or less in the same category, but that the case of HANFSTAENGEL was perhaps stronger since right up to the outbreak of war he had been trying to pave the way for his return to Germany.

C.I.G.S. wanted all enemy aliens, in fact all aliens, to be cleared from the Clyde Area. I said that from a departmental point of view we should be very pleased to see this done, but that it presented considerable difficulties, that it would in all probability result in violent opposition, particularly if we had to clear the area of friendly neutrals. Even if this could be done, I doubted whether it would provide the solution, since the whole area was thickly populated with Irish, and no form of censorship existed, neither was travel between Eire and this country properly controlled. S. of S. asked me what I thought ought to be done. I said that in my view the censorship ought to be complete as regards telephones, telegrams and mails and

the permit system should be very much tightened. People should not be allowed to travel unless it could be shown that it was in the national interest. I explained that as things were at present the Germans had a Legation, a Press Bureau and sections of the Party in Eire, and that if these people could have free access to information in this country without any reasonable possibility of being detected, the whole work of M.I.5. was reduced to a farce.

S. of S. then asked whether we had caught any spies engaged in transmitting information to Germany. I said we had caught two, one a British subject and the other a German, but that for certain reasons they would not be dealt with in the ordinary way. He was interested in the fact that one of them was an Englishman as it showed that the clearance of enemy aliens or even aliens from areas might not be a solution of the problem.

S. of S. then asked me whether we had sufficient staff to deal with our problems. I said that we were very hard-pressed on account of the additional work imposed on this office since the outbreak of war, namely, the vetting of large numbers of people who had had to be taken on in confidential or semi-confidential Government posts. This amounted to thousands a week. Also the work of controlling permits to travel. It was an easy matter to get officers but a difficult problem to train them. Given that an enquiry resulted in no trace in our records the matter was easy, but if there was a trace, the case had to go to some experienced officer who could assess the value of the information in our files.

The interview was extremely informal and friendly.

When I left S. of S. said that if we had any difficulties or problems with which we thought he could help we had only to bring them to him.

As regards general censorship of Eire he seemed convinced that this was desirable.

I mentioned the question of training personnel from Eire in D.F. work and supplying them with the necessary equipment free gratis. Both C.I.G.S. and S. of S. agreed that this was desirable.

C.I.G.S. seemed to have a rather hazy idea as to who was responsible for the activities of M.I.5. He was under the impression that we were entirely a dept. of the W.O. I suggested rather tentatively that there was a section of the office which was definitely under W.O. control but he insisted that the S. of S. for War was entirely responsible for our activities and in the circumstances I did not feel it politic to disillusion him. If somebody really thinks they are responsible for us, we may perhaps get something done.

On return I saw Brigadier French and told him what S. of S. and C.I.G.S. had said, and that they appeared at the moment to be convinced that complete censorship as regards Eire was essential. Brig. French told me that he had been ordered to attend a meeting of representatives of the Cabinet at the W.O. at 6 p.m. The following were to be present: S. of S., First Lord, Eden, Hankey, and Sir John Anderson.

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Wilhelm STELLBOGEN of the D.N.B in Egypt was arrested on the outbreak of war. Subsequent enquiries have shown that he was an agent of the Ministry of Propaganda and that he was subsidising newspapers and journalists and also a subversive Egyptian organisation. As regards the latter there was proof that £2,000 had passed between STELLBOGEN and one of the members. There was also information to show that he had been engaging in espionage.

The Oxford Don has discovered that there was a system in force during the last war by which applicants to the Permit Office were told that they could only receive a permit if they produced a statutory declaration to the effect that they would not attempt to return to this country. The price of such a declaration, which can be obtained from any Commissioner for Oaths, is 2/-.

We asked S.B. to enquire about a man called STEELE who was connected with the Y.C.L. They appear to have searched his house on the grounds that he might be a member of the I.R.A. A complaint has been lodged to the Home Secretary by someone who wishes to know whether the man has been cleared of suspicion. S.B. have minuted the file saying that they carried out the enquiries at our request. They obviously stretched a point and are saddling us with the baby. We do not however want to let them down as their powers of search under I.R.A. warrant have been very helpful in cases of suspected illicit wireless transmission.

Leo DAVID, an enemy alien Jew, has been freed from all restrictions. He is a scrap

metal merchant with a very dubious background comprising international arms traffic. He deals with the Soviet and has contacts with Woolwich. He can now travel freely. This is just what we wanted to avoid. I am taking the matter up with the H.O.

One of the German Air Force officers has stated that he did not bomb the Forth Bridge on account of the train which was crossing it at the time. He had had special instructions that on no account was he to bomb the civilian population.

Special material indicates that the Poles and also Sarajoglu, Turkish Foreign Minister consider the Soviet troops a band of undisciplined vagabonds and of little military value.

NOVEMBER 2nd

I saw Brig. French this morning. He gave me an account of yesterday's meeting. Winston appears to have held forth and to have thumped the table. He was anxious that complete censorship should be imposed on Eire and when opposition was raised on the grounds that this might antagonise the Irish Govt. He said dramatically "What is that to the sinking of one of our warships?"

Eden eventually interposed suggesting that the leakage of information of which Winston complained could probably only be effective if it were transmitted rapidly to the Germans and this might equally go on from the Clyde area direct as from Eire. He suggested therefore that M.I.5 should carry out intensive observation in that area. He at the same time would try and get the Govt.

of Eire to organise some D.F.system in Eire. It seems a pity that a representative of M.I.5. was not present in order to explain exactly what the position is (a) with regard to D.F.ing in this country and (b) in Eire.

The final conclusions were as follows:

1. S. of S. for Dominions should approach High Commissioner for Eire regarding the routing of all cable traffic ex Eire through London for scrutiny by the British Censorship authorities. (Under present arrangements such scrutiny is only carried out here after a delay of from 2-10 days, the arrangement being that the cable companies furnish copies of all cablegrams transmitted by the existing routes from Eire via the Azores to the U.S.A. This may close a possible avenue through the Azores via Lisbon to Germany).
2. that the existing systems for listening in to all telephone conversations between G.B. and Eire should be extended forthwith to Northern Ireland.
3. that the illicit wireless interception organisation should supply the necessary apparatus and personnel in Eire for the detection of possible short wave wireless transmitters in that country, but that the arrangement should be made direct between the technical authorities concerned and not through diplomatic channels.
4. Should the arrangements under 1-3 fail to stop the present leakage of information, consideration should be given to the

imposition of radical measures of telephone and telegraphic censorship, of all traffic from G.B. to the whole of Ireland on the same lines as are now imposed on traffic to neutral countries. This would involve a cessation of telephone calls except those from Govt. Depts., diplomatic missions, press (after prior censorship), approved firms (after prior censorship). No other telephone calls would be permitted and all telegrams would be submitted to censorship before transmission.

5. S. of S. for War should submit a statement on the advantages and practical possibility of creating an extensive protected area in localities where special importance attaches to keeping secret the presence or movements of naval or military forces.

6. that the evidence so far is not yet sufficiently convincing to do more than indicate that Eire may be one of several sources of leakage of information to Germany and that it is therefore undesirable at this stage to forfeit the useful co-operation which now exists between the authorities in this country and in Eire by going to extreme lengths of imposing telephone and telegraphic censorship at the risk of not only losing this cooperation with Eire but also of arousing considerable criticism and antagonism in this country.

An arrangement has been come to with the H.O. by which in future letters of enemy alien or alien internees both in prisons and camps will be dealt with as follows: Foreign mails by the censorship, internal mails by the prison or camp authorities who will only refer to us for special cases.

18B mails will be dealt with on the same lines as far as foreign mails are concerned and internal mails will be submitted to M.I.5 only until the case has been dealt with by the Appeal Tribunal.

Younger tells me that at the moment only 9% of mails to or from any country are being dealt with. For certain countries such as America there is practically no censorship at all.

NOVEMBER 3rd.

