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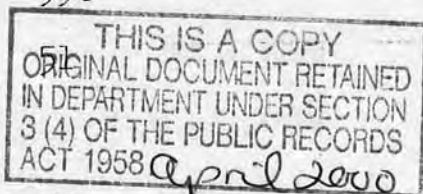
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June 2nd

Five youths have been arrested in Nottingham. They have been using VHF for months and have been communicating with some of our army units. There is of course no proper organisation for detecting VHF or for policing army traffic.

We had a long conference about Sam STEWART, and the procedure to be adopted.

I lunched with Mrs. Maude, who is anxious to get across on the Clipper as soon as possible. She was worried about John's threat of resignation. I told her that reading between the lines and knowing John, it was merely his habitual discontent with the dilatory methods of the Central Office. He thought that only by threatening his resignation would anything be done. I told her to tell him that I was not taken in when she next saw him.

June 3rd

We had a meeting of the R.S.S. Committee at which priorities were discussed. It was also agreed that the explanatory notes on the ISOS system should be circulated to those who received ISOS material.

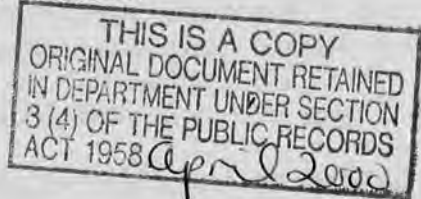
I handed in the reorganisation plan today. I told Charles that it was making the best of what I felt to be a bad job. I hoped that it looked all right on paper. In

practice we should in many respects have to continue as at present since most of the people in the division would have to come either to Dick or myself. Curry who might have been of use to me was now diverted on to work for which he had no qualifications and where his presence was superfluous. He would undoubtedly be of use to anybody in the long run, but in this case he would have to learn his stuff. That would probably take him 6 months.

June 4th

I saw Herschel Johnson about Tricycle and explained the whole circumstances. He is going to telegraph to the United States about the visa. I also told him about SIMA of the Hungarian Embassy who is now in the United States, and concerning whom we have grave doubts.

I arranged with V.V. about SEMMELBAUER and MAAS who are to be got down from Knapdale. Rudolph is going to see somebody of consequence and wants a Nazi to be present as a witness.



the responsibility for intercepting VHF from spies in back areas in time of invasion. The military are responsible for intercepting these signals in the zone of the armies but if large quantities of parachute spies were dropped in the back areas there will be nobody to deal with the messages that they are transmitting to the enemy. Joubert admitted that there was a gap here and said that he would bring the matter to the notice of the Y. Committee at the next meeting.

I also talked to Joubert about the possibility of establishing RDF masts on the East coast of Eire. He said that this was a very vital matter from the point of view of the defence of this country. He had the masts and would be pleased to give them to the Eire Govt. The difficulty was that the P.M. had placed an absolute ban on any war material being sent to Eire unless they agreed to let us use the ports. I said that Eire had considerable difficulties to overcome in these matters as they might well be accused by the Germans of not adhering to their position of neutrality, but that the present moment however for making a concrete suggestion seemed particularly opportune owing to the recent bombing of Dublin. The Eire Govt. could perfectly well say that they were forced to erect these masts in their own defence. I told Joubert that if he could get over the difficulty with the P.M. I thought that we could get the matter arranged through our contact in Dublin.

929
June 5th

We have considered the position of pro-Axis foreigners in time of invasion. The only two countries that are likely to cause us trouble are Spain and Japan. Personally I feel that the consulates of both these countries should be dealt with.

Swinton has been asking about SEMMELBAU and MAAS. He has been told about their visit to Camp Z.

Capt. Savage of S.O.E. called today about one Arthur G. SANT, who had put forward a proposition for dropping unbreakable gramophone discs with appropriate speeches by parachute in German occupied territory. SANT was getting difficult and threatening to call in the assistance of M.P.s. It was agreed that we would have SANT up to Room 055 and hint to him that if he did not behave himself there was such a thing as D.R.3

Lennox tells me that the Americans are to take over Iceland. This will release at least one of our divisions.

June 6th

The concentration of German forces on the Russian frontier continues. It is thought that the Germans may attempt to take Cyprus and it seems doubtful whether we shall be able to hold it. The Japs are showing

signs of coming in. They have liquidated almost all their business in this country. Shigimitsu is to return to Tokyo and there are doubts whether he will come back. His influence there should be good but it seems doubtful whether he will be able to stand up against Matsuoka. The attitude of the French in Syria is doubtful. They have retired to a line north and south of Damascus. So far there have been no large German troop landings but aerodromes at Aleppo and Damascus are in their hands. The Turks are anxious to occupy Aleppo but have been dissuaded by us. On the other hand they have let through two train-loads of ammunition to Syria. The Italians are showing considerable activity against India. Their operations are concentrated in Afghanistan and take the usual form of trying to instigate frontier trouble. Ibn Saud has asked the Americans for 1 million men. His request has been transmitted through H.M.G. There is now an American Military Mission at the War Office, and some American officers are flying out to North Africa on reconnaissance.

I spoke to the D.G. about Section V. I explained to him all their difficulties and said that I thought it was in our interests to build them up so far as it was within our power.

The D.G. has finally agreed to the del CAMPO party.

63
ISOS traffic shows that Celery is being treated with some scepticism. SESSLER is going to meet him and the doctor is returning from Cyrenica.

I saw Sir Horace Wilson who was interested in the case of Selit-Renny. I told him what we knew and said that I thought Selit-Renny was more likely to be a crook and a charlatan than a spy. I thought the proceedings against him by the Ministry of Supply should therefore go on and not be influenced by anything we had to say. He said that the matter was in the hands of the D.P.P. and that in the mean time he hoped we would try and clear up the case from the espionage angle, particularly the relations between Selit-Renny and Ashton-Gwatkin. I referred to the suggestions that had been made by the Admiralty that we had been reluctant to take up the case owing to the rather eminent personalities involved. I said that nothing was further from the truth. The Admiralty had wanted us to take certain rather exceptional steps in the case of Gwatkin and on the evidence available we did not think that this was the proper method of approach. We therefore proposed to make enquiries in other ways. We should not however hesitate to employ any suitable methods if we thought the facts justified the action. Sir Horace Wilson quite understood this explanation. He said he would let me know D.P.P.'s opinion as soon as he received it. In the meantime he hoped we would proceed with our enquiries.

June 7th

We again discussed the case of Sam STEWART. It was decided that J.C. and I should interrogate him. I would cover the early part and J.C. would deal with Snow's information. T.A.R. and Victor would simultaneously interrogate CALDWELL and Baxter would deal with DAVIES.

I had a talk with Stewart and made the final arrangements about MAAS and SEMMELBAUER. It was agreed that they should be kept apart, that SEMMELBAUER should remain at Ham and that MAAS should visit Camp Z alone.

June 8th

We have entered Syria. There has been little resistance so far.

Sir Robt. Kenwick has received a curious letter from a former Attache of the Italian Embassy named PATRAZI, written from Lisbon which looks as if he may be throwing out a peace feeler. He was closely associated with VOLPI who was the owner of several electrical companies on the East Coast. If S.I.S. and the F.O. approve I am suggesting that Renwick should arrange a meeting with PATRAZI in Lisbon.

June 9th

Grogan and Gibbs have discovered a rather interesting loophole in the Censorship.

Ordinary telegram of enemy origin from Eire to neutral countries are held 36 hours, but only stopped if highly suspicious or objectionable. Press telegrams from Eire to U.S.A. are unofficially censored and occasionally stopped.

Those from Eire to European countries are not censored or examined at all. Press telegrams from the north of England i.e. a line north of the Mersey to the Wash, go uncensored both to Ulster and Eire and vice versa. The remedy seems to be to route all telegrams thro' C.T.O. The net result of all this is that information in the form of press telegrams can go from this country to Eire and from Eire to Stockholm without scrutiny. These telegrams run up to 3,000 words and it would obviously be quite simple to introduce a code. I am suggesting that they should be closely scrutinised and that they should be passed over analysis.

I saw Jock Whyte. He has unearthed another of Simon's friends, a man called GORRISON. GORRISON has admitted that he inserted an advertisement in the Times before the war and in this way got in touch with a man called KOLLINSKI, a German. KOLLINSKI wanted somebody to go as a salesman for photographic and blue-printing apparatus. Nothing however materialised. It seems quite clear that KOLLINSKI was a recruiting agent for the Germans. He was interned sometime ago and subsequently released on grounds of ill-health. We are going to give him a short run to see if by any chance

he is still active, and then get him re-interned.

Lennox tells me that we have 3 columns advancing into Syria. So far not much news, but the Germans are leaving. A German or Italian ship with supplies has got through to Benghazi. It is thought there were tanks on board. It is for this reason that Benghazi has been subjected to heavy bombardment. I sometimes wonder whether the Germans or Russians are contemplating an attack on India. B.J.s show that they are very active there, using Afghanistan as a base. Perhaps the explanation is that they wish to cause trouble and prevent troops from going to the Middle East. The Americans have two brigades in N.Ireland. Certain members of the Polish forces in Scotland have been plotting to kidnap and murder HESS. It is difficult to say how far the matter has gone but it is of course the kind of thing they might attempt to do. We are taking steps to get hold of either the C.O. or the officers themselves and explain to them what serious harm they might do both to their own cause and to the Allied cause if they attempt to do anything of the kind. This quite apart from what might happen to themselves. I think the Poles imagine that HESS may be making peace overtures and that this will be listened to by the British Govt. Nothing of course could be further from the truth.

935
June 10th

The position of B.R. was discussed at the director's meeting today, but unfortunately I was not able to be present as I was interrogating STEWART, who has just been arrested. The suggestion was more or less adopted that B.R. should in future be placed in A.Branch. Logically this is entirely incorrect but it probably will not make much difference provided the investigation branches are consulted about any major move of personnel and they are allowed as formerly to issue directives to R.S.L.O.s and correspond with them directly on matters affecting their work.

I
It was evidently a great shock to Samuel STEWART to find himself under arrest. I went over all the early ground, where he found no difficulty in crossing most of the fences. The only really interesting point was brought out with reference to his association with an apparently quite harmless German named POHL. This man was a refugee and had left for Haiti. He assured us that he had had no communication with this man whatever after he left this country. He then went on to explain how in his position as the shipping agent he would of course have facilities for passing letters out of the country. J.C. then took up the interrogation on the subject of his journey to Antwerp and subsequent relations with Snow. Stewart's memory had been very good up to this point, but he soon

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became hesitant and evasive. He admitted that he recognised the photograph of Snow and recalled having travelled with him on the aircraft to Antwerp in Feb. 1940. He said that he had met him on the aerodrome. In fact, he met him on Victoria Station and travelled with him to Folkestone. He said that he had lunched with him at Antwerp and had seen him there on one other occasion. He had never seen him in this country nor had he kept up the acquaintanceship. J.C. had read him out the gist of some of his telephone conversations with Snow and asked him whether these were consistent with his statement that he had entirely dropped the acquaintanceship. He was obviously rather confused and when asked whether he had seen Snow on any other occasion made a further denial. He was then told that we had positive evidence that the German S.S. had confidence in him and it was suggested to him that he should consider very carefully what people he had seen at Antwerp and Hamburg and how this confidence in the minds of the Germans could have been built up. It was on this note that we left him.

June 11th

We discussed STEWART's case in the morning and it was suggested that I should go down and see him next Sunday and have a quiet talk. If this failed to produce anything other forms of interrogation would be tried.

937
On 31.5.41 the total number of enemy aliens, Italians and Germans and Austrians released in U.K. Canada and Australia since the general internment order was 16,130. (13,917 males and 2,230 females).

June 12th

STEWART has applied to see his solicitor and the H.O. are reluctant to refuse to this request. This means that his solicitor could warn everybody concerned in the case to keep their mouths shut, and will seriously impede our investigations. I went to see Maxwell who was reluctant to give a definite refusal. He thought it would be best if the Governor should tell STEWART that he should write to his solicitor. The letter would then be submitted for censorship and would probably not reach the solicitor until Monday. This would give us the necessary time to complete our enquiries. This is a typical illustration of how difficult it is to carry out investigations properly in a democracy which is fighting a totalitarian enemy.

I saw V.V. today and G-P was also present. I told him that at our meeting of the R.S.S. committee we had discussed very carefully the importance of building up our staffs concerned in the production of ISOS. It seemed that G-P was also going to intercept an increasing volume of material and it was therefore necessary

for all those concerned in its production to increase their staffs. I thought also that it might be necessary to get higher authority to say that our requirements were to be met without the usual obstructions. The material was pure gold and everything should be done to develop it 100%. At present we only took 20% and even then we have difficulty in producing it.

We are making an offer to Section V of 5 or 6 officers. Their work is so essential to our service that I think we are fully justified in making the sacrifice. At present Felix is grossly understaffed and the work in Lisbon and elsewhere is suffering in consequence. Many of our enquiries remain unanswered for a considerable period.

Celery has returned with an interesting report about SESSLER. SESSLER returned to his project of selling out on the Germans provided he could get a free passage to America. He has further succeeded in confirming to himself that Celery is working for us. This may have been his sole object. There is however a 30% chance that he is quite genuine in his desire to get away. He has told Celery that he will be back about the 29th and will apply to the barman at the Concha Bar in Lisbon for a note giving him instructions how to meet Celery or his nominee. At this meeting the plan

934
for SESSLER's escape to England will be laid down. Dick was very keen to go over to Lisbon himself to arrange this and to have a look at the S.I.S. organisation on the spot. Personally this I think would be entirely wrong. It is obviously desirable that we should send somebody however, otherwise the job will not be carried through to our satisfaction.

June 13th

I had lunch with Canning. He told me quite confidentially that he did not have a very easy passage with Kendal who was always saying that much of the work that S.B. did for us was unnecessary. Canning was very anxious that we should take S.B. more into our confidence when writing to them. This would greatly facilitate enquiries as his officers would have a better idea as to what specific information was required. I said that we tried to do this but that in some cases, short of writing him 3 or 4 pages of foolscap it would be impossible to put him properly in the picture. I thought that a better plan would be to get S.B. officers and our own officers more together. All our enquiries were addressed to Canning. If therefore he could tell the officer who had the case in hand to keep in touch with our officer, the whole case might be discussed including the best method of approach. Personally I am not very keen about putting too much on paper to S.B. as although I would trust

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most of them there are bound to be one or two about whom doubts would arise from time to time. We had recently learned for example that a representative of the Daily Express named MOSKINS is in fairly close touch with S.B. and in fact has details of a number of our cases.

S.I.S. report that the German advance on Russia will take place towards the end of this month. The Lutzow has been hit by an aerial torpedo.

Dick and I dined with . He gave us rather a sorry picture of his difficulties in Lisbon. He refused to work any longer under his section leader in S.I.S. One gathered that some other job is to be found for him. He told us that quite adequate machinery existed in Lisbon for carrying out our enquiries and that he could only assume that the delays were due to shortage of staff at Central Office and perhaps to some degree at Lisbon.