Stevenson of the Censorship brought along a man called Adams who is listening in on the telephones to Dublin from the G.P.O. Adams has had one or two mysterious messages which he will send on to us in due course. In the meantime I have told him to ring up Younger or myself during the day or the night duty officer at night if he gets a call which he thinks necessitates urgent action. At the same time I have asked Abbott at the Post Office to arrange direct lines for us to Glasgow, Liverpool and Manchester. The latter was apparently included at a later date as one of the places whence observation should be carried out. I gather from Stevenson that up to the present no reference to conversations in the north had been received. Stevenson had evidently the impression that Col. Stirling the Censorship representative in Glasgow, was acting more or less on his own. He had begun rather stupidly by cutting the circuits down to two. This had produced a frightful congestion and complaints. It seems not unlikely that all concerned will now be aware that censorship is going on. Stevenson had heard about this and given immediate orders that the full service should be resumed.

Until we get the direct lines going we shall have to rely on written reports which will be dealt with by B.12.

I saw George Booth last night. He told me that he had just seen one of his officers who had been on board the "Clement" when she was sunk by the "Admiral Scheer" off the coast of Brazil. The most interesting thing that the man had to say was that the "Admiral Scheer" was not flying the Nazi flag but the old black, red and gold, and that nobody gave the Nazi salute. The Captain and Chief Officer of the "Clement" were taken on board the "Admiral Scheer" and subsequently put on a Greek boat which landed up at the Cape Verde Islands. These two men are now on their way home and may have something interesting to report.

There has been serious leakage affecting the valuable informant we have in the B.U.F. Certain facts which we communicated to the Commissioner have got back to leading lights in the B.U.F. who have had our informant on the mat. It seems not unlikely that Jackie Carter is the culprit. He appears to have a liaison with Hawkins of the B.U.F., whom he sees on matters affecting public meetings etc. He may well have committed an indiscretion.

I discussed today with V.V. the question of vetting people who wished to go from this country to France and passing information about undesirables to the French in order to guide them on the question of granting visas. Our first step is to get the granting of permits to proceed to France placed under the Military Permit Office. We can then tell the French Consul that if a permit is granted it

may mean that a man is completely whitewashed by us, or that the grounds for refusing him permission to travel are not sufficiently strong. In such cases we should communicate any relevant facts to S.I.S. for transmission to the 2eme Bureau, and not direct to the Consul.

Hugh Fraser, who is an Air Commodore on the C.I.D. and a friend of Cumming, wished to tell somebody confidentially that he was worried about the security arrangements in the C.I.D. He said there were quantities of copies of Cabinet minutes etc. being taken off a roneo machine by girls who were not paid more than 50/- a week and that he had grounds for thinking that some time ago a leakage to the press had taken place from the C.I.D. He thought therefore that if we were investigating these other alleged leakages we might do well possibly to put someone into the Cabinet Offices in a suitable position. I mentioned this matter to B. for his consideration and told Fraser strictly for his own personal information that we had already been put in touch with Bridges about a possible leakage from the C.I.D. Anything therefore that he could tell us which pointed however indefinitely in any direction would be of value.

A Mr. W.P. Holford has reported that one WATTS of 66 Clive Rd. Dulwich, described as the local secretary of the BUF, has been in the habit of returning home late at night with boxes containing papers which he then proceeds to burn in his back garden. We have taken legal advice but unfortunately there seems no possibility of going in under 88a since we have got to show reasonable grounds for believing that an offence has been committed. The only way to get in or

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to examine the boxes would be for the police to treat the man as a suspected person and invite him to come along to the police station for the examination of the boxes, or to go in under an ARP pretext.

The Americans are worried about a Mrs. Josephine HAYWARD, British subject by marriage, who seems to have lived most of her life in Germany. This lady wants to go to U.S.A. to sell beachwear. The Americans are inclined to let her go and have her watched on the other side.

The H.O. have just submitted a file to us which shows that 110 Jewish students of the Ort Engineering School in Berlin were allowed in here just before or immediately after the outbreak of war. Arrangements had previously been made for them to come here without any reference to us, and now the question arises as to a suitable place for them. There are all sorts of remarks on the file about their future value to industry in this country. Actually they are just the kind of people we don't want to have in the rearmament industry. Some of them may even have been planted on us.

I attended a meeting with D.S.S. and B. in the S. of S. for War's room. S. of S. said that he had been attacked in the Cabinet on the alleged inefficiency of M.I.5 and not discovering the sources of extensive leakage which was supposed to be going on. S. of S. was very anxious to defend M.I.5 and would like to know what they had to say. D.S.S. gave him a copy of the letter that we had had from the B.B.C. indicating that all these rumours about broadcasts from Germany in which the locations of our units etc. were disclosed seemed to be without foundation.

The B.B.C. have been listening in consistently day and night and had never heard any such broadcasts. They had however received similar rumours which on investigation had proved to be illfounded. It boiled down to this: that up to the present noone had been able to produce an individual with any reasonable qualifications who could say that at such and such a time and on such and such a wave length he had heard a broadcast disclosing confidential information. S. of S. was told that we had an enquiry on foot at the moment regarding a tank unit where the evidence appeared to be slightly more circumstantial but that up to the present the position had not been cleared up. S. of S. seemed quite relieved to find that Winston's stories were only a mare's nest. He was not altogether surprised as he said that Winston had told him a few days previously that Randolph and Duncan Sandys had not received a penny of their pay since they joined up. Enquiries showed that they had been paid in full.

S. of S. then went on to the Cabinet conclusions:

1. Action by Mr. Eden. I explained that I had seen Mr. Stevenson of the Dominions Office the previous evening and that he had arranged that Mr. Eden in addition to raising the question regarding the routing of telegrams via the U.K. should also suggest to Mr. Dulanty that ~~the~~ we should send technicians to this country for training and that we should provide them free gratis with the necessary equipment.
2. Protected areas. While it was felt that the creation of protected areas would not deal with a possible leakage of information through members of the I.R.A., D.S.S. felt that the clearing of such areas of enemy aliens

and the introduction of a pass system, would be of some assistance. He understood that the Admiralty had made a definite request that this should be done.

3. With regard to wireless, the position was made clear that we had no control over the detecting organisation but were merely interested in the results of their work.

S. of S. sent for Brig. Martin and enquired about the progress being made with the construction of the necessary apparatus. He seemed satisfied that things were moving as fast as possible and expressed the view that equipment should be provided for the Govt. of Eire.

4. Question of aliens. S. of S. asked whether we were worried about the alien problem. We said that we were thoroughly dissatisfied with the work of the tribunals. He asked us to let him have a note about this.

NOVEMBER 4th

A German refugee in this country has evidently suggested that Otto Strasser should come here. Strasser's reply was that he does not think matters have matured sufficiently in Germany to make any revolutionary action possible. He regards 3 things as a pre-condition to revolutionary action:

1. that the German people fully realise that a state of war exists,
2. that the German General Staff should be convinced through their fruitless attacks on England and France that Hitler's policy has been wrong,
3. that the German people would have to be really hungry.

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I had a discussion with Harker about our organisation. I felt that there was much ground that we might not be covering and that the machinery for enquiry, particularly in the provinces, seemed very inadequate. I had in mind the case of one KNOP, who has a smallshop outside Southampton Docks, and is alleged to be visited by German seamen. This man is clearly suspect from several points of view. We really ought to be able to keep him under close observation, put in an agent, and keep his correspondence and telephone on check, if we are really going to investigate the case properly. At the moment we do not seem to have th staff and machinery for carrying this out.

I provided a short memo to D.S.S. amd B. on the question of the responsibilities of M.I.5 and the difficulties encountered in carrying these out. My idea was that something of the kind should be submitted in answer to the criticisms of M.I.5 which have been made in the Cabinet.

The case of NEININGER has come up again. H.O. were proposing to send him before a tribunal. This man is an Aryan technician of military age who attempted to leave the country. Our view was that he should be interned under R.P. as the tribunal would inevitably let him out. If he appealed and went before the Advisory Tribunal M.I.5. would have an opportunity of putting forward their reasons for his internment on general security grounds. We put these views to the H.O. who have now agreed to the man's internment under R.P. This is a distinct improvement.

NOVEMBER 5th

Wishbaster, where I have more stories about German broadcasts on the location of our units
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etc. I asked for specific details but could get none.

NOVEMBER 6th

I recommended to Harker that we should send letters to all C.C.s and S.C.O.s about the alleged German broadcasts and ask them to furnish us with precise details. Also suggested that if in fact these broadcasts are taking place we might get C.C.s to organise some listening service, since Col. Simpson says it would be possible for someone to tune in on Zeesen and make an announcement without anybody here knowing anything about it unless we had a detector within 7 miles, of the broadcaster.

The telephone interceptions to Eire are beginning to come in. So far there have been two instances of fairly obvious I.R.A. activity. They seem to be using aeroplane communication for travel between this country and Eire.

Younger has seen Kendal with a view to passing any such information to him. He has emphasised that the primary object of this service is to detect leakage of information from this country to Germans in Eire and that special care should be taken to keep secret the fact that telephone censorship is going on. Any action that the police take on these messages will have to have the necessary cover. Kendal did not appear to be very thrilled at having the benefit of this service, but seemed to think that most of the information would be already known to S.B.

Younger has also seen Abbott regarding the possibility of getting direct wires from Glasgow, Liverpool and Manchester. I thought that possibly we might be able to centralise the censorship here but apparently this is quite impossible for technical reasons.

MARKWALD, a chemical expert employed by Huntington, Heberlein & Co. is an enemy alien who is being employed on Govt work at the R.O.F. at Irvine. Our clause about people of this sort being allowed to work for a firm provided they are kept away from Govt. confidential work is obviously a farce.

Sir Reginald Clarry has made a complaint about CARP and de VOOGT. He evidently thinks that they were rather roughly handled at ports. Maxwell has asked for an explanation.

D.S.S. agreed to the engagement of Gooch who will be employed on Japanese work.

Curry has produced a memo on firms with German ramifications suggesting drastic action. I am asking D.S.S. what powers we have for dealing with the situation.

One M.W. Donald is going to Manchester in the censorship and will be controlling the lines to Eire. We have given him a letter to the local C.C.

The Governor of Guernsey is worried about a German called ZULAUF who was arrested on account of his Party membership. There is no internment camp at Guernsey and Z. is languishing as the sole inmate of the prison. He can't appeal as there is no body in Guernsey regarded as august enough. Cooper has remarked rather

curiously that if he is sent over here he will probably be released. Had we known of the situation in Guernsey we might have sent all our suspects over there before the outbreak of war.

Lady Lees of Dorset has issued a pamphlet on pacifist religious lines which has come to the notice of the 2^{ème} bureau. They are extremely worried and want if possible to have this literature suppressed at the source. In actual fact the pamphlet is quite mild and cannot possibly be dealt with under existing regulations. We have already condoned far worse things from the PPU and BUF.

NOVEMBER 7th

Had a discussion with Adam regarding his memo for S. of S. on the organisation of M.I.5 and its responsibilities. It was suggested that some recommendation should be made that MI5 should be responsible to a committee of the War Cabinet, and D.S.S. did not wish to put this into the memo as he thought that Horeb might seize the opportunity to get control of the whole of MI5's activities. This obviously would not do as the organisation must have dealings with the other fighting services. If therefore ~~we were~~ a W.O.Dept. our task in dealing with them would be rendered almost impossible. D.S.S. finally decided to go and see Lord Hankey and get him to devise some mean by which we could have direct access to the War Cabinet when we wanted to get a decision on matters of importance affecting other depts.

KUCHENMIESTER has come up again. Various people connected with him in business want him to return in order that he can run our rearmament industry. The whole thing is rather like Alice

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in Wonderland. H.O. suggest that he should be allowed to come and take his chance before the tribunal.

The question for decision is whether he is better in Eire where he cannot have direct access to our rearmament industry or in this country under restrictions. I am inclined to say that if the Home Secretary would undertake to place him under close restrictions in spite of any decision of the tribunal, we are prepared to let him come and put his case before the tribunal.

Stevenson, Eden's secretary, spoke to me today about the Minister's visit to Dulanty. Dulanty is taking up with his Govt. the question of setting up a wireless detecting organisation in Eire but has asked what the approximate cost would be. I told Stevenson that both S. of S., C.I.G.S. and Col. Butler had expressed the view that this equipment should be furnished free of charge. Stevenson thought that the most tactful way of putting it would be to say that we were quite ready to loan them the necessary equipment. Before finally making a decision he would at my suggestion communicate with Col. Butler M.I.8c.

Hans SCHUBERT, an Aryan specialist in iron and steel, is writing a book on the history of iron and steel in this country. He has for some time had the run of the Iron and Steel Institute and Library and Hope Morley who writes in to the tribunal on his behalf, is anxious that he should continue to do so. I am finding out whether any confidential information is to be obtained and suggested in any case that SCHUBERT should be interned.

One Charles Prettyman, a sailor on the Emerald Queen, situated at Loch Sween, has on 3 occasions sent a telegram "Many happy returns" to 7 Whitcombe St. Aberdare. A curious fact is that on each occasion a ship left the loch.

The Air Ministry Intelligence shows that the Germans cannot stand up against our 8-gun fighters. The German bombers and fighters apparently have no rear gun. The range of the German fighters appears to be limited and this may to some extent act as a deterrent to long distance bombing, since it is the practice of the German bombers to be accompanied by fighters, who have a somewhat limited range.

I now hear that the Custodian of Enemy Property only deals with the property of enemies resident in enemy country. The property of enemies in neutral countries or in this country is a matter for Mr. J.G. Henderson B.O.T.

At yesterday's board meeting D.D.S. stated that he had got the H.O. to agree that no alien should be employed in a scheduled occupation without M.I.5's consent. The necessary machinery to deal with this question is being set up.

Col. Allan raised the question of a press officer. It was arranged that Col. Adam who had previously gone into the question, should discuss it with Mr. Sheppard.

The question was also raised as to whether an officer of standing should not be appointed to deal with registry matters.

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NOVEMBER 8th

K. went to see Hankey last night. He told him our difficulties in not having direct access to anyone in the War Cabinet who could exercise the necessary authority in having certain of our recommendations put into force. Hankey thoroughly appreciated our point of view and said that he thought the Minister for Co-Ordination and Defence was really the person who should be responsible. He undertook to sound Lord Chatfield.

We received an extraordinary request today coming I think from the Ministry of Information. Somebody wants to come and see us to discuss an exchange of photographs between ourselves and the Germans. It seems to be one more illustration of the extraordinary mentality which prevails about the war in certain quarters. The suggestion to me is positively indecent.

Air Ministry reports show that the Germans seem to be relying more on speed for their bombers rather than on armaments. It seems that the German Air Force have done a certain amount of mass landing by parachutes on the Russian model and that the tactics involve the seizing of some strategic point or landing men for reinforcements.

NOVEMBER 9th, 10th and 11th

Away from the office with a cold.

NOVEMBER 12th

Discussed with S.N.O. Glasgow enquiries which had been carried out there into the various rumours indicating leakage of information.

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He said that in conjunction with the C.C. 15 cases had been investigated but that in no case had it been substantiated that a broadcast had taken place. He said that similar rumours had been going about in the Orkneys.

S.I.S. had a serious loss in the death of old "C" last Monday.

Today comes the news of another blow. Stevens the P.C.O. at the Hague who has been in touch with certain elements in the Reichswehr, was shot on the Dutch-German frontier last Thursday and his body taken off by the Gestapo. It seems also that Best and possibly others were kidnapped. No details are as yet available. The danger is that S. generally carried a list of his agents in his vest-pocket. Nobody knows at the moment what he had on him. Dick immediately got into touch with his agent at the Hague, whose identity was known to S. and instructed her to make her way to Brussels and return by plane. This she has done, bringing some very interesting information about German intention in Holland. It seems that the plan was to invade Belgium via the little triangle of Dutch territory by Maastricht. It was thought that this would cause us to violate Belgian neutrality and so give the Germans the excuse to advance on Ostend and Zeebrugge. For some reason or other the plan was called off late on the evening of the 10th, whether permanently or temporarily is not known. The Stevens incident will be a great blow to S.I.S. and also to ourselves, since we lose the services of an extremely valuable agent who had succeeded in getting well in at the Hague.