June 14th

Lunched with D.G., Rupert and Trenchard. Trenchard was in very good form. He had been much impressed by our R.A.F. bomber pilots whom he had seen off to the Ruhr two nights ago. He talked a lot about his difficulties at the Yard. He did not think that he had made more than a small dent. He had evidently

941
had a very hard time with the Federation. The first time he met them he found the room full of smoke. He walked out again and did not return for half an hour. He had then proceeded to give them hell about discipline. He thought that none of them knew anything about how to look after their men or how to train them. He seems to have ended by commanding their respect.

A Spanish captain called Martin OCRANA hasxxx turned up with high grade secret ink disguised as V.D. medicine. When he was examined it was found that he had never had V.D.

We have decided to send Cyril to Lisbon to make the necessary contact, as it would obviously be impossible for Celery to get another visa.

R.S.S. have located one and possibly two illicit wireless sets.

June 15th

I saw Samuel STEWART at Brixton. I went over the previous ground very carefully with him. He had recalled quite a number of things and I impressed upon him how important it was from his point of view to provide us with some explanation of his build-up with the German S.S. He gave me certain particulars but nothing which could really explain matters.

I had a discussion with the D.G. about the reorganisation of W.5a, W.6 and W.7.

The illicit wireless transmitter has now been traced to a radius of 5 miles in the vicinity of Fighter Command.

Rainbow has been further questioned. He admitted that he had been out taking photographs with SCHUTZ and had seen him using a micro-camera. When asked why he had not told us this before, he said that he had spoken to Sinclair about 18 months ago.

June 16th

The illicit wireless has now been found to be in the possession of the Poles, who were trying to communicate with one of their agents in Warsaw. They should of course have informed either ourselves or S.I.S. what they were doing. It was only when the head of their service was pressed that he made enquiries and found that one of his subordinates had been operating for the last 6 days. While a good deal of time has been wasted it is at least satisfactory to think that R.S.S. have located the station.

I went to Tunbridge Wells with the D.G. this evening.

June 17th

The D.G. wanted to inspect Tunbridge Wells region and also to enquire into certain

allegations that Grassby was not going down well with the military. We called on the Assistant Regional Commissioner and the 4th and 12th Corps. We also saw a lot of Col. Halland, the District Inspector General of Police and Sir Charles Stead the Regional Inspector General. Most people seemed quite satisfied with the working of the regional system. Colonel Halland, thought that although the Special Branches had done very good work in the time, they were not qualified to carry out highly delicate enquiries except in big cities like Liverpool or Birmingham. It would be hopeless to give most of them a B.6 case. Neither would they be able to handle agents of the kind we usually employ. I had a talk with Glover who seems generally rather unhappy. Grassby had evidently taken a thorough dislike to him. I think that although Grassby is a very efficient policeman some change will be necessary. Either he or Glover will have to be transferred to other spheres. D.G. suggested to Grassby that he might perhaps go to Lagos and he seemed quite pleased at the idea.

June 13th

Dick and J.C. saw Snow yesterday and went over the whole ground of his relations with Sam STEWART. His story was fairly consistent and in some respects amplified the information he had previously given. Personally I think STEWART has got a lot to explain.

The general impression is that he did wet his feet some time ago, although he can never have become very deeply implicated. Probably the Germans had a talent spotter on him and came to the conclusion, owing to various small services he had rendered them, that he was the kind of person who could be easily approached. Things may not have gone further than this, but the general indications are that some kind of service was rendered at one time or another.

The Turks have signed a pact of non-aggression with Germany. It is thought that this is only for the purpose of bringing pressure to bear on the Russians as it prevents the Turks from coming to Russia's aid.

In Libya we appear to be more or less back where we started. In Syria de Gaulle forces in the centre are held up but on the left we are advancing towards the coast. Two more supply ships to Tripoli have been sunk. The Russian situation is still obscure. The Americans have started to fly the Atlantic patrol with units operating from N. Ireland.

I had lunch with Borum, who is soon going back to America. He has not been home for a good many years and has 23 years service in this country. I doubt whether he will return. I took Ramsbotham along in order that he might have a direct liaison with the American Embassy. The Americans have

closed down all the German consulates in the U.S.A. and also the Transocean Service and the Railway Travel Bureau. This shows clearly that the Americans are operating on the right lines. They have also refused to admit any more Germans who have either relations or property in German-occupied territory.

The lines of communication with the U.S.A. are getting a little complicated as all sorts of soldiers, sailors and airmen are arriving and they all want to have liaison with us. Personally I am all in favour of sticking to the one channel through S.I.S. to the F.B.I. I have asked Borum to make some enquiries. He had not apparently heard of Colonel Case who has been wandering round the W.O. saying that he is the head of the American C.E. service. Probably he is not.

June 29th

We had a director's meeting. The question of Bahnpolizei was discussed. I was asked to explore the position with Sylvanus Vivian.

D.G. has ordered that auxiliary officers are to go to the Regions for a week as soon as possible. There has been a complaint from Singapore that the Japanese activities are not satisfactorily covered. Everybody here seems to think that they are and that the C.in C is not acquainted with what is going on.

I discussed the MANIFOLD case with the D.G. It has been decided to get him away to some suitable colonial post where he can do no harm.

We had an R.S.S. meeting. It was decided that the question of the circulation of Trevor-roper's analysis of ISOS should be discussed privately between him, Felix, Dick and myself. Dick and I feel that there is value in the work that he is doing. Covgill's point is that he only wants the material to circulate if it is properly blankettted. Trevor-roper has a scholarly approach to the whole question and perhaps a better understanding of the system than anybody else. He is however somewhat of an intellectual snob. It was decided that if there was disagreement on the R.S.S. Committee, Maltby and I should take the matter to the D.G. and C.S.S. and if it further became necessary to Swinton as the final arbitrator.

June 20th

Charles came in the morning. We discussed certain domestic difficulties. He has expressed his views rather forcibly to the D.G. Endless day of interviews.

June 21st

We discussed Lennox's position vis a vis the I.S.S.B. and the organisation that he

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would require. The D.G. is I think in favour of the scheme which was put up. The main difficulty is Gen. Lakin. It has been suggested that possibly he might take the security job which is going in S.O.2. Lennox will discuss this with Calthrop.

June 22nd

Had a meeting at Bletchley at 11.30 which lasted till 4 p.m., with G-P, Maltby, Felix, V.V. and Denniston. We discussed the requirements that would have to be met in connection with ISOS and get a concrete programme. G-P said that he expected 65% increase. He hopes to have 30 double channel Y Stations making a total of 120 sets in the first year and he will add another 60 in the second year. At present R.S.S. are only listening to what is group material. They are doing no research work and no policing of service traffic, neither are they taking any Italian S.S. material, which might well be interesting. Further they are doing no figure cypher work. If R.S.S. are successful in breaking enigma another 65% of material will be added to the existing flow.

The Germans started marching into Russia at 4 a.m. The Fuehrer made one of his typical bombastic speeches. The situation in some respects is almost Gilbertian. The Poles are our allies and are fighting Germany and Russia who are fighting each

if the Germans are not in Moscow within a fortnight. They may however get severely damaged in the process. It is difficult to foresee what may happen if they subdue Russia and get the grain from the Ukraine and oil from Baku. It is not unlikely that they will then march on India and Egypt.

June 23rd

I discussed the MANIFOLD case with Hollis and Knight and it is thought that we shall be failing in our duty if we do not have MANIFOLD interrogated. In my view our primary consideration should be to isolate MANIFOLD and important information of which he is in possession. He should be got away as soon as he is told that he no longer to remain in Intelligence. Knight thinks that he may be thoroughly cowed into silence and that his connection with SPRINGHALL is extremely sinister. While I agree that it may be, I do not think there is evidence. It is one thing to talk vaguely about your job in M.I. and another thing in time of war to commit what you must know to be an offence against the Treachery Act. It is I think of paramount importance to get the man out of the country and away from his communist contacts as early as possible.

I brought ~~I brought~~ Machell and Shillito together in order that we might finally get a solution of the W5a/B.10 controversy.

Shillito tells me that B.10 at the moment have got a lot of spare time on their hands. This seems curious as Jock has just been shouting at me for extra help and has enlisted the aid of Horrocks in trying to get the matter through quickly.

I lunched with D.G., Pilcher, Gen. Petit and Kenneth. Petit had three grievances (1) the fact that Frenchmen could not be visited at Patriotic Schools. He suggested that we should have some sympathetic person to receive them and explain the security difficulties. (2) he also wanted an arrangement by which agents of the 2eme Bureau would be allowed to communicate direct with their H.Q. here instead of through S.I.S. (3) his last complaint was that the pinching of Frenchmen by S.I.S. and S.O.2 was going on without consultation with the French. Both Kenneth and I thought that this matter had been settled up long ago. Petit was very friendly. ,

I saw Joe this afternoon. He told me that a new type of aeroplane being manufactured by the Power Jets Co. has been tested for 10 hours. It is a light craft, run on paraffin, has no propeller and works on the rocket principle. It has been flown at a height of 26,000 ft where it reaches a speed of 380 miles p.h.

I saw Stewart Menzies about Section V. He has obtained the necessary sanction from Cadogan and very much welcomes the assistance we are to give in personnel. He said that the Finns had for some time been decoding the Russian cyphers and passing the information to the Germans. I gather that we also have had the benefit of this service. We have now been obliged to inform the Russians of the position.

June 24th

Conference of RSLOs in London. Dick and T.A.R. gave interesting accounts of the work of their section. Forrest raised a query about RSLOs making more active enquiries. I said that in addition to the work they did by means of H.O.V.s and the police I thought there were possibilities on B.6 lines. This would depend however to a considerable degree on the efficiency of the local S.B. Most RSLOs seem to think that this would not be of a very high grade. I said that on this particular line I thought there was a good deal to be done with suspect consulates. If observation could not be discreet it might be carried out indiscreetly with considerable advantage. Our Consuls were continually being harrassed abroad and I saw no reason why in the cases of the Japs or Spaniards we should not rather obviously follow their consular officials about. This might well act as a deterrent and in the light of our knowledge of what these people were doing could not very easily

easily be a cause for serious complaint. I thought that RSLOs might also try a little provocation. Haylor asked whether we could give the Regions an officer from B.5 for this purpose. I said that that would depend very much on the circumstances. An easier method might be to put the suspect on check, eliminate his good friends from his bad ones and after making police enquiries about the reliability, approach one of the good ones. This might be a quicker way of getting things, since a B15b officer would obviously have to start from scratch unless he had some definite connections. Hart gave an interesting talk about plans he has been making with the Registrar-General to tighten up the ration book and registration card system. In future people who wish to travel would have to get a special ration book which will be renewable every month. To obtain this ration book they will have to give particulars about themselves and about their registration cards which will be checkable. These particulars will again be checked if an extension is required. Had this system been in force it is certain that the Dutch parachutist Ter BRAAK would not have been able to reside in Cambridge so long unnoticed. Registration cards of a new type are to be issued in certain defence areas. The purpose of this is 2-fold. Firstly to have a check-in the area, secondly to harrass the enemy by keeping him in doubt as to the time and location of changes in identification papers. The Registrar-General welcomes this measure as it will

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give him an opportunity of bringing his elaborate records into action and testing whether abuses of the registration system are going on. The matter is to be raised at the H.D.S.E.

Lennox tells me that in our successful sweeps by the R.A.F. over France careful tests are being made as to the proportion of fighters required to provide adequate defence for our bombers. The enemy is showing very little inclination to fight. The Me.109F which is the latest German type of fighter may possibly be nearly as good as the Spitfire at altitudes higher than 32,000 ft. but is not nearly so effective at lower altitudes. Our fighters are flying at 1,000. The Germans seem disinclined to come down and attack them. The Germans estimate that it will take them 6-7 weeks to bring the campaign in Russia to a successful conclusion. Fair progress is being made in Syria. The defences of Malta are to be strengthened. The C.P. have issued instructions to their District Organisers on the attitude they should adopt towards the Russo-German war. They are to organise broad United Front solidarity with the Soviet Union. They are to demand immediate diplomatic agreement with the Soviet Union. They are to urge the removal of reactionaries from places of power in the Government. They are to advocate the raising of the ban on the Daily Worker, the placing of HESS on trial and the publication of all documents.

Lastly they are to work for the formation of a people's convention which can be trusted to defend the interests of the

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British people, which are identical with the Soviet people.

June 25th

Lunched with — He is going to Lagos. He is very anxious to get into touch with our representative as soon possible as he thinks they should work in the closest co-operation and have their offices in the same building. He would be working under Section V and would have nothing to do with the other side of the office.

I had another discussion with the D.G. and M about the MANIFOLD case. I pointed out clearly that our objective should be the safeguarding of ISOS rather than the possibility of obtaining information which might incriminate MANIFOLD. I thought that if MANIFOLD were interrogated and denied any close connection with the C.P. he would be bound to associate his removal to other spheres with any feelings that we might have about his political views. This might possibly lead to difficulties. On the other hand if he gave a free confession the Army might wish to kick him out. We should not have sufficient information to intern him under 18b. He would be disgruntled and we could not prevent him from passing information which he might have obtained in M.I.8 to his communist friends, if he has not already

I thought that if he could be transferrred in an M.I. capacity to some remote island this would probably be the best solution. I learned that the D.G. later decided that he should not be interrogated.

June 26th

The D.G. has looked into our domestic agency project and it has his full approval. We are going ahead and I understand that several quite useful applications have already come in. The question of having some relations with the Russian Intelligence Service has arisen. I feel that they should know a great deal about German espionage activities against this country. The approach is rather a delicate matter and we are proposing to open the ball with the Czechs.

June 27th

Tin-Eye has had a row with Dearden. It all arose from a rather trivial incident. Dearden as might be expected went to Crocker and has written a rather carefully worded solicitor's letter. It was suggested that Tin-Eye should send an acknowledgement and suggest that Dearden should take a few days leave. I said I thought this might perhaps be unwise. It would probably be better to acknowledge the letter and say quite simply that, as Tin-Eye was not in a position to accept Dearden's resignation he had forwarded the papers to the D.G. I have sent the papers down to the D.G. who is in the country and suggested that he should see Dearden

personally and then decide whether the incident can be smoothed over, whether he should accept Dearden's resignation or whether he should conduct some enquiry into the incident and the relations between Stephens and his officers. I thought that an enquiry of the kind indicated would probably strengthen our hands when questions arose at a later date.

A man is expected from the other side in the course of the next 2-3 weeks. He will be bringing money for Dragonfly. Arrangements have been made for him to deliver this money at a special address where he will hand it over to the woman in charge.

Lakin is going to S.O.2 on Monday and wants to take Senter and Foulkes with him.

June 28th

There is a curious association between Al Massy the brother of the Count Almassy who has been working for the Germans in Egypt., Lisboa of the Brazilian Embassy and Matsumoto of the Jap Embassy who is known to engage in espionage. We are rather well-placed in this matter and hope to get useful information.