NOVEMBER 13th

A correspondent of the News Chronicle called FORREST is trying to get a permit to go to France to write up articles on the French Navy. He alleges that he has the support of the Admiralty and the French Ministry of Marine. We cannot find that he has any support from the Admiralty and are refusing him a permit.

I saw Mr. Grubb of the Post Office at Liverpool today. He had been responsible for the telephone censorship from Liverpool to Dublin and Belfast. Results up to date show that there is considerable indiscretion on the telephone, by seamen telephoning to their girls and saying that they cannot visit them because they are going out with a convoy etc. There have also been some pretty bad conversations from firms in Belfast saying that they are going to supply large quantities of bombs to this and that depot and that these bombs will be sent by certain ships leaving on certain dates. Nothing has been heard so far which would indicate a serious leakage of information. At present the SCO, SNO and local police are cooperating as regards action. In one case the police have "discreetly" (?) interviewed a factory manager on the subject of some conversation. They would probably say that it was done on a "pretext". My experience of these pretexts is that they are invariably of a very obvious kind. I think it is important that we should send a responsible B. officer up to Liverpool, Manchester and Glasgow in order to ensure that any enquiries that are made are properly carried out and that in certain cases no enquiries are made at all.

Internees The following are the figures at the end of October:

Interned by	MI5 HQ.	141 m.	47 f.
"	" SCo's	349 m.	17 f.
"	" Tribunals	177 m.	44 f.
"	" Police	132 m.	35 f.
Total		799 m.	137 f.

The total number of Germans and Austrians in the country over 16 years of age was estimated at roughly over 74,000. The Tribunals had dealt with 19,300 and interned roughly one in 87.

NOVEMBER 14th

S.I.S. have informed us that a German agent who is controlled by one of the double-cross men is due to arrive at Newhaven today. They want him shadowed from the port and kept under observation. It is of the greatest importance that this man should not become aware that he is the subject of observation. As things are at present there is no really satisfactory machinery for carrying out this work. I had a talk with Adam and Allan and suggested that we should appoint 2 or 3 Field Security Policemen in each port for detective work, the idea being that they would go through the B.6 school. These people might ultimately form the nucleus of some kind of provincial Port Enquiry Agency. This is very much needed as at the moment we have no real machinery in the provinces. I discussed this also with Harker and pointed out that really our facilities for enquiry at the moment are very little better than they are in peace time. In some ways they are even worse because we have so many more cases to deal with.

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We have no thorough means of investigating activities of enemy aliens outside the Met. Area. In Many cases we have to be content with a somewhat colourless report from a C.C. or with postal observation which only involves opening about 10% of the man's letters. At the end of a month's enquiry therefore we are generally very little further forward than we were at the beginning.

The case of JACKH has come up again. The Ministry of Information got rid of him on their reduction of staff. Tom Jones of the Cabinet Secretariat has reported that JACKH told a friend of his some time ago that during the last war he had worked in the German S.S. in Turkey. JACKH is of course now a naturalised British subject, and instead of being in the Ministry of Information he should be in an internment camp.

Drinkwater tells me that aliens at the rate of about 2 a week are reporting to the police with a hard-luck story that they arrived here as stowaways from one port or another in Europe. These people are stateless or have no documents. The normal course is to instruct them to report to the police every 24 hours. Drinkwater is wondering whether there may not be some scheme for planting agents on us by this means. I have asked him to refer such cases and also to find out from the police whether these people do report regularly or whether in fact they are at large. My own view is that they should be interned. It seems that they have the right to work here.

NOVEMBER 14th

Roger tells me that our great superiority over the Germans in the air is in gun turrets.
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which enable us to traverse in any direction. Production was at one time held up on account of these turrets but is now going full steam ahead. The Germans have hardly begun on turrets.

T.A.R. has just returned from Belfast. They investigated one rather suspicious case at Portrush, but so far the enquiries are inconclusive. The Belfast detecting station which is singularly well-placed, has picked up several people believed to be communicating to or from Germany, possibly from this country. T.A.R.'s impression of the local police is somewhat similar to the one I gained more than a year ago. The issue between the Orangemen and the I.R.A. is the thing that really counts and espionage matters are of secondary importance. There is also a certain wildness in the reports which are obtained by Ulster. We hope, through the Command Security Officer who seems intelligent and is well in with the local authorities, to get these matters sifted locally before they are passed on to us.

We had a Board Meeting tonight. D.D.S. explained various measures which have been agreed upon by the H.O. for preventing aliens from penetrating our rearmament industry. It was agreed however that registration certificates should only receive the necessary stamp authorising permission to work in a particular occupation if application were made by a firm. In other words, we could not give a guarantee about an individual which would enable him to work anywhere in his particular trade. We should have to be guided by the circumstances of his employment and the nature of the work that happened to be going on in that factory at that time.

I raised the question of the lack of results.
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we were receiving from H.O.W.s The Post Office do not pretend to take more than 10% on some 400 H.O.W.s which are at present in operation. I said that this was only one side of our investigation work which was being severely hampered. The fact was that we were singularly ill-equipped for dealing with any enquiries in the provinces. We could not hope to get more than 10% of the letters. Only with difficulty could we impose a telephone check. In certain C.C.s areas we could get no satisfactory observation and we had no adequate machinery for putting in an agent. The result was that there were hundreds of cases which after a rather superficial investigation of a month had to be laid aside. An added difficulty was that owing to a general lack policy we could not narrow down the surface of our enquiries. It was agreed that Booth should be asked to look into the question of H.O.W.s

The P.P.U. have now asked whether Peace News which has been refused an export permit can be allowed to go out through W.H.Smith & Son who have a general license. This only goes to show how farcical the whole position is. Moreover if anybody wishes to evade the export permit they can perfectly well do so by sending the literature to France on which there is no censorship and having it re-exported to other countries. We have drawn the attention of the H.O. to the position and suggested that the whole question should be put in order, particularly in view of the anxiety of the French about pacifist propaganda.

NOVEMBER 15th

I saw Col. Stirling today when he explained to me the position in Glasgow regarding telephone
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censorship on Eire. We have arranged that in the ordinary way suspicious conversations should be reported to M.C.4 and passed on to us. If the matter is urgent it should be telephoned on one of the trunk lines arranged for by Abbott, either to Younger or myself, or at night the night duty officer should be asked for. In cases of extreme urgency we have agreed that the Censorship Officer should consult the appropriate authorities on the subject and initiate the necessary action. We have asked however that we shall be informed at the earliest possible moment.

A man named FUNK, an Aryan German employed by the Loewy Co. was interned by us as a member of the D.A.F. Agitation is now going on for his release. We have had him interrogated and have been told that he is thoroughly German in his outlook and that he has no particular desire to go back to Lowey. There are four other fill aryan Germans employed by the firm who as far as we can see are in the same boat. Out of 90 employees there are some 12 other aliens of various sorts. It seems incredible that these Germans should be allowed to remain in the firm in spite of the protests of the Air Ministry who attach importance to the Extrusion Presses that are made there. We are recommending that they should all be interned.

Stephens tells me that to date we have interned 271 Germans and 17 British subjects under DR.18b. S.C.O.s have interned 98. 45 have been relased. 341 still remain interned. These figures of course do not include tribunals or people interned by C.C.s on their own initiative. B.8. have interrogated 103 internees and have passed 4,000 tribunal cases over the records, of which roughly 500 produced a trace.

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Out of these 500 the information was sufficient in whole or in part in 120 cases to cause the tribunal to intern the individual concerned. This vetting of tribunal cases of course only applies to the Met.Area. Had our records been consulted throughout the country there is no doubt that far greater numbers would have been interned.

Archer tells me that the censorship have intercepted a telegram to the New York Press Service from an American journalist here called Nixon. The telegram referred to an invention alleged to be in use by the Germans for penetrating cloud banks by infra-red rays. The pilot can fly above the clouds and at the same time see his bombing target! It was said in the message to New York that the British Air Ministry did not attach much importance to this alleged invention. As a matter of fact they have been working on it for some time and were very alarmed by the telegram being sent. They therefore instructed the censorship to have it stopped, but obviously did not realise that confirmation in writing would probably be sent and would not be subject to censorship. The result is of course that the correctness of the information in the original telegram will be confirmed, by the fact that it has been suppressed by the censorship. It is difficult to know how to centralise these things. The case illustrates clearly how dangerous it is for Ministries to deal direct on these matters. I have suggested that the telegram should be sent on, even though it has been held up for 6 weeks, and that Nixon should be approached in order to find out the source of his information.

V.V. came over today and told me about Stevens. They did not know a great deal as nobody in

the original party appears to have survived. A meeting had been arranged at the frontier with certain German Staff Officers. Stevens, Best and two Dutchmen had been to the frontier by car but nobody had turned up. On the second day they got a message to say that the officers would be there on the following day. When they arrived on the third day they parked the car within 40 yards of the frontier. A German car arrived. The officers surrounded Stevens' car and the first man to get out was shot. Then Stevens got out and was also shot. Two men remained in the car, whether the two Dutchmen or Best and one Dutchman, is not known, and the Germans pushed it over the frontier. The Dutch guards and any onlookers were intimidated by the Gestapo and did not dare to intervene. The whole plot was known to the Dutch General Staff and it seems not unlikely that the member of the staff, SASS, previously reported on by P. as a German agent, was responsible for giving the show away. SASS who had been sent to Berlin was evidently back at the Hague, since a picture appeared of him in consultation with the rest of the staff in "Picture Post" only about 10 days ago. The Dutch are terrified and do not wish to make any protest. The French who are also concerned, and have a number of Gestapo in tow, are contemplating some counter-action, which will not perhaps do much good.

NOVEMBER 16th

The Committee of the War Cabinet has reported on steps taken to warn public and Government Depts. against discussion of confidential matters in public places. It seems that a great deal has been done in this matter. The Ministry of Information are primarily responsible for warning the general public and are to work in close collaboration with the Security

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H.O. have refused to support us in the case of William Downie FORREST, Communist correspondent of the News Chronicle who wishes to go to France to report on the French Fleet. The man is to have a permit but we are to warn the French so that they do not give him a visa.

Archer has sent me a personal letter about British soldiers, sailors and airmen appearing in Dublin in uniform. A sergeant of the Irish Guards was seen the other day complete with sidearms. Archer says this is not his business and not directly mine, but that he feels we would be doing each other a mutual service if we could prevent incidents which may develop into a source of friction and trouble. There is already a body in existence called the Irish Neutrality League which from the leaflets Archer sent must be very near the I.R.A. They complain amongst other things that a Dublin firm is trying to persuade its employees to join the British Army by offering to keep them on the pay-roll while they are on active service. To remedy this it was suggested that passports should be refused by the Eire Govt. to all men who were leaving Ireland to fight in imperialist wars. It is not explained exactly how the Eire Govt. are to know whether a man is leaving for the purpose of enlisting in the British Army.

Soviet espionage seems to be on the increase. Jane has now got a man in the Russian Trade Delegation whom she would like to get at. Unfortunately the premises at 51/53 Hatton Gdns. are immune under the latest Trade Treaty.

We are still looking for a man in the C.I.D. who was reported to us by Levine through Krevitsky. We are trying to get K. himself to come over here if possible and we are also trying to get Catalogue Reference V/4185 Holland. Both these

people should help us to clear the matter up.

I had a talk today with Shepherd of the Treaties Dept. of the F.O. who is now in charge of the negotiations over the exchange of prisoners. He tells me that there are about 2-3,000 British subjects in Germany of whom only about 117 are interned. Many of them he gathers are only technically British subjects.

The Germans are more or less prepared to agree to repatriating people of military age on a reciprocal basis. In other words they realise that we are in a strong position numerically, and are out to make a good bargain. I explained to Shepherd that we were interested in getting rid of quite a number of Germans, particularly women, provided they were isolated for a period. If an isolation camp were set up we could get on with this instead of having the people left at large. He seemed quite keen about this, particularly since the Germans are making a fuss about their women being in prison here and are threatening to put ours in prison unless something is done to improve the conditions. I said that we should be quite pleased to see these women put into an isolation camp but that as things were there was no internment camp for women at all. If he could move the

H.O. to do something about the matter we should be only too glad, provided they did not open a camp in the north of Scotland or the wilds of Cornwall. Shepherd said he would speak to Cooper on the whole question and let me know the result.

A Mr. A.J. Espley has sent a copy to the Home Secretary of a letter he has written to the Refugees Co-ordinating Committee, Bloomsbury House, W.C.1. He says that when an appeal for help for Jewish refugees was made by Earl

Baldwin he took on a Mr. Walter BENDIX in his home and that this man has been with him ever since. When the arrangement was originally made he was told that the man would be going to America. He now wants to know if he is actually to go and what steps are being taken to relieve the country of the onerous burden of keeping and feeding these refugees. He thinks that they should be given farm work. He continues that although Mr. BENDIX is a gentleman of the highest repute "one cannot be sure from day to day of the loyalty of any of these Germans, whether Jewish or not" and although he has no grounds for saying it beyond a general feeling that when broadcast reports are received these refugees cannot help showing either elation or disappointment at the news, ~~that~~ the dividing line between their loyalty to this country ^{is very, very narrow}. He thinks that some efficient protection should be organised against any undesirable elements. In his opinion it is a difficult matter to segregate the good from the bad unless a general internment order is made.

NOVEMBER 17th

One Ernst HIJMAN, a Dutchman, wants to establish himself here as an engineering consultant. He makes recommendations regarding the speeding up of production machinery but unlike the Beddoe system he is concerned with the machines and not with the personnel. We have objected on general grounds that an alien should not be employed on work of this kind which must inevitably bring him into close contact with our rearmament work.

I have suggested that no permits should be granted to enemy aliens wishing to go to Eire whether they have passed the tribunals or not.

D.S.S. has mentioned this matter to Maxwell who has promised to discuss the question with the S. of S. This is really only one of the lines on which permits should be tightened up.

Adam told me a very bad visa case today. A man in this country had recommended to the H.O. that a German woman in Denmark should be granted a visa for the U.K. We had objected on general grounds but as we had no specific information against the woman we were overruled by the H.O. When the PCO received instructions to grant a visa he reported back that the woman seemed undesirable and was closely associated with local Germans. The case is hanging fire at the moment but it shows how security grounds are subordinated to the policy of the H.O.

Col. Backhouse called here today. He had just returned from Liverpool where he had organised the telephone censorship to Eire. He had seen our latest instructions about taking action on messages received and thought they were quite sound as a temporary measure but he shared my anxiety about the general situation and the necessity of co-ordinating the various conflicting points of view. He is coming in for another talk.

The following is the position with regard to export of printed matter to censored countries. Under S.R. & O. 1939 No. 1440 a permit must be obtained for the export to any country covered by the censorship for newspapers, books, plans etc. and any article regarding or containing information. Certain specific classes of documents are excepted from this provision. Permits are obtained from the Deputy Chief Censor, Permits Branch, who has a head office at Aintree and a branch office in London. Permits are

required whether the material is sent by post, by freight or by hand.