The D.G. has rung up from the country to say that he entirely disapproves of Lakin's attitude in trying to take away

Senter and Foulkes. While I agree the matter

was badly handled by Lakin who should have gone to the D.G. in the first instance before making any suggestions to either Senter or Foulkes, I did tell the D.G. we were on a rather poor wicket in so far as Senter was concerned. We had kept him kicking his heels for about 6 months and had finally offered him a job in section V which he did not feel was acceptable as it virtually meant that he would have to keep two establishments one in the country and one in London. Apart from this he was not very keen on doing a lot of committee work which was the purpose for which he was mainly required. He had a definite offer of a security job in S.O.2 and was very anxious to employ his time more usefully than he had, through no fault of his own, been able to do in the past.

Lennox came over about a projected raid on the coast of France. There are to be elaborate cover arrangements, and the objective will probably be Le Touquet. I feel rather doubtful about the value of an operation of this kind unless there is some very definite objective, where works of importance could be destroyed. If we make a raid and destroy a lot of private property and probably civilians, we may cause those elements which are supporting us to come out into the open with any stocks of arms that they may have hidden away. We shall then leave them in their devastated surroundings to be put up against the wall and shot.

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I have suggested that we should convey to them some warning through Les Trois Amis. It could be said on the lines of NBBS "We hope to be coming over to pay them a short visit some time but that we should not be staying very long. The Germans would probably think that this was merely a jitter campaign on our part for the purpose of relieving the Russian front.

We have sunk 5 or possibly 6 submarines in the last 48 hours. Gen. Dentz is making tentative peace overtures through the Americans and through the Turks. The French want a guarantee that all those who so desire will be allowed to return to France and that the remainder will be given their present rates if pay under Gen. de Gaulle.

Our planes over France have been coming down to 20 ft. without any serious opposition.

June 30th

I saw Medhurst in the morning and consulted him about the project to set up wireless masts on the east coast of Eire. He said that this matter had been discussed by the Air Staff about 10 days ago. The Chief of the Air Staff was reluctant to give the Germans the opportunity of inspecting these masts through the good offices of some Quisling member of the Eire Govt. unless there were some system by which the Irish

authorities would be prepared to transmit the information obtained to our Air Force. Personally I think they would do so in the same way they have given us information about submarines on the west coast. This information is transmitted by wireless to Dublin on a known wavelength which we have been picking up; The same method could be adopted with regard to aircraft. There is I gather a scheme on foot to give the Eire Govt. a flight of Hurricanes. This will enable them to deal with German aircraft flying over their own country but will not help us in getting advance information about raids on Liverpool which come up the east coast of Eire. If however the suggestion about the flight of Hurricanes is adopted the question of providing RDF apparatus will be reopened. // Medhurst told me that a certain French Col.G. had arrived here from France under the auspices of M.I.6 . He is said to have come from Petain and Hunziger. He is anxious to get as much information as he can about our powers of resistance and about the effect of American cooperation. The matter came up at the J.I.C when Medhurst refused to give him any facilities to visit aircraft establishments unless he knew more about him. As is usual in these matters Col.G. is being dealt with on a high plane and has been seen by Eden and the P.M. We have been told nothing about it.

Lennox tells me that the C in C. of the Russian forces is optimistic but that his Chief

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of Staff is pessimistic. We have sunk 3 more supply ships off the coast of Sicily and 2 more submarines elsewhere. Eden had a conversation with Maiski the other day about our mission to Russia. Maiski said that he wanted this to be on a reciprocal basis. When asked if that meant that he wanted a mission here he said no. His govt. merely wanted to assist us as we had offered to assist them. It seemed to me that there was a good deal behind this. I sense that the Russians are angling for a binding agreement as they probably fear that at some future date we may make peace at their expense. This view has subsequently been confirmed in my mind by attempts that are going on in Moscow to obtain full political agreement between this country and the USSR. We are saying that we have only just got a military agreement and that it is not possible to move quite so fast, without damaging the cause for which we are both working, namely the defeat of Germany. I am inclined to think that if the Germans are successful in establishing a line from Leningrad to Moscow and possibly to Astrakhan they will invade Syria and Iraq and Egypt via the Caucasus. They may even have a go at India.

July 1st

Director's meeting which lasted the whole morning. The Shipping Cttee was discussed in the light of suggestions that had been made from the Swinton Executive that its actions were not properly co-ordinated.

It was alleged that we should not have put forward a suggestion to the ministries concerned about the establishment of security officers on ships without reference to the Centre. It was suggested that such an arrangement might get across the Wall Committee and the Seamen's Union. Personally I feel that the Wall Cttee should confine itself to its original terms of reference, namely the prevention of the suborning of British and allied seamen in foreign ports and the provision of counter-attractions. Security on ships should be a matter for the Security Service and for the Shipping Cttee which we have set up. The D.G. deferred further discussion until he had had an opportunity of looking at the minutes of the Swinton Executive. These minutes appear to me to tie our hands unnecessarily and in fact in some respects to seriously hamper the legitimate functions of this office. We next discussed the question of vagrants. It was decided to let the C.C. Birmingham carry out a check in his area before recommending that similar checks should be put into force all over the country.

After the meeting I had a discussion with Horrocks about various Registry problems. He told me that the scheme for a joint registry had been revived and that he was waiting for certain information from Section V before taking the matter up again with the D.G. I said that I was convinced that if we were not in future to card extensively all documents which affected the work of

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or the area which they affected something in the nature of a pooled registry was absolutely essential. He agreed. I told him that although in theory people were supposed to make reference to other registries they would never do so in practice. Quick answers were often required and if you had to go to 3 or 4 sources for information you ended by relying on your own records which were very often inadequate.

We then had a discussion with Bird about the Holorith. Horrocks thinks that visual cards under about 5 categories would be more effective in dealing with censorship material since likes would be more easily thrown up. The holorith cards were filed only under the name of the addressee and therefore relied on somebody's memory or on information from other sources. Bird is going to study the matter but feels that the visual system will involve a great deal of work and throw up an enormous number of perfectly useless likes which will have to be put up to some competent officer for a decision as to whether they are of importance or not.

July 2nd

I attended the meeting of the Swinton Executive. Hart's scheme with the Registrar General and seemed to find favour with most of those present. The H.D.S.E. question whether the labour involved

would be commensurate with the results achieved but were very much in a minority. A small committee is to be formed to work out the details.

Protected Area No.1 was also discussed. The Censorship feel that the work they are carrying out at present is not really justifiable, if it is such a simple matter for anybody to cross the frontier with a letter in his pocket. The Admiralty were asked if they could limit the areas where censorship was really necessary. They wanted censorship maintained as they said they contained useful information about indiscretions. We were unable to say that we had any information which even led us to suspect that somebody was communicating information with malice.

Lastly a proposal that a Red Cross ship should go from Eire to some port in occupied France was dealt with. We opposed the scheme on security grounds and suggested as an alternative that the ship should go from England. There were apparently difficulties about this as in the transmission of Red Cross material the goods are supposed to pass via a neutral country. Stevenson of the D.O. objected on the grounds that acquiescence in the scheme postulated recognition of Eire's neutrality while Herbert pointed out that there would be nothing to prevent

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the Irish Red Cross from putting parcels on board in Eire which would be destined for their own nationals. There could be no check on these parcels or their contents. We had insisted on the most stringent regulations in connection with the new air Service from Foynes to Lisbon and it would be entirely inconsistent if we now agreed to uncensored parcels going by a ship.

The D.G. has seen Dearden and Stephens and neither of them appears to desire to continue under existing conditions. The D.G. has ordered Pilcher to hold an enquiry before he decides whether to accept Dearden's resignation.

We had a long discussion about Dragonfly. We were all agreed that at all costs his position should not be compromised.

HORSEFALL-ERTZ has admitted before the Advisory Cttee that he knew Mrs. KRAFT and KRUGER. He said that he had formerly denied this as he was threatened with the Treachery Act. We have decided to interrogate him further as soon as we have got hold of Mrs. KRAFT.

Neville of N.I.D. has brought over what would appear to be an interesting espionage case. The German standing orders taken from a captured submarine disclose that they have accurate information about our minefields and it is alleged in one

instance about a projected minefield. The Admiralty do not think therefore that the leakage could have occurred through our cyphers being compromised. I have detailed Hart to carry out the investigations and have said to Neville that he must be given free access to all relevant documents.

July 3rd

We had a further discussion about Dragonfly. It was decided to go on the air and try to get the date narrowed down. We would then arrange for Dragonfly to be present at the address to accept the cigar-box and question the caller. Arrangements would also be made to take a photograph of the caller and get a record of the conversation.

I sent the full report about the Polish plot case to the D.G. today suggesting that he might wish to show it to Swinton. It has disclosed that some 17 Polish officers and possibly 2 British subjects had worked out a scheme to assassinate HESS but it seemed that as the plot was due to take place on May 19th the project might well have been abandoned. Alley says that the Poles are always formulating plots and schemes, most of which never materialise, but that you can never be quite certain that they will not go off the deep end without much warning. The Poles seem to think that HESS may have come here to offer peace negotiations

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and that the British Govt. may succumb to the idea leaving the Poles in the hands of Germany.

D.G. was very annoyed that this matter had not been previously brought to his notice. He ~~felt~~ that if anything should happen his position and that of the whole office would have been quite untenable. He had no fault to find with the way in which the enquiry had been conducted. I said that I quite agreed that I should have informed him but that I had no intention of deliberately withholding the information. The fact was that my day was so full that if I could not get into him at a given moment it was sometimes difficult to recollect what I had told him and what I had not.

July 4th

We had a conference with D.G., Lennox, Foulke and Boddington. D.G. agreed ~~with~~ the constitution of Lennox's branch, after hearing what all those concerned had to say about their work.

I had lunch with LAPORTE who is now Chef de Cabinet to Muselier. He gave me a long account of himself, how he had left the Matin, gone to the Agence Fournier, and on the outbreak of war had been sent to this country as Asst. Air Attache. When the collapse came his chief returned to France but he asked Archie Boyle that he himself might be interned. This was done

and when he emerged he was posted to Muselier's staff. We discussed the Muselier case at great length and I think I convinced him of all the various difficulties which we had encountered. I explained to him how the whole thing had happened and how I hoped for once and for all the suggestion had been dispelled from the minds of the French that we were in any way trying to pry into their private affairs. We had helped to set up Howard's Bureau merely because we wanted some representative French body with whom to deal on security matters. We were interested in French security matters only in so far as they affected the security of this country and we felt that the closest cooperation is necessary. We had a great deal of machinery at our disposal and we could undoubtedly render a great deal of assistance to the French. Laporte was very friendly and I think he will be a useful ally. I am going to introduce him to Kenneth when I come back from the regions. In the meantime he gave me the name of a woman called Jeannette Hart who he said was pursuing the cypher officer.

Celery has got an offer to go to Brazil or to work for S.O. 2 in France. I am going to try and get section V to use him in Brazil.

Mrs. KRAFT has been arrested.

July 5th

I saw Gen. Hunter and Col. Coates about the Polish plot. Hunter knew Hesketh Pritchard who was one of the Englishmen thought to be concerned, Pritchard seems to be of an S.O.2 type. He attached himself to the Guards at the beginning of the war and was rather a nuisance. He was a very good shot and interested in sniping. Hunter suggested that as Pritchard had not been at Ringway with de RAMER we might interrogate him about the whole affair. He could be very useful to the plotters since he would have access to the Guards Mess at Pirbright and might find out quite a lot about HESS. We also considered the question of putting checks on the Poles in Scotland and in London. Cookie is to go down to Camp Z on Monday with Coates in order to acquaint the Commandant with the position and study the general layout.

I saw Loxley at the F.O. and told him about the case of the Comtesse de JONGHE who has now arrived here carrying a Belgian bag which seems to have been opened. It was decided that we should draw the attention of somebody at the Belgian Embassy to this fact when returning the bag.

I also saw Stewart and explained the position to him. He agreed to this procedure. He told me that HESS had

attempted to commit suicide by throwing himself over the banisters. He had only succeeded in breaking his leg. His mental state is said to be improving and he may possibly broadcast, at some future date. He is not so suspicious about his food being poisoned as he was.

Lennox tells me that Senator Whelan's pronouncement to the effect that not only Marines but regular American troops would be sailing towards the end of this month for Iceland has thrown a real spanner into the works. The sending of troops other than Marines would be tantamount to a declaration of war. The Japs are said to have given instruction to have their ships clear of the Panama Canal by the 27th July. It looks therefore as if they intended to come in if the Americans do. It depends to some extent on who is the aggressor.

Our submarine Urge landed men on the east coast of Sicily near the Straits of Messina. They placed explosives in a long tunnel which not only blew up the tunnel but also a train which was passing through. This means that this rather important line will be blocked for some considerable time, and will impede passage of supplies to N. Africa. Coming out of the Straits the submarine torpedoed the Italian 8" gun cruiser Coritza and sank her. Two more large supply ships have been sunk off Sicily (Italians). The French have sent reinforcements to Salonica but so far the Turks have refused to let them thro'.

I had a long talk with Hart about ISOS. He is quite convinced that if Trevor-Roper goes a great deal will be missed. Hart is quite convinced that Trevor-Roper is right and Felix wrong. He feels that you cannot separate the technical side of ISOS from the intelligence side. I am going to have another try with V.V. to arrive at some compromise. Hart also told me about his Admiralty case. He does not think that the leakage is due to ciphers but cannot yet give any definite opinion. The indications are that somehow or other the enemy has been getting hold of our charts. Minefields are reported by bearings on their 4 corners. In one instance two of these corners was reported inaccurately by so many seconds both in the German document and in our own chart. In the process of making enquiries Hart has come to the conclusion that the security measures in the Admiralty are in many respects extremely bad. He himself got into the Admiralty without any pass and he found a Naval Officer who had intentionally faked a pass using only a lead pencil and a blue chalk pencil. He had been using this pass with complete success for some months. Hart thinks that the calibre of the operations officer in the Admiralty is far higher than that of the intelligence officer.

July 6th

Mme. de JONGHE has been interrogated and seems to have given a fairly good account of herself. We have tried twice to return the bag to the Belgian Embassy but on each occasion have not succeeded in finding a responsible official who could take it over.

Blunt rang up to say that the Spanish Consul General was going out on Tuesday. We decided that if his bag was not properly sealed by the F.O. that we should send him back or take it over and return it ourselves.

July 7th

I saw de REMA about the Polish plot to murder Hess. De Rema made a very good impression. He has obviously handled the whole business with great ability and discretion. He thought that it would be wise for him to go upto Scotland on some pretext in order to find out whether there were any developments there. He could sound Col. SOSABOWSKI and also visit Fort William, where the Poles had a special school. I suggested to him that the it might be a good plan if some Minister of standing, preferably the P.M. if he could spare the time, could visit Polish units and explain to them our aims and objects in the present struggle and the meaning of certain political events which took place in this country. They would

irresponsible statements made by politician in the House and elsewhere. I thought too that something in the nature of entertainment might also be a good thing, and suggested films with Polish captions. De Rema was enthusiastic about both ideas and pressed me again and again to get something done on the lines suggested. He said the great thing was to keep the minds of the Poles occupied during their leisure hours. They were intensely patriotic and desperately keen to be in the fight and but there were times that they felt very much at a loose end. It was during these moments that they were likely to be scheming and hatching plots. I mentioned this matter to the D.G. and he is having it taken up by Lord Swinton. De Rema told me that they were having a certain amount of trouble with the older men who felt that it was a point of honour for them to join the parachute troops. The result of this had been rather serious. The jump apparently affected their hearts, they became unconscious and then injured themselves when landing.