1. Transmission by post.

Nobody can transmit printed matter by post unless he holds a permit or unless he can find a permit-holder to do it for him. Material transmitted by permit-holders is examined from time to time as a check upon their bona fides. Permits are not granted to individuals but only to firms. A permit holder may export any of his own publications provided they are not on the Black List (at present no Black List exists) and also the publications of other permit-holders. (No list of permit-holders has yet been issued). Single copies of publications sent by letter post are submitted to the postal censor, but at present the outward mails to only about 6 foreign countries are being censored and not more than 20% of these are opened.

2. Transmission by freight.

Material of this sort does not pass through the censor's hands at all. The exporter obtains a censor's certificate to the Customs Officer who checks it with the list of permit-holders. The goods are examined only to ascertain that they are of the class covered by the permit.

3. Transmission by hand.

S.C.O.s at ports are responsible for the examination of printed or written matter carried by hand. They have power to detain all documents of whatever nature, but may at their discretion pass anything which seems to be harmless. They do not normally search

passengers. There is a special system by which permit holders (firms) can obtain in advance permission for one of their representatives to take documents out of the country. The documents are taken to the Permit Office and sealed up. The representative signs a slip at the permit office which he later presents to the S.C.O. at the port, in whose presence he again signs the slip.

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 Lists of those to whom permits are granted have so far not been vetted except in a few cases. There appears to be no organisation which scrutinises books or papers with a view to controlling their export. Ministry of Information censors press telegrams and is believed to bring pressure to bear on journalists who submit telegrams for censorship. The censorship is however theoretically voluntary. Nobody scrutinises books lawfully published in the U.K. Some wholesalers will probably ask the censors advice before exporting books about which they are doubtful, but they are under no legal obligation to do so.

It seems that Eire are quite ready to cooperate in the matter of sending wireless experts and that there has been a ready response to Eden's approach to Dulanty. Two experts have arrived here to undergo a course.

I have discovered a new organisation called M.I.L(C) It seems to be their business to examine inventions, suggestions and plans submitted to the War Office, however fantastic these may be.

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NOVEMBER 18th

Discussed with D.S.S. the case of John Lehmann. Nichols of the F.O. has spoken to me again about our recommendation against Lehmann's appointment in the Ministry of Information. I have suggested to D.S.S. that we should set out the full facts of this case and that instead of Nichols coming to see him as suggested, D.S.S. should show the relevant documents to Cadogan and settle the matter once and for all.

Adam has put up a memo on the question of travel and has inserted the note that I made out some time ago about dealing with categories.

Curry's memo about the Mercedes Company and the Concrete Pump Company etc. has been gone through by the Legal Section and is going to be submitted by them to Christie who I understand is the legal adviser to that dept. of the B.O.T. dealing with the trading with the enemy. The idea is that we should get some form of legislation to deal with the situation.

We have stopped two censorship officers from going to Gib. Their names were Harcourt and Chapman. They were friends and one of them is under some suspicion on account of a police report the contents of which are being investigated. We have another very bad case in the censorship. A woman has written an extremely indiscreet letter to Shishmareff, a suspect American of Russian origin whom we have on check. She told him amongst other things where she was working and that there is a black list and a white list. She thought moreover that Claud Cockburn would be interested to know that he was on the black list.

The case is being taken up by the D.P.P.

Censorship in Palestine picked up an interesting letter showing that there is a German agent in Batavia reporting on movements of ships and other matters of importance through a cover address in Holland. LANGENBERG

S.I.S. reports indicate that the Dutch venture was probably called off owing to differences between Hitler and his General Staff. Italy is still maintaining her attitude of veiled hostility towards the Germans. Himmler's visit which was to have paved the way for a visit by Goering was evidently a failure.

I have read through the Advisory Committee's note on the case of Bode of the German Hospital. They have released him on restrictions. They took the view that the retention of his German nationality in spite of his naturalisation was an ordinary normal legal formality necessitated by his official position. It is just possible that this may have been excusable but it is difficult to see how they can have got over his joining the Nazi party after he had become a naturalised British subject.

T.A.R. tells me that one of the notes which was paid to Snow as part of his salary by a woman who posted the letter from Bournemouth and subsequently from Southampton and London, has been traced to Selfridges. Enquiry there showed that she had obtained this note in exchange for treasury notes. An accurate description of the woman has been given. She is evidently in the habit of posting her letters at different places at irregular intervals. A local search of the mails for similar envelopes therefore might not be of much use unless

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we can find that she makes regular use of one particular locality.

Craig rang me up to say that a Petty Officer named Burns from the "Royal Sovereign" had had a telegram sent to him c/o Royal Sovereign Belfast, from a girl called Lena. The girl was asking for money. Burns had just been on leave and met this girl. Enquiries are being made as to what he knows about her. The interesting thing is that the Royal Sovereign is not at Belfast, but that there is a dummy ship there which is supposed to be the Royal Sovereign. The question is how did the girl, who sent her telegram from Dublin, come to think that the Royal Sovereign was at Belfast?

NOVEMBER 19th

Winchester.

Saw George Booth in the evening. He had seen the captain of the Clement which was reported to have sunk off the coast of Brazil, some time ago. The captain had been taken on board a boat which he believed to be the Admiral Scheer and which he has described in detail to the Admiralty. He is certain she was the Admiral Scheer because when passing under her hull he saw the name in embossed letters, which had been painted out. He also saw in the captain's room a little model lifeboat over his bed with "Admiral Scheer" painted on it.

The Clement first sighted what they thought to be a British warship. Then, a German plane flew over them and fired 3 volleys with a machine gun. He stopped the boat and told his men to take to the boats. A pinnace came out from the Admiral Scheer and took the

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captain and the first officer on board. They were very well treated and taken to an upper deck. The Captain of the Scheer said he was sorry but he would have to sink the Clement. He first fired a torpedo, which owing to the swell missed its mark, going clear of the bows. He then fired another torpedo, which also missed its mark, just clearing the stern. They next fired about 25 shells from a 6" gun, and failed to secure a direct hit. Lastly they turned on the 11" gun which succeeded in hitting the Clement 5 times and sinking her. Shortly afterwards the captain of the Scheer announced that he had sighted a Greek ship and that he was going to put the captain and first officer on board. This he did and they landed up at Cape Verde Island.

NOVEMBER 20th

A number of Dutch and Germans have been landed here from the Simon Bolivar which was sunk two days ago. As soon as they recover we intend to interrogate the Germans who were bound for Batavia and may have something to do with German S.S. activities there.

Princess HOHENLOHE has lost her case against Rothermere and is to be allowed to leave with her mother for the United States. She will have a special exit permit which in the words of the Permit Office "ensures that she and her mother will be put through the canteen".

A long report about her which is I believe for publication in the American magazine "Time" has been sent to the H.O. by Baron Frankenstein. The report is written by von Hofmanstahl and alleges that Rothermere received very large sums from the Germans in order to carry out

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Swedish civil aircraft are landing at Perth and Danish and Dutch at Shoreham. Steps are being taken to isolate the pilots as S.I.S. say that they are being used as German agents. There is talk of an air service between Foynes and Amsterdam by KLM. We are going into this, It is possible that some such service may have existed while the Atlantic Clipper was going from Foynes.

According to the Latvian Military Attache here, when Latvia and Esthonia signed non-aggression pacts with Germany they were given a solemn assurance of German support in the event of aggression by Russia.

The Dutch Minister had an interview with Halifax on Nov.13th. The Dutch Minister was still doubtful about German intentions as the preservation of Rotterdam as a neutral port was of great value to them. He thought it possible that the Germans might make an attack on ~~the~~ Texel Island and the island lying to the north of it. In such an eventuality he hoped the British Fleet would be able to give assistance in the fortification of the islands. He also intimated confidentially that Roosevelt had conveyed to the German Govt. that any violation of Dutch neutrality would exercise an immediate and possibly unforeseen influence on American policy. He had reason to believe that this representation had been of great value. The Minister thought that Belgium would move if Holland were invaded but they had no precise information about this point. He was certain that Hitler was in a desperate mood but he thought that it would be dangerous to suppose that Germany was in a state of internal revolution. In this connection he said that his Govt. were satisfied that our leaflets were having the opposite effect to that which was intended.

NOVEMBER 20th

At the board meeting today two major questions were raised (1) travel permits and (2) the vetting of aliens wishing to be employed in restricted occupations.

D.S.S. said that he had studied the memo put up by Col. Adam and had had a talk with

Stafford. Stafford took the line that it would be impossible to restrict travel on the lines that we desired. Adam pointed out that at the moment there were no guiding principles whatever and that unless we eliminated whole categories the work of this office would be seriously hampered. D.S.S. and D.D.S. thought the answer to the H.O. would be one of implicit faith in M.I.5. who would always be able to say from their records whether a man should or should not travel. I said that this was really no good from our point of view since we were quite unable to say anything of the kind and only by the elimination of whole categories could we narrow our enquiries down to the people who really mattered. D.S.S. said that he and D.D.S. would go and see Maxwell on the whole question.

The policy with regard to restricted occupations involves the notification by all employers within 7 days that they require a permit for any alien or enemy alien who was at present in their employ, to be allowed to continue his work. Application will also have to be made in cases of new employees. These applications will be sent to a box number and will be collected and sent to M.I.5. They will be dealt with by a special section and registration books will be stamped authorising a man to work in a restricted occupation regardless of the firm with which he is to be

employed. I pointed out that under this system it would be necessary to take a very cautious view. Application forms would give a good deal of information and if there was any doubt whatever the answer would be "No". This will probably lead to a great many protests which will reach us from the H.O., Ministry of Supply and other departments. It remains to be seen how far the scheme will be workable.

S.I.S. reports show that the Germans have reacted to propaganda and that in general there is a feeling of considerable hostility to England and in a very much lesser degree to France. Goering, the Army and the F.O., seem to be anxious to arrive at some early solution of the present impasse. They evidently think that it would be far better to make peace now. It is urged that the invasion of neutral countries will bring the U.S.A. into the war and completely alienate Italy. Generally speaking, there is discord and uncertainty in official circles.

NOVEMBER 21st

Rowe-Dutton of the Treasury has written to us to say that the Bank of England are very anxious to arrange a procedure for carrying out investigations when a telegram which excites their interest reaches them from the censorship. What they would like would be a very close liaison with some individual officer, whether of the H.O. or M.I.5., who would be able to make enquiries under the Defence Finance Regulations. Although such an officer would be working in close liaison with the Bank he would be, of course, enquiring on behalf of the Treasury and would be fully armed by the Bank with anything he might require on the technical side. I have replied

that this is not a matter which M.I.5. could very well undertake, although they might be interested if it were found that funds were being transmitted to this country for purposes of propaganda or espionage. I have suggested that the Treasury should appoint somebody with the necessary qualifications who would be empowered to issue warrants under 80a and direct investigations which would be carried out by the Police.

A British subject named CATFORD who has a criminal record has been found in possession of an Italian passport in the name of Barlatti. CATFORD said that he was collecting information about ships for some organisation. It is thought that he may be an Italian agent.

A letter has been intercepted through the Censorship imposed on the Orkneys. It was written by a man at Scapa to his mother at Wallasey. It is not quite clear whether the man is in Govt. employ or not. He gives a certain amount of detail about ships and the lay out of Scapa but it is questionable whether he has said anything that could not have been observed by any ordinary resident. Is it an offence to record information of this sort in a letter to a relation? The actual recording of information which might be useful to the enemy is an offence under Section 3 of D.R. only if such recording is likely to prejudice the defence of the realm or the efficient prosecution of the war.

Unless therefore the writer who after all is only communicating with his mother, can be shown to be acting for a purpose prejudicial, it would not seem that any proceedings would be likely to succeed. I have asked S.L. for their opinion.

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A meeting was held on 10th November on the subject of protected areas for aliens at naval bases. The following ports were to be declared protected areas immediately:

The Forth, Harwich, Humber, Dover, Plymouth, Portsmouth, Medway and possibly the Clyde.

Subsequently similar action was to be taken as regards Portland, Blythe, Dundee, Falmouth, Mersey, Milford Haven, the Thames and the Tyne.

Residence of aliens belonging to category B. was to be prohibited unless a permit had been granted by the chief of police of the district. At the discretion of the chief of police, category C. aliens may be placed in category B. No new alien residents would be allowed unless they had a special permit. The chief of police could if necessary apply for an order to have resident aliens removed from the district.

Russia and Japan are showing signs of coming together. A settlement has been arrived at as regards the Manchukuoan border and there is talk of some kind of trade treaty. These indications have appeared in S.I.S. reports and are now confirmed in the newspapers.

NOVEMBER 22nd

A statement has been issued by Himmler on the Munich Bomb Plot that it is attributed to a German subject who was found crossing the German-Swiss frontier. The British S.S. are of course at the back of it and the Stevens and Best incident has been dragged in. The Germans allege that Stevens and Best were

attempting to cross the Dutch frontier and were arrested, but state that enquiries are still proceeding as to whether they were on German or Dutch soil. They infer that people in Germany with whom Stevens and Best were in touch they supposed to be disaffected elements, but were in reality agents of the Gestapo. Himmler states however that the Germans had been supplied with a wireless set for communications by the British and had been in touch with the British Govt. ever since.

At about 7 o'clock Percival of M.I.1.a. rang up to say that he had a War Cabinet memo on a proposal to set up a secret intelligence organisation in Eire. He had been asked to brief S. of S. for the Cabinet meeting tomorrow and wanted a report from us by 8.30 a.m. Percival himself knew nothing about the question and did not know why the memo had been sent to him. I went up to the W.O. and found that the memo was based on a report submitted by NID to the First Lord, who had asked for its urgent consideration by his colleagues. I eventually succeeded in getting hold of Menzies who knew of the existence of the memo but had never been asked to put forward criticisms or been told that the matter was under discussion by the Cabinet. Since he and ourselves were the two people vitally concerned this seemed to say the least a little curious. We succeeded in getting out an answer by midnight, which was roughly on the following lines:

The question of reporting on submarine activities and setting up a secret organisation for this purpose might vitally affect the existing relations between MI5 and the Eire Ministry

of Defence. It could be done but would take at least two months and a considerably longer period if it were to be really effective. It would moreover necessitate the establishment of secret wireless stations for communicating with the Admiralty. It seemed highly probable that the existence of the organisation would in some way come to the notice of the Eire authorities and that the service they were now rendering to MI5 would cease in consequence. It was therefore recommended that before any drastic step was taken MI5 should get Col. Archer to come over and discuss with him the possibility of improving the coast watching service.

NOVEMBER 23rd

We have got an 18b order against a S.African named SCHLOSS who gave an unsatisfactory account of himself when he arrived here from Copenhagen. He is of German origin and had lived the greater part of his life in Germany. He was moreover equipped with a great deal of photographic apparatus. He said that it was his intention to proceed to S.Africa. The case was thin from an H.O. point of view but Kendal succeeded in persuading Holderness that an 18b order should be issued pending further enquiries.

Special material shows that on the 11th Nov. instructions were given for the transfer by KLM of $2\frac{1}{2}$ tons of bonds from Amsterdam to the Dutch Bank in London. It was of course at this moment that the fear of German invasion was at its height. The British Govt. made a declaration last night that we intend to hold up any ship exporting German goods and take them as contraband. The Belgian Govt. have been informed that we cannot sell Spit-

fires or Hurricanes but that the position is being urgently examined as to what support existing British Fighter Squadrons could give to the Belgian Forces in the event of a German attack.