The D.G. and I saw the Lord President and Lord Swinton about the Polish plot. The Lord President seemed satisfied with the action taken and agreed with us that it was essential that De Rema's position should in no way be compromised. He thought however that Heskith Pritchard might be interviewed since this could be done without raising difficulties for de Rema.

He thought that we ought to endeavour to reach a position where we could disclose the whole matter to the Polish authorities without jeopardising De Rema's position, as he felt that if any incident occurred the results would be disastrous whether it was successful or not.

The D.G. and I left this evening for Bristol.

July 8th-9th

Bristol. We did a tour of the Region seeing both the police and military, and travelling as far as Taunton and Exeter. The relations everywhere seem to be excellent and there were no complaint from any quarter.

I discussed with Ferguson the question of his going to S.I.S. While I think he is quite happy where he is, he is quite ready to join Section V. and thinks he would find the work interesting. Airy is to take his place. This creates a certain difficulty with regard to Lane who has twice been passed over for No.1. Ferguson thinks that while he does his work extremely well he is not really suitable for a No.1 post. Most people feel that they cannot entirely trust him. He is always practising some petty deception. For instance he will ask for a Govt car for one purpose when he really wants it for another.

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We visited the Bristol Aircraft factory where we saw Beaufighters under construction. To the uninited the machine appears extremely complex; the most important part of the RDF apparatus is not installed at the Bristol works.

July 10th

Cardiff. We did the usual round of police and military and also arranged a meeting with the S.C.Os. The question of their relation with the RSLO was discussed. They all seemed to be in agreement on the point of the RSLO conducting investigations. The S.C.O. at Newport was worried about coastal vessels being in the port when troops and stores were being embarked for operational purposes. He cited the case of the City of Dublin which had been alongside a troopship and had left for Lisbon some days before the troop convoy had sailed.

July 11th

Returned to London. There has been a suggestion from the Russians that Marti, Torres, and Guillaume, 3 notorious French communists should be sent over here and should assist in fomenting a revolutionary movement in France. I am glad to say that the idea has been turned down. Negotiations are on foot for a political agreement with Russia. The Russian front has been stabilised but there is strong pressure in the north. We are carrying out extensive day night raids all over France with a

small number of bombers and heavy fighter escort. At night we are making a dead set at German's railway communications. It is said that the damage here has been considerable and has led to an increased use of coastal shipping. This has given coastal command an opportunity to attack German convoys and their operations appear to have been highly successful. The Germans are putting out quite a number of peace feelers and if their campaign against Russia is successful a general peace drive may be expected. The German Ambassadors to Spain and Portugal have been hastily recalled to Berlin. The reason is not known.

July 12th

Had a long discussion with Machell about Censorship.

A woman called FRASCHINI, dressed in cordur shorts and shirt, is said to be posing as a boy. She has been arrested at Paisley. Her story is that she left Italy a good many months ago and wandered across Europe with a bicycle till she finally reached Norway. She said that she came over to this country in a boat with several Norwegians and landed on the east coast of Scotland, since when she has been swandering about on her own. It is a little difficult to see how she could have done all this on 300 lira which is all she said she had when she left Italy.

975 .
Her story is full of inconsistencies and she is being held at Holloway till we can get her properly sized up. She is undoubtedly a Lesbian, probably a light cracker, and just possibly a spy.

Gehrt van WIJK who arrived here from Spain a short time ago has now confessed that he was sent here by the Germans. He originally had a business in Spain. On mobilisation he joined his regiment in Holland. After the defeat of the Dutch forces he applied to go back to Spain. He was approached there by a German agent called PABLO and suggestions were made to him that he should work for Germany. He was reminded that his wife and family were still in Holland. He was first sent on some financial mission to Holland but was not able to bring the negotiations to a successful conclusion. Finally it was suggested to him that he should go to England and after considerable difficulties he managed to get away from Lisbon. He had been instructed in the use of secret ink.

July 13th

There was a discussion last week by the Executive on the CPGB and enlistment in the army. The general opinion seemed to be that communistically inclined workmen might be less harmful in the army than in the factory but the whole question is to be referred back to the army. The general most important point as to whether communists should be eligible for

officer rank does not seem to have been raised.

An agreement has been reached with Russia that neither party will negotiate a separate peace. The present attitude of the CPGB to the war may be summarised as follows: 1. Britain is still fighting an imperialist war and the S.U. is fighting a just war. 2. The C.P. will support the Govt. so far as it assists the latter war but not to help Britain to victory.

3. The C.P. has merely pushed its previous campaigns into the background and has not renounced them. At the appropriate moment the demand for a people's Govt. and a people's peace will be renewed.

4. the C.P. is not prepared to abate any T.U. privileges in order to secure a greater output. All delays in production will be blamed on the pro-Fascists and reactionary management. 5. The C.P. still regards the Govt. as an instrument of the pro-Fascists and Imperialists who may try to switch the war. 6. The C.P. regards the new turn of events as a great opportunity for strengthening its position. 7. The C.P. is seizing a unique opportunity for obtaining the removal of the ban on the Daily Worker which it regards as essential for securing recruits and conducting its campaign.

July 14th

Saw Maxwell about SEMMELBAUER and MAAS. I explained to him our difficulty, namely

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✓ that there was information in the possession of MAAS concerning which we could not run the slightest risk of leakage. MAAS had to have a companion and the only solution seemed to be to put him together with SEMMELBAUER and keep them at Ham for the duration. This would mean that they could not have communication with the protecting power who would undoubtedly get to know that they were no longer at Knapdale and probably make enquiries. There would be no harm in their corresponding with anyone else as from the Oratory Schools provided their letters were strictly censored. If the protecting power made enquiries they would have to be warned off. There was a precedent ~~for the~~ of a corresponding nature in the case of Best and Stevens to whom nobody had been allowed access since they were illegally removed from Dutch territory at the beginning of the war. Maxwell agreed to the plan and said that he would arrange for the necessary ministerial backing if an awkward situation arose.

I saw Medhurst about the association of Joubert with a pro-Fascist named E.D. RICE. Medhurst said he would give Joubert a friendly warning. He said he knew Joubert very intimately and could do this quite easily. It was Medhurst who before the war had given the warning about Mrs. Brownhill.

We talked about the suggestion to establish RDF stations on the east coast of Eire

There is a definite gap in our defences on the Welsh coast which can only be satisfactorily covered from the other side of the channel. I explained to Medhurst that we had an arrangement with the Irish for reporting submarines on the west coast through intercepting their wireless communication on the subject to Dublin. Some sort of similar arrangement could presumably be made to intercept warnings from the RDF stations if they could be set up. He agreed that this eliminated one difficulty and said that he would bring it to the notice of the Air Council. There still remained however the possibility that the RDF station might be inspected by some representative of the German Legation under the auspices of an Eire Quisling.

I had a short talk with V.V. about Trevor-Roper. He said that he had washed his hands of the whole business, as T.R. now said he did not wish to set up a separate organisation for dealing with ISOS. V.V. did not know yet whether T.R. was prepared to accept his position in Section V. I told V.V. that I had a slight feeling that the whole T.R. incident might have created a belief that we were trying to interfere in the affairs of Section V and to undermine Felix's authority. Nothing was really further removed from our minds. We were however very seriously concerned about the handling of ISOS material. We did not feel that full advantage was being taken of the service. Latterly I had become extremely

number of officers in B.Branch and Cowgill. At least half a dozen of them had come to me and said that they did not feel that they could now discuss their problems freely with Section V. as Felix merely dug his toes in and refused to move. The situation seemed bad when Dick felt bound to tell me that he had postponed his weekly visit to P.W. as he felt that he might blow up. V.V. was very concerned about this and said that he would like to talk it out very thoroughly at the earliest possible moment.

Frost told me about a curious case of one HARZBURG in the U.S.A. who had written to one of our P/W in Germany and also to the man's wife in this country. He had offered to give assistance to the P/W by helping his wife and asked the wife to pass on any letters which she might receive from the P/W. It is difficult to see the reason for this rather curious manoeuvre and enquiries are being made.

The Irish frontier question has boiled up again due to questions in the House by Sir William Davison who complains that there is no control whatever on the frontier. Morrison has been over and has been talking to members of the Ulster Govt. It looks like another political stunt. As far as can be seen everything practical is already being done.

July 15th

V.V. telephoned to me about Cowgill. He had just seen him and asked him for the hundredth time when he was going to take some leave. Cowgill thought he must go away since when he found himself on the verge of having a row with Dick he thought that there must be something wrong. V.V. seized the opportunity to tell him about my anxiety. Felix very generously admitted that everything I had said was absolutely true. He agreed to take ten days leave. In the meantime V.V. is going to take over Section V.

There was a Directors meeting. We discussed the question of the position of RSLOs in time of invasion. There are only two static units in the area. The Regional Commissioner and the Command. Magnus, the Security Officer with Southern Command thought that the auxiliary Regional Officer should be with Command, ready to be sent out to any area where their services might be required. I thought that they should remain with our Regional Officer, since if there was any friction the Regional Commissioner would know, whereas Command H.Q. would probably hear nothing. If any unit in Command takes the law into its own hands it will say nothing whereas the police will squeal immediately to the Regional Commissioner.

A batch of American workers and technicians has arrived in N. Ireland, accompanied by a posse of New York State Police. They are

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to work on the air base.

I lunched at the Savoy with William Charles. He seemed in very good mood. Before lunch we had a cocktail with Newnham, the ex-editor of Truth, Gordon Lennox, Michael Arlen and Commander Grenfell, who had just written a book on sea power. Gordon Lennox remembered having met me at the house of Brocas Burrows and having talked with me about Russia. He wanted to get hold of me for some time. I told him he could ring Room 055. I am not very anxious to meet him, as I do not altogether trust him.

We had an R.S.S. meeting but there was little to discuss except ISOS priorities.

Mills failed in his mission to Lisbon and an arrangement has been made with the local S.O.2 representative to handle SESSLER if he turns up at some later date. Archie Boyle has gone to S.O.2. and will be at the head of the planning section.

July 16th

The Twenty Committee have got a plan known as Midas. The idea is to get the Germans to send over a large sum of money which will be held here by some selected individual who will make the necessary payments to agents in the U.K. Tricycle has succeeded in getting the Germans to bite but they propose to send over their own representative who will effect the disbursements. He will get the money from our agent who will be reimbursed by the

opening of a credit which Tricycle will take with him to America..

The office of the Jap Naval Attache has with characteristic impertinence asked some electrical institute here to give them full details about the grid system. The writer of the letter is WILLIS who has been known to us for some time. We do not think that Willis engages in espionage but he knows which side his bread is buttered.

A plan is being worked out for making 100% low grade test for secret ink on all mails going to certain destinations. It is proposed to get a suitable agent to insert a letter written in which can be brought up, expunged and brought up again. In this way it is hoped that the Germans seeing that our test has not apparently brought up the :

writing will get confidence in this ink and use it more extensively. We can then have a major test of all letters for a.v. One of the advantages is that we shall be able to watch the correspondence without being forced to stop the letter.

Dragonfly has had quite a success in putting over a story about a possible invasion of Norway. ISOS material discloses that his reports is confirmed from other sources.

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ACT 1958 *April 1958*

Smolensk and Kiev continues and that the Germans have made considerable progress. The German tank losses are said to have been heavy and presumably owing to lack of petrol the number of horse drawn vehicle are being used by the Germans. German fighter strength is not very high, consequently there has been no transfer of planes to the west to deal with our daily sweeps over France. Mason Mac is fairly optimistic. The W.O. are rather pessimistic. The "Georgic" has been sunk or beached at Suez. The Germans were attacking a dummy ship which they believed to be the "Anson", one of our latest battleships at present under construction. They missed the dummy ship and hit the "Georgic".

Archer has been made Asst. Chief of Staff in Eire. This is rather a serious blow, as I doubt whether his number two is sufficiently strong to resist pressure from above.

July 17th

I had a meeting with [redacted] and Haigh Wood about Lagos. [redacted] is taking out 13 people. It seems to me impossible for Haigh-Wood who is going out with no assistant and no secretary to run territories which are more than 1500 miles apart. If he is attending the Governor's conference he cannot possibly be touring round the country, making contact with the various [redacted] he must rely. There are port officers at Bathurst, Freetown, Accra

and Lagos who are under Wharton, the G.S.O. II, I.B. Haigh-Wood will have relations with them similar to that of RSLOs with SCOs. He will also be in touch with Stopford with whom he will share an office, and with Frank of S.O.2 who runs what is known as the Frak Mission. I have suggested to the D.G. that he should get Mavro to fly over here in order that we may get a better idea of our requirements. I am sure that Haigh-Wood will want one or two more officers and he may want one in each territory. The D.G. thinks that this will only cause further delay and feels that Haigh-Wood should concentrate on getting out to Lagos as soon as possible.

There has been no development in the Polish plot situation. All seems quiet.

Mutt and Jeff's plan for assisting the Immigration Authorities in the examination of Norwegian arrivals seems to be developing satisfactorily.

Hart is making considerable progress with the Admiralty case. He is fairly satisfied that the leakage is from charts and not from cypher telegrams. He thinks he can narrow it down to a particular type of chart and that it may turn out that the information was obtained by divers from sunken warships.

Alcazar de Velasco has returned owing to the spineless attitude of the F.O.

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Swinton and the Lord President have expressed the view that he should not come but just before we had been notified of this fact, not directly but through V.V., we had given the F.O. what we felt was an overwhelming case for declaring Velasco to be persona non grata. The day before the man arrived they sent us over their files which concluded with a minute in the following terms: It seems that Velasco is likely to be with us again before long. The only action taken had been an attempt to enlist the support of Alva and his councillor Villaverde.

Villaverde was to try and persuade Alcazar not to come, but if he failed it was felt that nothing could be done, without running the risk of reprisals. Swinton was extremely annoyed that the case had not been reinforced by his view and that of the Lord President and doled out a raspberry to me in front of the D.G. On examining the minutes of our file I found that the D.G. had approved our action. He readily recognised the position and very generously took the file over to Swinton and told him that the fault was partly his for not writing to him instead of V.V. and partly the D.G.s for not weighing in and making use of the ministerial backing at an earlier stage. It is very refreshing to have a chief who is ready to stand up for his officers and the department.

I spoke to Stephens about putting SEMMEL-BAUER AND MAAS together.

Lennox tells me that fighting is still going on the vicinity of Kiev and Smolensk. In the Leningrad sector the German tanks have run out of petrol. Some of the bridges behind them have been cut. There has been a successful raid on Rotterdam and 21 merchant ships have been sunk. An Italian transport has been sunk off Libya. Maiski appears to be arranging treaties with everybody, Poles, Czechs, Yugoslavs etc. The business is almost being done on the telephone.

July 18th

A Pole named EYSEMONT arrived here with 3 other Poles from Lisbon. The 3 others were apparently put on to make contact with him about some Polish representative in Lisbon. They say that EYSEMONT was approached by the Germans and has been sent here as a German agent, with definite instructions. The Poles are very excited and want to give him a run in order to see what contacts he makes in this country. We shall have to go very carefully into this case as it seems that the 3 Polish friends are not altogether above suspicion themselves. EYSEMONT is equipped with secret ink.