I attended a meeting at the H.O. in the afternoon to discuss the question of the export of newspapers and other printed matter and the granting of permits for this purpose. The matter had been brought to a head by the F.O. who were disturbed by the fact that the D.W. Action and other publications which would entirely misrepresent the situation in this country were being allowed to be exported and read abroad. H.L. Farquhar, who represented the F.O., said he was speaking on behalf of Mr. Butler. He was extremely anxious that something should be done. Walter Monckton was anxious that we should be quite sure that any measures we took were 98% effective, since it was not worth having a political battle on the home front about this question unless we were going to achieve results. He had in mind the possibility of the export of literature of this kind to Eire and its re-export to the continent. Also the possibility of sending individual copies through the mails which might not be detected. Maxwell disliked the idea of interfering in any way with the existing system and pleaded that by the suppression of minority literature here we weakened the case for which we were fighting, namely, the liberty of minorities abroad. This seems to indicate a complete misconception of the whole position. What we are really fighting for is our own existence and in the 2nd place for the principles for which we stand. Maxwell thought that literature of this kind might have an effect on ignorant native populations, but that it would not have much effect on educated Euro-

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This again seems an erroneous theory since only Europeans who have lived here for some considerable time can possibly understand that publications like the D.W. and Action do not really cut much ice.

Needless to say no conclusions were reached and a further meeting is to be held.

NOVEMBER 24th

I had a talk with Bacon about permits for enemy aliens to export goods without scrutiny. He said that he had attended a meeting on this subject and that it had been decided that after an enemy alien had passed the tribunal and M.I.5 had nothing against him, he should be given facilities but that periodically scrutiny should take place. My own view is that no such permit should be given without 100% scrutiny.

Commissions in the army are being given to enemy doctors etc., so we are now in a position where a British private soldier has to salute an enemy alien officer. Enemy aliens are also being enlisted in the forces and if they so desire they can go into the firing line. Experience in the last war was that they either deserted or refused to shoot down their compatriots. It ended by their being sent home and the formation of the Kaiser's Own.

C.C.s are losing some of their detectives who are being called up for army service. I am suggesting that we should try and obtain the services of some of these men for B.6.

A man called Fritz STEINITZ wishes to go to Holland for a firm which makes model gowns.

He hopes to meet clients from Scandinavia and Switzerland. He is an enemy alien and in spite of recommendation by the D.O.T. I feel that his application should be turned down.

H.O. already have 7,000 cases of enemy aliens which have been passed by the tribunals as category B. cases or Cat.C. B. are non-refugees without roots in Germany and C. are non-refugees with roots. They are all jumbled up together which is not very helpful, since there may come a moment when we shall have to intern all cases under C. Maude is trying to get these sorted out.

Jane has a case against one A.A.DOSTSCHENKO of the R.T.D. who has given a long questionnaire to an informant. It is proposed to apply for a Deportation Order and then to search the man's private premises. Since however most of his work is done at the offices of the R.T.D. in Hatton Gdns. which have diplomatic privileges, we are not likely to obtain anything of very much interest.

I had a long discussion with Menzies, He tells me that every sort of intrigue is going on by those who want to take over the organisation and that criticisms are being made from every quarter by ignorant people. There is no doubt that SIS is going through a very difficult time owing to the liquidation of Steven's organisation. Ockschott of the Dutch General Staff, who was a party to Steven's activities, has been dismissed and Bland has been asked by the Dutch Govt. to instruct P.C. to cease all illegal activities. Similar difficulties are being experienced in Sweden where the Govt. have set up an organisation under one Linquist to go

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into the activities of foreign agencies. As Linguist is thoroughly pro-German and served in the German Army during the last war, he is confining himself to enquiries into SIS activities under Passport Control. Menzies says that in a number of cases his agents are being arrested and that it is easier now to operate in Germany than in neutral countries.

Harker was asked to go and see Hankey on the Eire question. The Cabinet have decided to accept our recommendation and that Col. Archer should be asked to come over and discuss the matter. I have spoken to Dulanty who has promised to try and get Archer over early next week.

Vickery has had a memo from India stating that the Indian Govt. are being pressed by H.M.G to relax internment very considerably. They put a good deal of emphasis on the practice which has been adopted in the U.K. D.I.B. point out that the difference between the situation in India and the U.K. is not really one of degree but of complete opposites. In England the danger is one of sabotage and espionage whilst in India it lies in enemy aliens making contacts with subversive elements in the population and fomenting widespread internal unrest. It is also pointed out that the Indian policeman is in much the same position watching Europeans as the uniformed branch of say the Cornwall Constabulary would be in watching and distinguishing between Bengalis and Madrassis. D.I.B. will shortly have reduced their internees from 850 to about 350 and would be prepared to agree to something in the nature of a restriction to free residence in one or more defined areas for a considerable number of these. I have given Vickery a note on the situation

and expressed entire agreement with the views of D.I.B. Heaven forbid that anybody should model themselves on us. I have also told Vickery about the adverse effects in Egypt of allowing enemy aliens to remain at large.

Special material shows that Persia, Turkey and Egypt are contemplating a Moslem bloc to resist possible Russian aggression. They are all terrified lest Maisky should become aware of their deliberations. He has recently been asking questions about the contemplated purchase of arms and aeroplanes by Iran. Maisky evidently has a way of making his enquiries rather innocently, but the representatives here of Turkey, Egypt and Iran all regard him with the greatest distrust.

Joe Kennedy has sent a piece of hot news to America which he says he has obtained from a friend in the Vatican. It is to the effect that Musso has returned to the Church. This may be a matter of some significance and importance if it is true.

D.S.S. has shown our information about John LEHMANN to Cadogan who agrees that our view that he should not be given Govt. employment is correct.

S.I.S. reports show that the recent crisis in the Nazi Party has been overcome for the moment. The conference of Gauleiters have accepted the Fuhrer's views about the desirability of giving up the Baltic. Goering is evidently in disagreement with German foreign policy but when it comes to the point he does not seem to be strong enough to carry the day. His position is clearly rather a delicate one. The whole sections of the German population in Croatia, Bosnia and Slovenia are being moved

back into new territory acquired by the Reich. This is causing a great deal of ill-feeling.

Certain sections of the party in Germany are clamouring for drastic action. It seems that activity is to be concentrated mainly on attacking the Fleet from the air and on war against neutral shipping. Goering and the Army are opposed to a violation of Dutch neutrality except in the air. Ribbentrop is worried about reports received from America which indicate that U.S.A. may come in in 1940. He thinks that for this reason an attack on England in the near future should be carried out on a large scale.

The American Legion is apparently going ahead. Mr. Guyler who is the principal person concerned here, says that although the law in America forbids soliciting of contributions there is nothing to prevent anyone from accepting them. It seems that the organiser of the office in U.S.A. is one of Roosevelt's friends, and that the President knows what is happening and is giving it his unofficial blessing.

NOVEMBER 25th

The censorship have picked up a letter addressed to one Moritz LATTMANN in Switzerland from someone signing "F.R.BROWN" in a foreign handwriting. The decoded message says that the writer has delivered the plans to "our mutual friends" at 13 Kensington Palace Gdns. and that these will be transmitted by bag to Berlin. The letter was posted at Reading. The following action has been taken: All letters to 13 Kensington Palace Gdns from the Reading area are being

intercepted. There is a H.O.W. on LATTMANN and all Swiss mails to Reading. Jane has examined the aliens register in Reading district but so far without success. The writer of the letter may well be a British subject of alien origin. A likely firm is Phillips & Powis of Reading who are manufacturing gun-turrets for aircraft.

NOVEMBER 26th

We have unearthed a family called DRESSING who seem to have been very intimately connected with the German Embassy and the Nazi Party. They are outspokenly pro-German and have a picture of Hitler the ownership of which they dispute among themselves. They are of British origin but the German Embassy apparently did not discover the fact until a few months ago.

We have applied for an 18b order.

Turner has discovered section 55 para.4 of D.R. which seems to give us all the powers we want for dealing with Mercedes, Markmann and other companies which are controlled by British subjects of alien origin and have access to an immense amount of important information.

D.S.S. has made a ruling that no enemy aliens are to be allowed to travel to Eire unless the circumstances are very exceptional. In this connection we have turned down Hans BEL, the representative of Etam.

The Bishop of Fulham is also Bishop of Northern Europe. (This would please Hitler.) He has a plan for the exchange of Protestant Chaplains who would look after prisoners of war. The idea is that we should send over