We had a meeting today with Sir Frank Nelson, Archie Doyle, and Taylor of S.O.2. S.O.2's charter covers (1) political subversion; this includes bribery of ministers and of whole political parties. (2) large scale operations, for example the Lofoten expedition. (3) small scale day to

day sabotage. This includes train wrecking.
(4) distribution of subversive propaganda.

There is a certain overlap here with S.O.1. who make and disseminate propaganda in foreign countries. S.O.2. disseminate rumours through their own stations abroad.

The Russian Mission here are asking for a lot. They want 20,000 light A.A.guns, 300 fighters and 300 bombers. Naval Mines, aircraft bombs, Asdic and night fighter apparatus.

July 19th

P.W. reports indicate that the Germans are giving up automatic bomb releasing. Formerly the bomb was released automatically at the intersection of 2 beams. We have been throwing another beam producing an intersection at a different point, with the result that German bombs have been dropping in open fields instead of on the targets, and vulnerable points. From statements of P.W.s it seems fairly clear that the younger pilots have very little navigational training. They consequently like to stick to the beam but they realise that in so doing they lay themselves open to attack from British fighters who can lay up on the beam and wait for them. Only the older pilots seem to have sufficient navigational experience to be sure of their position if they get off the beam.

B.5b have made contact with Gerald HAMILTON who wants to go to Eire and start a peace campaign through the Apostolic Delegate and the German Legation. When asked how he could get the entree to the German Legation he said that he would be known on reference to Berlin on account of his former connection with the Casement Rebellion.

July 21st

We have decided to pull in HAMILTON. We can hold him temporarily if necessary on a charge of registering at a London hotel under a false name.

David has just returned from Tunbridge to which Region he is to be posted as an Auxiliary RSLO in time of invasion. Grassby plan is to put his two auxiliaries with Corps H.Q. David says, quite rightly, that he does not think that he will be much use, since communications will be bad and he will be expected to act on his own initiative with a full knowledge of the area and all the problems involved. He will arrive down there in the middle of the battle and will merely be a useless cypher. He thinks that it would be far better for the number two in the region to be posted to the military and for the auxiliaries to remain at H.Q. where they could at least answer the telephone, take down messages, and go and see people on the Regional staff. I entirely agree; and have put this view both to B.R. and the D.G.

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EYSEMONT has now told us his story, and we cannot regard him otherwise than as a German spy put in here to double-cross us. Meanwhile the Poles are going to test out the other three. They have considerable doubts about two of them.

Mason Mac has not been allowed by the Russians to go to the front. He finds them somewhat uncommunicative but apparently pleased with the present turn of events. There is a salient south-east of Smolensk but there is no positive news of its capture. Kiev is not yet in German hands. The Germans are said to have suffered a severe reverse in the Leningrad sector.

I lunched today with Herschel Johnson to whom I introduced Theo Turner. He expressed himself in very warm terms about Stephenson and the work he was doing in America. Everybody seemed to like him, and regard him as extremely efficient.

July 22nd

We had a Directors Meeting. It was agreed that Civil Servants on the Invasion List should be dealt with without reference to their respective departments, since they were all working in a very minor capacity and could not possibly damage the machine. I raised the question of Regional Auxiliary Officers and explained David's point of view, with which there seemed to be tentative agreement. All regions are to be asked to send in a plan of their officers in

time of invasion. I made the suggestion that Lennox who already represents ourselves and S.I.S. on the ISSB should also represent S.O.2 if they were in agreement. I thought that this might enable us to obtain more information about S.O.2's plans. There has recently been a bad case of uncoordinated action between S.O.2. and D.C.O. Both had planned an operation on the same night, and the consequences might have been serious.

I spoke to Charles about Lagos, and explained to him what I felt was an impossible situation for Haigh-Wood. Charles will speak to the D.G. and see if there is anything to be done.

Curry is very worried about his position and feels that either for geographical or other reasons he cut out of discussions which affect his division. He is I think quite ready to join B. Division even if it will mean a loss of status.

A message has come through from Banham the R.S.S. man in Ulster that a man called Joseph LENIHAM, an alleged parachutist, was sitting in his office drinking a cup of tea. The story is that LENIHAM came down in Eire on Sunday, made his way across the border and gave himself up to the military. He has left his two-way wireless set in Eire but has with him an auxiliary one-way set. We have arranged that Cecil and T.A.R. shall go over in the morning and fetch him back to this country.

Findlater-Stewart is worried about Tate's reply to a request for information about Coventry. He thinks that if Tate is allowed to report everything that he has seen Coventry will inevitably be bombed. He has accordingly amended the message which now gives the impression that a great deal of dispersal has taken place. He wishes to raise the whole question of policy with the W. Board.

Hart who is continuing his enquiry into the leakage of information about our minefields has now discovered that there is another document which shows quite clearly that at least 4 of the minefields were disclosed to the enemy through charts taken from the sunken submarine "Shark".. This document proves Hart's previous conclusions that the information contained in the original German document was probably obtained from operational charts., taken from sunken warships. If we had had the second document before we might have been saved a good deal of time and trouble.

July 23rd

Had a talk with Grogan and Gibbs about Censorship. They now incline to the view that the machinery of Censorship having been thoroughly explored, there is no longer any necessity for two of them to be employed on this work, and that Grogan could probably handle the Censorship end from this office by making two or three visits a week and attending the committee.

I have seen Wood and discussed with him the future of B.24. He agrees that agents could perhaps be more profitably run by the sections and that his control of them is really no longer necessary.. I asked him whether he would be willing to take on the job in M.E.W. if there was a vacancy. He said that he would be quite prepared to do this if there was no other employment for him here.

A meeting was held at Kinnaird House today to discuss various aspects of Stephenson's work in America, particularly that which affected the vetting of technicians etc. Stephenson himself who had just arrived from America, was present. It has been agreed that he should extend his security co-ordination to the S.American ports.

There has been a bad case of leakage regarding a special convoy which is proceeding direct to Malta. The result has been that one destroyer has been sunk, a cruiser torpedoed and one of the supply ships torpedoed. The cruiser has got back to Gib. and the rest of the convoy including the damaged supply ship is going on.

It is clear from an Italian intercept that the approach of this convoy was known about the 16th. Enquiry shows that the security arrangements for the assembly of the goods and the convoy were absolutely lamentable.

Packing cases arrived labelled Malta. NAAFI telegraphed in an obvious code about the arrival of stores and the Crown Agents notified at least 10 firms about goods required for Malta. There were moreover a

number of ships in port while the loading was going on. A good many of them left for

Eire and other destinations before the convoy.

There is not much news from Russia. The Germans seem to be short of supplies and the Russians say that the German fighters are not anxious to attack. Mason Mac thinks that the German air losses are higher than the Russian estimates.

July 24th

Balloon has got a cheque for £350 from Lisbon.

I saw Maxwell about Joseph LENIHAN. He agreed to his being detained at Ham and suggested that pending the clearing up of his case he should be detained under the arrival from enemy territory act.

I lunched with Jebb. He told me that S.O.2 had been rather worried by the D.G.s letter which they construed as being a projected attack on themselves. I said I was quite sure that this was not the D.G.s intention. He merely wanted to find out what everybody was doing and get the position clear.

Jebb told me that S.O.1 now have 23 Freedom Stations which are doing valuable work. He said that the German attack on Russia had been carefully thought out from the point of view of self-sufficiency. He believed that the Germans had calculated that they could hold out for several years if they succeeded in tapping certain of Russia's resources. These of course included the oil.

I gathered that Stalin had given an undertaking to Cripps to destroy the Baku oil-wells, if the situation demanded such action.

July 25th

We had a conference about LENIHAN. We came to the conclusion that the only use we could make of his set would be by impersonation. LENIHAN was dropped in the Curragh with instructions to send weather reports to Sligo, and to proceed to England in order to obtain information about air raid damage. He had given himself up in N. Ireland because he had a criminal record in the south. He is wanted for unlawful assembly, presumably in connection with an I.R.A. meeting, and has also done time for fraud. The Irish have already discovered his parachute, and his set, which has not so far been taken, is left at a house on the Eire side of the border.

The group traffic shows that 3 Norwegians who arrived here a short time ago, are in fact German agents. The principal is a man called NIELSEN. Another is named LUNDE. The ship in which they arrived is the "Hernie". One of them is now on a coastal vessel, thanother at a Londo hotel, and NIELSEN has been sent to join the Norwegian Forces. We are taking steps to pull them in. The Norwegians when questioned said they had never been very satisfied about them themselves.

Had a talk with Stephenson and gave him as much about the general situation as possible. He was very worried about the flow of information, It seemed that we had sent him a number of things which he had not received, and that he had sent us reports which do not seem to have reached us.

I said that we attached very great importance to our request that he should recruit agents among the technicians and plant them on the Germans. He said that he had received a wire on this subject from Section V which concluded with the words that "Sinclair would understand what was required." Sinclair when shown the telegram apparently did not understand, with the result that nothing has been done. Stephenson will look into the matter as soon as he gets back.

Lennox tells me that the Russians are advancing very slowly. They have apparently met with reverse in the Leningrad sector. Gen. Golikov is flying to America having just returned from Moscow. There are signs that the Germans are contemplating an attack via Turkey or the Black Sea on Barmuk, but this may be merely bluff. The Japs have started to occupy Indo-China. We have ~~xxxxxxxxxxxx~~ requested the Persians to get rid of their large German tourists population but have virtually been told to mind our own business. The I.M. was extremely annoyed and intends to occupy Abadan and if necessary to bomb Teheran.

July 26th

Karl STRESSER

A man has been discovered in Dorset in battle-dress. He states that he is a German. He came here with a Hitler Jugend Party in 1937. It has been discovered that he is a deserter.

Moore of the R.U.C. has come to an agreement with his contact in the Garda by which we are

lent
to be ~~lent~~ LENIHAN's wireless set for 8 days.
We are to lend the auxiliary one-way set to
the Eire Govt for a similar period. Before
the agreement was signed the matter was
referred to Dev.

POST 48 CHILL

Victor and I lunched with Alan Hodgkin. He
said that R.D.F. was making considerable pro-
gress. I gather that A.I. is limited in its
scope. The number of ground stations depends
a good deal on the contours and each station
can only work one aeroplane at a time.. We
hope before long to eliminate the ground sta-
tion altogether. Anti-jamming is now well in
hand.

We have scored a great success with Alcazar
de Velasco. He has handed £50 to G.W. in the
presence of Calvo. This money was a repayment
for a sum borrowed by del Pozo. Alcazar has
promised to obtain another £500. I hope the
F.O. will now be convinced that we were right
in saying that Velasco was a German agent and
should be declared persona non grata. The
trouble is that we are not able to get rid of
him owing to the delicate source of our
information. We may however succeed in working
him to our advantage.

Our agent has discovered that Lisbon has a
report on our aircraft. Matsumoto, with whom
she is also acquainted, has under the influence
of drink, disclosed that the Japs contemplate
an attack on the Dutch East Indies.

The Snark @ Kissmequick has arrived with the meagre sum of \$10.

Lakin called today with Brig. Gubbins who is worried about the Polish escape organisation which works via Ankara, Jerusalem and Cairo. He thinks that some of the Poles are employed on this work are of doubtful reliability. Apparently Maunsell made some report about them a short time ago. Gubbins would like further enquiries made as his organisation is to some extent linked with theirs.

July 27th

Had a long talk with Stephenson. He seemed to think there was a good deal of information on general subjects which we could give him and which would be of great value. Dick gave him copies of some of his reports on the various German agents who had arrived here. Hollis has promised to send him reports on the Communists.

I am putting up a note to the J.I.C. on the desirability of closing down Jap consulates almost all of which are engaged in espionage, and are transmitting information of value to the Germans. I suggested to Stephenson that the Americans might in the present atmosphere be prepared to make a similar move. He said that they got nothing from their consulates in Japan and might therefore be ready to co-operate.

I spoke about the case of Max JORDAN of the U.B.C. Stephenson said he would look into the Catalogue Reference KV/4/188r. There had been so

much wire-pulling that it was almost impossible to know where we stood.

July 28th

Saw Stephenson again. He told me about certain technical apparatus which the Americans were using. They have a very good camera which can be easily concealed in a wireless set. There is no click, it merely makes the ordinary wireless noises. The Americans also use a special device for tapping in to telephones. This can be clamped on an outside wall and is apparently very effective.

I lunched with Lapage, of the Belgian Surete. He seemed very co-operative and evidently gets on very well with Kenneth. I gather that he does not much like S.I.S. presumably because they will not allow him to communicate direct with his agents in Belgium. S.I.S. quite rightly feel that they must maintain control of these matters.

After lunch I visited the R.P.S. with Bingham. and had a talk with the Commandant, who is evidently to some extent under Bingham's control. On the whole the place seems to be fairly well run and there should be very little cause for complaint. The position with regard to prisoners property is not however satisfactory. No lists of property are obtained at the ports and the property is not very carefully checked or stored at the R.P.S. It is very important that there should be a proper chain of evidence, otherwise ~~when~~ any prisoner is in a position to deny ownership.

I told the Commandant that we were proposing to appoint de Geijer as a Welfare Officer. He welcomed this appointment as there is a good deal of clerical work with which de Geijer could occupy himself in his spare time. I hope also that he will be able to extract a certain amount of information from the guests. He speaks fluent French, German and Swedish.

July 29th

We had a director's meeting. I raised the question of property at the R.P.S. It was agreed that the matter should be looked into.

Had a discussion with Horrocks about the Registry and carding. He said that he had put forward a memo to the D.G. recommending that all foreign reports should be should be carded and that something in the nature of a joint registry with S.I.S. should be started. I explained to him that the present situation was extremely unsatisfactory. I did not think that S.I.S. were doing much carding and in any case the material which we require for interrogation purposes at the R.P.S. was not ready to hand. It was impossible to say that the addresses of individuals and their names which were obtained in foreign ports were of purely local significance. They might be highly important if they were found in the diary of a new arrival. At present we had no information to pit against a man's story. I had a talk with Charles about the registry and explained to him that although papers might be passing through it at a more rapid rate there was evidence to show that the

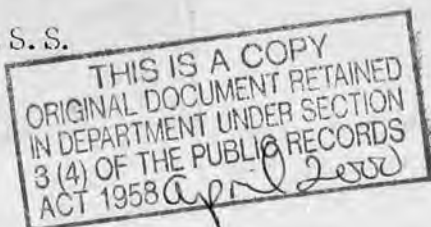
look-ups were singularly unintelligent. this I think is the real defect in the system. It may be a good registry but it is not an intelligence registry. It is essential to have people with the necessary language qualification and a knowledge of the work which they are handling. Otherwise the look-up is purely mechanical, and obviously unintelligent. Nothing can put this right except something in the nature of a return to the old system, where a registry section worked for a section of the office and knew its files

Dick and I lunched with Llewellyn Lloyd. He had had an extraordinary career, starting with an elementary education, he has been a steward a stoker, a sculptor, a painter, and is now the writer of one of the best novels written during the past 3 years. He has also had a good deal to do with the film business and is widely travelled. He now finds himself in the Welsh Guards like a fish out of water. He complains that he only has to think for 2 hours out of the 24 and is very anxious to get some work which will give him more scope.

Both Dick and I liked him, but he may be rather difficult to fit into the organisation.

We had an R.S.D. meeting at which Isosocles was discussed. This is the Vichy-Berlin group which we do not normally receive. There have been at least 3 cases where we have not been informed about matters which have a definite C.E. interest. The meeting felt that they could not properly assess priorities unless
Catalogue Reference: KV/4/188 of all intercepted material I was asked to take this matter up

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with V.V. or C.S.S.



We had another meeting about LENIHAN and decided that we should abandon the idea of using his set. We propose to send a message in secret link indicating that he has managed to get over here and has established contact with an I.R.A. friend in Liverpool. He will ask for instructions. We shall have to keep him permanently at Ham but we may be able to work him through a cut-out.

Reports indicate that there is a shortage of essential products in Ireland.

July 30th

There was a meeting at Kinnaird House to discuss a plan put forward by V.V. to bring all ships into Bermuda. There was a long discussion at the end of which it was decided to form a committee to go further into the matter. There is abundant evidence that a good many agents are crossing the Atlantic in neutral ships and neither the navicert system nor searching on the high seas are adequate to deal with the situation.

I had a talk with V.V. after the meeting. He had seen Stephenson who had spoken to him about the slowness of communication and the

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small flow of information. V.V. seemed to think that he had got a rather exaggerated view of the position and that in fact he had either not been seeing our reports or that they had gone to the bottom of the Atlantic.

I lunched with Archie Boyle and Lennox. The D.G. had apparently alarmed S.O.2. by his letter summoning them to a conference.

Archie thought the letter was an extremely offensive one and said it was only due to his intervention that there had not been a show-down. He appears to have a good opinion of certain aspects of S.O.2. although he fully realises their defects.

I attended a meeting of the W.Board at which Findlater-Stewart raised his query about Coventry. He seemed to think that we might be offended if he blue-pencilled our messages. I said that we did not mind in the least and that we could attempt to do this work ourselves. On the other hand I thought it was important that he should have a full account of what the ordinary observer could see. All we required was that something should go over the air which would not jeopardise the position of our informant. I pointed out that we could not stop the bombs from dropping and that we had machinery at our disposal which might assist in getting them dropped in the places where they would do the least harm. The meeting was quite friendly and we are going to proceed as usual. I read out a report prepared by J.C. showing the advantages we had gained by controlling the XX network. I think the meeting was convinced that these

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advantages were considerable.

I spoke to Stewart after the meeting about the advantages that might be gained by some of our fellows who are engaged in answering German questions having a look at his traffic. They had learned the art of evasion and might be able to detect it coming from the otherside. I thought also that his people could give us some useful hints about pitfalls to be avoided. He agreed and quoted to me an instance when he had become convinced that one of his people was under control because he had moved his people to the vicinity of a known German headquarters.

July 31st

Arnold and Ryde came to see me about the case of a man called GUNN who has been employed with a company which is engaged in constructing models from aerial photographs. These models are used by troops who are to be engaged in special operations, and therefore disclose valuable information. GUNN who had left the firm, which has for some time been under the control of the A.M., was found to be in possession of a number of aerial photographs including one of Devonport Dockyard. He said he had taken these as souvenirs. He was apparently associated with another employee named EGAN whose bona fides were in doubt.

I lunched with Col. Davis of S.O.2. He is apparently engaged in looking after the technical side of their operations, and their equipment.

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August 1st

Went with D.G. to Reading to see the region. We went down to Portsmouth where we visited the C.C. and the C in C. Admiral James (Bubbles) He had made his headquarters on the Victory, having been bombed out of his own house. He was full of regrets for the departure of Piggott for Bermuda. P. has been S.C.O. at Portsmouth for sometime and made a good impression all round. West, the C.C. has I believe done very well and is a tremendous improvement on his predecessor. Both he and C.C. southampton seemed very efficient and very ready to co-operate with us in every possible way.

We saw quite a lot of Sir Charles Cunningham, A/Inspector General of Constabulary. He seemed very satisfied with Ryde and had no complaints. Spicer, C.C. I.O.W., seemed to think that M.I.5 kept C.C.s rather in the dark. He was very anxious to have something in the nature of an M.I.5. bulletin once a fortnight. D.C. steered him off this and urged him to visit us in London more often.

August 2nd

We visited C.C. Bucks and Berks. Bucks is a splendid fellow but Berks is apt to create difficulties for Ryde. He is very independent and resents anything which he thinks may be in the nature of an interference by M.I.5. He was very pleasant to us.

After inspecting Rydes office we returned to London in the evening.

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August 3rd

I learned that during my absence there had been a certain amount of trouble with Mutt and Jeff. Jeff and his keeper had apparently got rather tight in Aberdeen and had ended by getting themselves arrested. C.C. was extremely annoyed because he had not been informed about their presence in the area. He was also deeply shocked that M.I.5 should conduct their affairs in such a manner. Unfortunately we cannot explain to him the full facts and the difficulties in running the double X business. Jeff was apparently asking very indiscreet questions in pubs and taking down the answers in his notebook. This very naturally aroused the suspicions of the publican who informed the police.

There has been great anxiety over Plan Midas. Tricycle made a number of mistakes and began by sending his telegram Eric Sand instead of Eric Glass. This led to endless complications but the situation cleared up when we found that instead of somebody from the other side arriving to collect the money, Tate received instructions to do the job. It then became clear that ~~the~~ what we thought to be an independent plan by the Germans to build up Tate and make him a centre for running agents was in the minds of the Germans Plan Midas. The two plans were married and all is now well. Tate is in the position of paymaster and we should before long have £20,000 to our credit in New York.

AUGUST 4th

Two Frenchmen called Poullain and Gonhouilou have arrived at the R.P.S. with a curious story. They are both journalists of some standing and one of them was formerly editor of "La Petite Gironde". They say that on the excuse of going to Morocco to buy up a number of French papers they succeeded in getting an exit visa. They had previously had ~~con~~versations with highly placed individual at Vichy including Gen. Hunziger whom they regard as being anti-Nazi. In Morocco they got in touch with a member of the French Air Force called Giradot who had some plot to overthrow Vichy elements at Morocco and take command. The success of such a venture seemed somewhat problematical at the moment since the Navy was anti-British, the Air Force ready to take orders from its High Command and the Army doubtful. It had been suggested that POULLAIN should intimate to Giradot after the French broadcast on 5th August whether he was to start eh revolt or whether he was to try and come over here to join de Gaulle.

As this was a matter of high policy we felt it difficult to release these two Frenchmen until we had some idea of the view taken in high quarters here. Being Bank Holiday nearly all those concerned were away. We succeeded in getting in touch with the D.M.I. who agreed that we could not hold these men any longer without causing a good deal of trouble particularly since one of them was a personal friend of Muselier. D.M.I. did not think that a putsch in Morocco was desirable at the moment and undertook to get into touch with

Morton. In the meantime they are being seen by Willoughby of the Spears Mission and will be fixed up at the Cumberland Hotel for the night.

August 5th

We had a director's meeting this morning, when the question of property arriving at the R.P.S. was discussed. It was agreed that Adam would make arrangements for the Immigration Dept to have articles listed and sanction has also been given for assistance in looking after property when it reaches the P.S.

I visited Barnet with the D.G. and also P.W. We were shown the whole progress of ISOS from its interception to the finished article. I had previously had a talk with Maltby who resents any interference on the technical side of R.S.S by Frost. He says he does not think that we need representation on this side of the work as he regards our interests and those of S.I.S. as identical. I tackled him on the 2 questions which worried us. Would the present machinery be adequate to detect a one-way transmitter of the kind that we might expect immediately prior to an invasion? He said that he thought this ground would be covered as soon as the Y stations were functioning but he did not expect to have one of them going for another 3 months. The other point was whether he was satisfied that the Germans were not trying anything in the nature of high-frequency transmission from the ground to aircraft. He admitted that we were working on this ourselves but that at the moment there was no very adequate counter-measure.

He hoped to improve on this before very long. Frost's point of view is that if we are not allowed to query the technical arrangements to cover what was in fact the primary purpose of R.S.S. namely the detection of illicit communication from this country, we may find ourselves rather badly let down. In the maze of wireless technicalities it is extremely difficult to know who is speaking the truth.

August 6th

I have seen Gompertz who it is suggested should take Gooch's place in the Japanese section. Gompertz was formerly with Shell and has a good deal of business with the far East. He does not however read or speak Japanese.

I lunched with Eakin who seems anxious to canalize the relations between ourselves and S.O.2. through ~~SxI~~ himself. This certainly had advantages as it should ensure that we are not flooded with ex-SinnFeiners and other undesirables. On the other hand I think direct contact in some places may be more profitable.

Rainbow has received a letter in Portuguese. One of the full stops on examination has been found to contain a message of 100 words. Rainbow had been warned that he might expect some communication in this form. The process is micro-photography.

Snow's son has made a suggestion that he should go to occupied France and make contact with a number of our agents. He intimated that he had some contact with the Germans which

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would make him acceptable if he went to Lisbon. After an hour and a half's interrogation by T.A.R. and J.C. he confessed that he had before the war supplied information about the aerodrome at Biggin Hill to his father's postbox address in Hamburg. We have now to decide whether he should be locked up. He is a frightful little worm.

There is a story going about Fleet St. that the P.M. has gone to meet Roosevelt, who is on a cruise in his yacht Potomac. The story is said to have reached this country via the Trans-Ocean German News Service in Lisbon. The story of the meeting happens to be true. It is not surprising that it has leaked because Brendon Bracken has been hinting to the Press that they will have a grand story before long. They certainly will have a grand story if the P.M. and the President go to the bottom of the Atlantic. Special material shows that GEROTHOHL has passed the story on to someone in the Greek Legation and that Dulanty is talking about it to Walsh. The whole matter seems to have been handled extremely badly. The whole Press know about it here and doubtless the story is raging across America like an advertisement for a new tooth paste.

August 7th

I have seen another candidate for our Jap post, one Pilcher, late Consul at Tsingtao. He is now working in M of I. He reads and speaks Japanese and seems fairly knowledgeable. I am not sure however whether he would fit into
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the organisation very well. He seems to be of the F.O. self-opinionated type although his views about the Japanese are sound. He thinks that they have made up their minds to go south and that only a show of force will prevent them. They will clearly grab anything that they can if they can get away with it without too much damage to themselves.

We had a meeting about the Irish Brigade at which the various Depts. of the W.O. were represented. There is no doubt that the formation of such a brigade on Casement lines is being seriously considered by the Germans. The Germans are trying to get some representative of the Vatican to send anti-British priests ostensibly to look after the spiritual welfare of Irish P/W. M.I.9 have certain contacts among P/W but only among officers and it is known that a move is on foot to recruit anti-British Irishmen. Things do not appear to have gone very far at the moment. A careful censorship of prisoners' mail would have to be carried out and at the moment there is no dept. of the W.O. doing this work. Cecil is to see Herbert in order to find out about the distribution of censorship material and its volume.

August 8th

I attended a meeting of the J.I.C. at which the question of closing down Jap consulates was discussed. India, Burma, the A.M. and S.S. were in favour of general action, S.I.S., the Admiralty and the W.O. Intelligence branches were opposed to so drastic a measure.

The only valid argument against seemed to be the danger of retaliation against Shanghai. This would be a serious loss as a good deal of Y work is going on there. It was finally agreed to stop bag and cypher facilities at Calcutta, Bombay, Karachi and Simla. We could then note the effect of this action which was not thought likely to affect Shanghai.

Our highest cards are probably Singapore and Rangoon, and if action were taken there we might expect action against Shanghai. It was agreed that consular and diplomatic staffs of the Japanese Govt. should be harrassed through out the Empire and that ~~xxxxxxx~~ the position here with regard to BEPPU should be considered. the F.O. thought that he should be told that the Legation in Eire would in future have to be treated as a separate unit and that frequent journeys of consular officials between Liverpool and Dublin would have to cease. It was not flet that communication by bag could be stopped. The question of restricting the movements of Service Attaches was also considered. It was decied that with certain exemptions they should not be allowed to move outside a 5 mile radius of London without permission, or outside a limited radius from their country stations. They will have to follow an aproved route between ~~their~~ London and the country, and take steps to have their cars ~~xxxxxxx~~ marked C.D. It will be explained to them that all these measures are only for their own convenience.

August 9th

I saw Barbara's brother who has just got back from Crete. He had been sunk with one of our destroyers. She was zigzagging at about 30 knots in order to avoid dive-bombers, and he was swept off the deck. He felt himself going down to a considerable depth, when suddenly he shot up like a cork. He had on a Jeeves waistcoat, which he blew up, and after getting rid of as many clothes as possible he swam towards a small knot of survivors in accordance with the standing instructions. He found his captain and a number of other men singing "Roll out the barrell". This they found rather exhausting so all singing was stopped. They watched their ship go down by the stern and gave her three cheers. When he had been in the water some time they sighted a sister ship which eventually picked them up. It took them some time to pick up other survivors, and dive-bombing from various heights went on incessantly for from 6-8 hours, till they succeeded in getting out of range. Many of the Fleet operations, both to the North and West of Crete, seem to have been almost suicidal, as they were within easy dive-bombing range and attacks could be made on them by the same aircraft about once every hour. The night before his ship was sunk he succeeded in sinking a number of caiques. One of these caiques approached with a white flag and then opened fire. It was sunk immediately. There was a bad moment for the rescue ship, which had to decide whether to pick up certain other survivors or to obey their orders and

get back to their base as soon as possible. The balance was between leaving a number of men to drown or getting another ship sunk with all its crew and the survivors already rescued. They therefore pushed out all their boats and left the few knots of survivors to fend for themselves. J. was very impressed by the Fleet barrage, which he said was absolutely terrific. The Navy seemed to have completed their task in a wonderful way. They were ordered to see that no no troops landed by boat and these orders were successfully carried out although the whole project was abandoned. After returning to Alexandria J. made his way home via the Cape. He was horrified by the situation at Durban, Cape Town and other ports, where ships lay in the roads sometimes for weeks. There seemed to be very little security and the dilatory methods of the local authorities were appalling and had an extremely depressing effect upon all the survivors.

August 11th

Theo and I went to see Stewart about the various allied Governments. In many cases we employed the same contacts. We got on very well with them on C.E. lines but S.I.S. fell out with them on offensive operations. Most of these Governments want to run their own little S.S. without proper control, and the results are extremely confusing. We felt that it would be a good thing if we pooled all our information. Stewart agreed and thought that Theo should discuss the whole matter with Dansey. I went on to see V.V. and had a word with him about articles. He took the

view that Felix should not be the guardian of our consciences; if he thought that we were wasting our time in studying this material it was no business of his. He felt therefore that this information should in future be passed to us. He also saw the force of the argument that the R.S.S. Committee could not very well assess priorities unless they were in possession of all the groups.

I lunched with Herbert and brought him back afterwards to see the Dot. He was very much impressed and said that it would entirely revolutionise censorship methods. He would think out some method of making the best use of the information without running too great a risk of the enemy becoming aware that we have knowledge of their methods.

The Germans are making a certain amount of progress in the Ukraine. The Russians are going to create a kind of Tobruk at Odessa. It looks as if things were fairly stable on other parts of the front and that the Germans are concentrating all their efforts on the south. The Russians and ourselves are making a joint request to Iran to expel German "tourists". Iran are prepared to meet our request up to a point but are pretty sticky. A joint request has also been made to Turkey that we should be allowed to put in technicians and tourists who would be engaged on preparing aerodromes for possible use against attack by the Germans via the Caucasus.

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August 12th

We had a Director's meeting, but no matters of any consequence were discussed. I spoke to the D.G. about Isosicles. He is inclined to agree that the information should be made available and that we should be the judges as to whether it was of interest to us or not.

Herbert rang up to ask me for Rainbow's name and address. I referred the matter to the D.G. who said that on no account could we communicate the name and address of an agent. He would not mind doing it to Herbert personally but he could not do so to Herbert in his capacity as head of the Censorship, since this would imply that he would have to make some use of the information and that in so doing he would of necessity pass it to others.

There is a suggestion that we should try to get Jim Hale to run the intelligence side of the R.I.S.

We held the fortnightly meeting of the R.S.S. Committee. I reported on the progress of my negotiations about Isosicles, after apologising to Cowgill and Maltby that this rather controversial matter had been raised at the previous meeting when they were both absent. I made the offer to Felix that he could, if he still felt strongly on the question, express his views in a personal interview with the D.G. He said that he did not wish to do this and that he was perfectly prepared to abide by whatever decision was arrived at as between the D.G. and C.S.S.

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The meeting was very worried about the paucity of material obtained on the line Kirkenes to Tromso, which is the counter-part of messages going in the opposite direction. Quite clearly there is a good deal going on and various expeditions against this country are being prepared. It is therefore vitally important that we should get as much information from this quarter as possible. Maltby said that there were a great many technical difficulties. He finally agreed to allow Felix to explore the position with the Admiralty. It was thought possible that if detecting apparatus could be installed on one of H.M. ships patrolling the Norwegian coast, that the required signals could be picked up.

Jock Balfour came in. He has been appointed minister in Lisbon. He and I and Felix had a discussion during which Felix and I tried to give him as complete a picture of the various organisations existing in Lisbon as possible.

The message in the Dot contains over 80 words and refers to formulae for secret inks. It is quite clear that this method has been in use for some time. There is a reference in ISOS to Punkte as early as November 1940 and another one early this year. The indications are that this method has been used as between German-occupied territory and America but not in the reverse direction. This is confirmed by an examination of the Joe K. correspondence. Eastward bound it disclosed secret ink but westward bound the examination has given no reaction.

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August 13th

I had a talk today with Allan G.P.O. about Censorship measures to compete with the Dot. We thought that the information for the present should be confined to certain special examiners both here and in Bermuda.

Theo, Dick and I had a discussion with the D.G. about the liquidation of B.24. Wood is being found a job in M.E.W., Acworth, McKee and Koetrick are to go. Bygott will be transferred to B.1, Posthuma to R.P.S., Van Der Reydt and Van Houton to D.4 and Jannings probably to M. There is another suggestion, that Duncan should join Craufurd. Characteristically, Kenneth seems to be liquidating the whole of E. Division. B. Division are in the meantime taking over some of E and engaging new people. It seems to be like a sort of magnet. Eventually we shall get back to the old position, and Horrocks will start splitting us up again.

August 14th

I lunched with V.V. and the D.G. when we discussed the question of B.J.s. I tried to press home my point that if we were to make a proper study of developments here it was essential for us to have as much information, both positive and negative, as we could obtain. B.J.s were especially valuable since it was in communications of this sort that they expressed their innermost thoughts.

V.V. was rather inclined to take the view
Catalogue Reference: KW4/188 limit to our requirements. I said that it was for this reason

that I had suggested that Blunt should go down periodically to G.C.&C.S. and make notes. This would save everyone a great deal of trouble and avoid filing a large amount of this material in our office.

T A.R? Dick, Allan of G.P.O., Felix and I had a discussion about methods for exploiting the Dot discovery. We all agreed that the first step was to clarify the position in the U.S.A. It was essential to know whether the recent arrests there had led to the discovery of this new method and whether the Americans were proposing to make any use of the information in open court. If this were so, it would probably be advisable for us to take the risk of informing all examiners instead of restricting it to a few. We all felt that every possible pressure should be brought to bear on the Americans to keep the matter secret.

After the meeting I had a long talk with Felix about the differences between our two departments. A good deal of suspicion had arisen in his mind on account of a number of minor and rather trivial incidents which he had pieced together. What he had really liked doing more than anything else was running special agents. It had been a great wrench for him to hand over Tricycle and the situation had been aggravated because he thought that T.A.R.'s people did not trust him to do his work and felt that they had to give him minute instructions about what Tricycle had to do abroad. He felt that he was bedomining merely a postbox. I tried to explain to him

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to him that there was a certain feeling here that he was reluctant to give us information about what was happening abroad, and that this was vital to our work here. I did not think there could be any dividing line between us. We ought to have a free run of his files and he ought to have a free run of ours, since our interests were identical. At the moment I felt there was a hiatus and that for that reason the information in our two departments was not being properly collated. I think the meeting did a great deal to clear the air, at any rate I hope so. I drew his attention to the vital mass of information which I thought wrongly had been often referred to as being of purely local significance. We wanted details of cafes, rendezvous, enemy and neutral organisations abroad, otherwise we had nothing to pit against the stories of arrivals from abroad at the R.P.S. It was essential that this information should be carefully carded and readily available.

August 15th

JACOBS was shot this morning after trial by court martial. Cookie saw him a few hours before and was very impressed by his pluck and calm bearing.

A cousin of Pilcher's who is commanding a battalion of the Guards at Windsor is under arrest for communicating information obtained from an intelligence summary to de COURCY.

I talked with V.V. on the telephone for 1½ hours this morning about the relations between our two departments. There are still a number of things to get straight but I think we shall end by getting a satisfactory conclusion. There must clearly be better collation of S.I.S. and our own information, and we cannot have any hard and fast dividing line.

I lunched with Herbert. We decided to make the following arrangements with regard to censorship: Herbert will select 10 examiners of proved reliability, and attach them to Webb. They will deal with the westbound air mails from Lisbon, mails from Stockholm and the transit mails to Eire. A similar organisation will be set up in Bermuda. T.A.R. is to explain to the special examiners exactly what they are to look for. We have heard in the meantime from Tricycle that the D.O.T. is being extensively used. It may on occasion be found under the lower flap of an envelope. A telegram has already come from America which indicates that the F.B.I. have discovered the Dot method and also the microscope for reading it. They have not found any apparatus for microphotography.

I saw Maxwell and put before him MAASS and SEMMELBAUER's petition. I pointed out that the Home Secretary probably knew nothing about the Chancellor's visit and that before this document was shown to him an approach should be made to the Prime Minister's department since I thought this matter would come better

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from there than from us. I have sent the petition to Stewart asking him to do the necessary.

August 17th-24th

On leave.

August 25th

I saw Eddie Grant yesterday. He was rather worried about the reports he was getting from officers in the Belgian Army. There appeared to be a great deal of political dissension and that a good many of the higher officers were more interested in politics than in military efficiency. While this information was interesting it was obviously undesirable that junior officers should be making reports to him without the knowledge of their superiors. There was no suggestion in any of these reports that any member of the Belgian Forces would be likely to assist the enemy. He had therefore asked that they should be discontinued. It seems to me that the only effective way of dealing with this situation would be to brigade the Belgian Forces with British units. This might put an end to politics and lead to greater efficiency but it would mean that the Belgian Army would no longer be a symbolic force. I thought that this was a matter which should be seriously considered by higher authority and I undertook to speak to Theo Turner on my return.

and do not appear to be meeting with any resistance.

I learned on my return that Campkin whom we had recently sent to Section V. had committed suicide. There is no reason to think that he had any sinister motive. He apparently suffered from some nervous disease for which he had been receiving treatment. He may have taken an overdose of the drug which was given to him and under its influence placed his head in a gas oven. ALL his papers have been examined without result.

WALLEM one of 3 Norwegians who arrived on the Hernie has broken after interrogation at Ham. He admits that he is a German agent that he was sent over here in order that the British might employ him as a double-cross and send him back to Norway where he would have operated a wireless set under control. He says that his colleagues NIELSEN and LUNDE are not involved.

Plan Midas does not appear to be working quite as we arranged. The traffic indicates that the money is to be used for building up an organisation under Tate rather than for payment of other agents already established. This is deduced from the fact that Dragonfly used to receive his money from other sources. Tricycle has arrived safely and our £20,000 has been safely banked in New York.

August 26th

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We are taking steps to get hold of Courtney

Young to replace Gooch who is going to SO2. Gooch finds it difficult to get anything in the nature of specific instructions from SO2. He was told that his territory stretched from Valparaiso to Alaska and that he would be expected to recruit Jap agents to carry out sabotage in Japan. He is getting a salary of £150 per month plus a house, plus travelling expenses, and any sums that he may require for the payment of agents.

We had an R.S.S. meeting at which the question of T-Rs notes and their circulation were discussed. These notes are excellent value in explaining the significance of ISOS material. For some reason or other Cowgill does not wish them circulated to the recipients of ISOS.. Montague is pressing for them and Strachey of G.C. & C.S. wants them too.

I had a long talk with Felix after the meeting about Section V. and our requirements. I tried to convince him that it was of the highest importance for us to get as much information as we possibly could from places like Lisbon, B.A., Rio, etc. and that without it we were unable to carry out a satisfactory interrogation of arrivals at the RPS. I also discussed other aspects of our work and the feeling which I felt was growing up that we were interfering in matters which were not really our concern. I thought too that there was a general atmosphere of suspicion that we were trying to go behind Section V's back and have direct conversations with Stephenson. I pointed out that these meetings had arisen

in a very natural way and we had merely discussed our difficulties and the desirability of a very free interchange of information. Cowgill said that he had always been brought up never to pass information anybody unless it was absolutely necessary. I said that I thought this was an excellent doctrine but that it all depended on the interpretation of "absolutely necessary". We seemed to take a much wider view of this term than Section V. ~~and~~ I was absolutely certain that we could not do our work properly unless we had the fullest possible information.

Brigadier Sherer D.D.M.I. Cairo called to see the D.G. T.A.R. and I had a talk with him about XX methods in Egypt. It is quite clear that the system there has been highly developed and that large movements of troops, dust clouds etc, are all set in motion at the beck and call of T.A.R.s opposite number. We explained to Sherer that things were not quite the same here. He was in the middle of active operations whereas we were building up to a point where we might be able to mislead the enemy on a big scale. Sherer agreed that it would be highly desirable for Cunnell to come over here for a talk and he would arrange this immediately on his return.

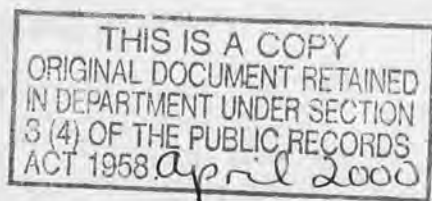
August 27th

I spoke to the D.G. today about the RPS and said that we were very anxious to put Jim Hale in as our intelligence representative. He took exception to this on account of Hale being a lawyer. He said that lawyers were all right when they had briefs but that ~~persons were not to be~~ at abstracting information from people about whom nothing was known

I said I did not think his argument applied in Hales case since he had considerable experience of this office and had done a lot of useful interrogation work. It was obviously no good pursuing the matter at that stage

Snow's son has been interned under 18b.

August 28th



I said I thought the idea was an excellent. There is of course a certain risk of disseminating the names of individuals in whom we are interested, but I imagine that the circulation of such a list would be a very limited one.

There has been an interesting development in the Hernie case. WALLEM, LUNDE and NIELSEN arrived on the 8th August. On the 11th there was a statement in the Norwegian broadcast about Quislings in the Brandt Club which I imagine is a club in Oslo. ISOS mentioned on the same date that the safe arrival of the Norwegians travelling on the

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Hernie had been signalled through the Norwegian broadcast. NIELSEN stated that he heard a Norwegian broadcast on the 11th with the statement about the Brandt Club and that this was the signal for the Party's safe arrival. We wondered how the message had reached the Norwegian authorities. There is a good deal to be cleared up here. There is a suggestion that the information may have been passed to the Norwegian Govt. by BJORKELUND the Norwegian Consul in Lerwick. One OXENWALD is concerned with the Norwegian broadcasts at the B.B.C. and it transpires that his wife is actually the owner of the Hernie.

We had a long discussion about security measures in Bermuda, Trinidad and the West Indies generally. Craig had prepared a long report recommending the establishment of security officers and F.S.P. at Bermuda, Trinidad and Jamaica, and suggesting that they should work under Stephenson. This was thought to be undesirable since the responsibility for security measures in the colonies was definitely M.I.5.s. It was however agreed that there should be a co-ordinating officer for the Islands and that he should work in the closest touch with Stephenson, since it was quite clear that security measures in the Islands were more closely linked with America than with this country.

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August 29th

I saw Jock Whyte about his section. He seems to think there is a great deal of work going on whereas as far as I can see there is very little. He is strongly opposed to anybody being transferred.

Dick has suggested Ronnie Haylor for the RPS. He would certainly do the job well but the D.G. may object on account of his being a lawyer.

The P.M. has decided that provided they give an undertaking to divulge any information MAAS and SEMMELBAUER can go back to Knapdale.

Forrest came to see me. He is very anxious that RSLOs should be given instruction in agent provocateur work. There is I think a good deal in his suggestion. While we are probably doing as much as we can about long-term espionage and about new arrivals I feel sure that there remains quite a lot to be done in the 5th column field. I am sure that there are a number of people who would be prepared to assist the enemy in time of invasion. For the moment they are dormant and only by provocation will they be induced to show their hand. I am arranging for a meeting at which specific cases shall be discussed in considerable detail by the officers who have been handling them. I am also suggesting that RSLOs should bring any suitable cases for general discussion and advice.

August 30th

Mutt has been asked whether a German agent would be likely to get in here in the guise of a deserter , and what his fate would be likely to be. We have replied that the English are so gullible that provided he had a good story he might quite easily get away with it. We thought however that it would be preferable that he should be an Austrian or Sudeten German.

The WEGENER case is boiling up to a climax.
family

The ENGERT/are now rather deeply involved.

Arrangements are being made for KUZNETZOFF to be seen by some member of the Soviet Embassy. In the meantime he has been writing his early history which is quite interesting. He has done quite a lot of espionage work for the Soviet Government.

There has been a little trouble with LENIHAN who was being held under the Arrival from Enemy Territory Act. We had to get an 18b order but we refrained from serving it as we did not wish to upset LENIHAN before he had been seen by Moore of the R.U.C. Moore still thinks that LENIHAN made some contact in Southern Ireland before crossing the border. There is a gap of 3 days between the expiry of the arrival from enemy territory and the serving of the 18b orders. This has been made clear to the U.O. and I do not anticipate that we shall have any trouble.

August 31st

Had a discussion with the D.G. about Section V. and explained to him what our difficulties were. I think he understands and appreciates the necessity of our being supplied with more information.

September 1st

Had a meeting about SCOs and RSLOs. Adam had put forward a note trying to define their relations. D.G. has already issued a circular stating that police enquiries initiated by the SCOs should be continued by the RSLO who should keep the SCO informed. Adam is trying to define the relations more closely and to guild what is in some way a rather bitter pill. None of this trouble would arise if all the SCOs were intelligent people and had a better knowledge of the work of the office. Unlike the RSLOs they have never been through the mill, neither have they had much contact with officers in the investigation branches. There is no direct contact in writing between the SCO and the investigating officer. Everything has to be bottlenecked through D.4 While there may be certain advantages in this. It entirely eliminates the personal touch. Many SCOs had never visited Head Office until a few weeks ago when it was decided to have an SCOs conference. Personally I think they ought to come up regularly like the RSLOs, and that they should make a point of seeing individual officers, who may have been handling certain cases.

They would then be much more in the picture. An added difficulty has been that D.4 have had their headquarters in the country and have generally been rather inaccessible. Adam is now going to be in London for two days a week and Burn will take his place for another two days.

Gibbs tells me that that there is a serious gap in censorship between S. America and Europe. There is a regular service by the Italian Air Line known as Lahti from B.A. to Rio, to some Island in the Cape Verdes, to S. Spain and thence to Italy. Every effort is being made to find some means of squeezing out this service or forcing it to submit to censorship at Gib.

D.M.I. does not want Celery to go to Brazil. T.A.R. and I went to see him and persuaded him of the desirability of this move. He agreed that Celery should go provided we could obtain the sanction of the other members of the Board. Personally I think the D.M.I. is rather going outside his province and had he refused to let Celery go I should have raised the matter with the D.G. The question of sending agents abroad must be a matter for S.I.S. and ourselves. It would be an impossible situation if we had to consult the D.S. of I. every time we wanted to send a man out of the country.

A parachute corps is being formed and Stone tells me that members of the B.U.F. or those who have had any connection with it in the past are being turned down automatically.

He wants to know whether members of the A.M.I.C. should be treated in a similar manner. I said that I thought each case ought to be treated on its merits, that if a member of the BUF had severed his connection with the organisation after the invasion of the Low Countries he should not automatically be barred. Having discovered the extent to which the BUF was trying to assist the enemy he might wish to expunge his past association with the Party by giving his services to the country for what must be regarded as a dangerous job. I thought that both as regards the BUF and AMPC enquiries of a positive nature ought to be made. Vetting of a negative kind was not much use.. I recommended Stone to get in touch with the sections concerned and suggested that when they had come to some agreement they should put the matter up to the Director's Meeting.

Trevor-Roper came to see me. He seems to be very worried by the fact that his work is not given official recognition. He has been recommended by a doctor to winter abroad. He does not want to go unless he can be sure that the work he is doing will be allowed to continue. He was still very keen on having an ISOS bureau officially established, and he questioned the right of Section V. to control the circulation of and action on ISOS material. On this latter point I told him that he was not on very good ground. It had for years been the prerogative of G.C. & C.S. to deal with codes and cyphers. It was true that we had to some

extent been instrumental in discovering the group traffic, but we had to admit that it ~~was not~~ related to information obtained abroad, and that in that sense S.I.S. would be the sifting office. Somebody had to take the responsibility for safeguarding the source and owing to the nature of the information and the way in which it was obtained this duty would normally fall to S.I.S. As regards the presentation of the material and the action on it T-R was I think on sounder ground. He thought that the blanketed reports put up by Section V were both inadequate and inaccurate. The sections in various departments receiving ISOS were therefore ill-informed about its real significance. They could not make a proper study of it unless they considered it in its communication setting. He felt that even if they had the time and opportunity to study it from this aspect there would be a waste of labour unless they were allowed to draw for their information on a common pool. It was for this reason that he was keen on the establishment of an ISOS Bureau. Personally I think that there is much to be said for this suggestion, and were it not for the difficult personality of T-R and his quarrels with Felix the whole matter could have been settled months ago. I told T-R that I did not think he would achieve anything by putting his case in an abstract way. He would have to show by concrete example exactly why certain points were elucidated by his approach to the subject whereas other sections in receipt of the material remained in the

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I was as anxious as he was to find some satisfactory solution, but the whole question had been immensely complicated by his personal quarrel which had driven a wedge in between ourselves and section V. He said that his health was bad and that he had been ordered to spend the winter abroad. He would be quite ready to do this but would prefer to take the risk of staying here if the organisation which he had set up was going to be pulled to pieces.

September 2nd

After the D.G.s meeting at which nothing of any great moment was discussed we had a further discussion with Craig and Stratton about the establishment of security organisations in Bermuda, Trinidad and Jamaica. I felt very strongly that the officer who was going out to co-ordinate security matters in the 3 islands should have his headquarters in close proximity to Stephenson in New York. From the intelligence and security point of view there would be far greater activity between the islands and New York than the islands and London. The D.G. and Jelf were opposed to this mainly I think because they thought that the Governors would not like any suggestion that their security measures were being run. It was decided therefore that h.q. should be in Jamaica but that very close liaison should be made with Stephenson. There is no doubt that as the islands are full of Americans

the problems will be more American than British.

I had a talk after the meeting with Stratton. He told me that John Maude had really been side-tracked into a job in Washington where he was looking after the security of the various missions. Stephenson had begun by being very enthusiastic about him but had found him rather superficial and inaccurate, and the mission were annoyed with him because he sent a report home without showing it to Craig or Stratton.

Frost came to see me about Gibbs. He suggested that he should be attached to ~~the~~ B.1 in order that he might apply any knowledge gained there to Censorship problems. Personally I doubt very much whether there would be any job on those lines. The Censorship problem is now a fairly simple one. The whole machinery of Censorship has been explored by Grogan and Gibbs and there is not really room for two people at Censorship H.Q. It is quite clear that communications will in future be in secret ink and in the micro dot. The problem is to discover what form of correspondence is carrying either. Searches are being made for the dot on certain mails outward bound from the continent and periodical tests are being carried out for secret ink. This seems to be more or less the limit to what can be done effectively. Personally I think that Gibbs could easily be absorbed in B.1b where there is a great deal of work going on.

I saw Farrer about Wood. He is still trying to find him a job. Farrer was quite interesting about the oil situation. The Germans are evidently short of heavy lubricating oil and they had to some extent miscalculated their requirements for the Russian campaign. Owing to the roughness of the ground over which the tanks had to proceed they are more often than not in the lowest possible gear. This means a far heavier consumption both in petrol and oil.

I attended a meeting at the F.O., with C.S.S. and Cadogan, to decide about the suggested exchange of GERLACH and others for a number of our diplomats and consular officers. I had previously drawn C.S.S.'s attention to the fact that GERLACH was an S.S. man and should therefore be exchanged on an S.S. basis. He made this point very clear to Cadogan and said that had he been acquainted of what was going on at an earlier date he would have suggested Stevens as an exchange for GERLACH. Cadogan was afraid that if such a suggestion were now introduced it would wreck the negotiations which had been going on for months. He accepted the principle however put forward by C.S.S. I mentioned Baron OYENHAUSEN as another man who should be bargained for on an S.S. basis. He is not included in the present party and his status will be borne in mind in any future negotiations. It seems that the P.M. had put in a last minute suggestion that we should bargain with the Germans captured in Iran instead

of with GERLACH and company, but the F.O. turned this down, on account of the negotiations being so far advanced. Cadogan thought that if we could effect one exchange confidence would be established and other exchanged would be possible.

I saw Maxwell about SEMMELBAUER and MAASS, and informed him of the P.M.'s decision that their undertaking should be accepted and that they should be allowed to return to Knapdale. He was anxious to know whether he could now inform the S. of S. I said that I thought that he could but that I would make quite sure. He telephoned later to say that quite accidentally he had found out that the S. of S. knew all about the proceedings at Camp Z. He therefore proposed to tell him of the latest developments.

September 3rd

I had a discussion with J.C. and T.A.R. about T-R. They both feel very strongly that something should be done, to smooth out the difficulties and retain his services. I told them that I was quite sure that the only way this could be achieved would be for Hart to put up a note to me showing by concrete examples the value of T-Rs system and that I had asked him to do this. I then proposed to take the matter up once more with Viv.

G.W. has received £160 through CALVO from ALCAZAR. This is merely in payment for a bogus document showing divisional signs. ALCAZAR is apparently extremely pleased with his purchase. He will doubtless sell the

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and in due course be reprimanded for making such a fool of himself. We now have a fairly clear case for having him declared persona non grata.

The expedition to Spitzbergen seems to have been completely successful. We took off about 2,000 Russians who were delighted to come away and very keen to fight. There were in addition about 200 Frenchmen who had escaped into Russia across the Polish frontier and a fair number of Norwegians. The Frenchmen had had some incredible experiences, since most of them were suspected of being German agents, and treated accordingly. They were made to sit on blocks of ice and were interrogated for hours by the OGPU. The Russian mines were set on fire and all the machinery destroyed. The whole of the Russian settlement was also burnt. The machinery of the Norwegian mines was also destroyed. The expedition met with no resistance whatever. It would be impossible to get anything going until next spring and even then the cost and labour involved would be very great.

The Germans are moving convoys up towards the north of Norway and the Admiralty are lying in wait for them.

The Germans have asked the Turks to represent them in Persia. After some delay the Turks have refused. This is I think a good sign. Meanwhile there is a report that the Germans have been digging a tunnel from the Caucasus to the Turkish Legation
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The Turks are anxious about the situation in Persia as they fear that it may lead to their being invaded by the Germans.

September 4th

A Belgian seaman named TIMMERMANN has been arrested and has confessed to being a spy. He had with him all the requisites including secret ink.

September 5th

We have had another meeting about the W. Indies to decide about staffs etc.

Dick and I had a talk with the D.G. about Maylor taking over Intelligence duties in the RPS. This has now been agreed to and he will begin work on 22nd Sept.

I saw colonel Vickers of M.E.W. about the case of Ruth GLOVER. I put the matter as fairly as I could. She had certainly been unfortunate in the selection of her friends and her connection with them might be a great deal or nothing at all. On the whole we were inclined to think that she was merely a type who was interested in foreigners. While we felt that possibly she wasn't entirely suitable for highly confidential work we did not think that she should be barred from an appointment in any government department. I explained to colonel Vickers how difficult these vetting cases were, since those who did the work were not always very certain about the value which should be

attached to the papers in a file. This could not be avoided as in times of stress we were called upon to vet as many as 1,000 names in a month.

I had a talk with V.V. on the telephone. He accepts the view that our office should be responsible for the collation of material from abroad about Axis intelligence organisations and subversive movements. This had always been his view. Logically therefore we should do the carding. He was a little hurt at the references to overlapping and to reluctance on the part of section V. to pass the information to us which they did not consider was our concern. I explained that I had never seen Horrock's minute and that I was not aware that my minute, which was addressed to the D.G., had been sent to S.I.S. I did not mind however as I had nothing really that I wished to hold back. I thought it much better that there should be a clear understanding, that we should put all our cards on the table.

There has been an interesting ISOS case. It became apparent that 3 Norwegians SVERRE, STEFANSEN and ELVERSTADT, were preparing for some expedition. The message said Iraq but it was difficult to see why 3 Norwegians should be going to that country. T-R discovered that the q was probably a misprint for x and that the r was probably a misprint for a d. This left Ida in inverted commas since x is used for this purpose. ~~This~~ Ida is the speller in German.
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commas and from the context it seemed likely to be Iceland. A telegram to Iceland has produced a reply that a boat called the Hornfjell recently arrived with 8 crew and passengers. Three of them being SÆTRANG, STEFANSEN and ELVERSTAD. They are all being sent over here for examination. This case is a clear indication of T-R's value.

Lennox has given me our Army casualties up to date. They are equal to our casualties in the first two days of the battle of the Somme. 120,000 killed, wounded missing and prisoners. This figure includes 19,000 Dominion troops and 7,000 Indian. 56,000 of the total casualties were in the Middle East. 11% have been killed against 20% in the last war. 57% are prisoners or missing against 10% in the last war.

September 6th

De Gaulle seems to have thoroughly blotted his copybook, in Africa Egypt and Syria. He has been talking a lot against the British and saying that he would like to place his movement under the American flag. The P.M. is extremely annoyed and has given orders that no department is to have any relations with him for the time being. As this order had never reached us we are in the ironical position of being his only friends.

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De Gaulle has apparently become very swollen headed. Muselier on the other hand has made a declaration of loyalty to the P.M. There is some anxiety lest De Gaulle should attempt to leave the country. We have been asked to do what we can. Our task is not an easy one since in the classic phrase "it is important that his suspicions should not be aroused in any way".

I had a talk with Makins about ALCAZAR. i told him that we had caught him out but that we did not wish to make use of this information. ALCAZAR had talked a great deal in an anti-British and pro-Nazi way during his stay in this country and I hoped that the F.O. could make use of this information in telling the Spanish authorities both here and in Madrid that he could no longer be regarded as persona grata. An alternative suggestion that a question should be asked about him in the House was not favourably received. I said that our object would be achieved if we could let it be widely known in Foreign circles that people of the type of ALCAZAR could not come here and act in the way he had with impunity. If this were not done we might expect to see more of his kind. Makins said that if I would let him have a note he would take the matter up.

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September 8th

I had a conference with Dick, T.A.R. and Grogan about inks. Tests are going on twice a week on different days ~~each~~ week. So far nothing has been discovered.

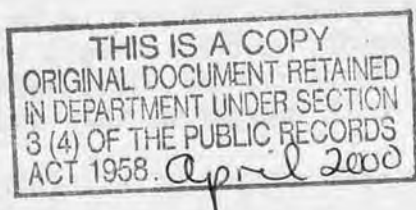
It was decided:

1. to continue the major test on Lisbon mails for another 2 weeks and then to try all towns in Spain and Portugal where it is known that cover addresses exist.
2. that Mr. White would consider, after consultation with Major Cowgill. the circulation of a list of cover addresses obtained from secret sources to Censorship at Bermuda, since a recent case has shown that at least one of these addresses is common to both agents in this country and in America
3. that copies of all information about the dates of each major test be sent direct by Mr. Grogan to S.I.S. S.O.2. have said that they are not affected, although exactly why I cannot understand.
4. that Major Robertson would consult with Major Cowgill about having certain of his letters submitted to the major test, since it would obviously be suspicious if all the letters from his agents bore no trace of a test. Mr. Grogan pointed out that we should not get an exaggerated view about this because even though a bi-weekly test was going on it would never be possible to say that a letter of a certain date should have

been tested. Much would depend on the office of origin of the letter. If it came from Scotland there might be anything up to a 48 hour internal delay.

5. that Major Robertson would consider the advisability of putting through an - letter on a day that a major test was being made.

6. that Major Robertson would make enquiries about Basket's ink and any other inks being used by the Germans in order to see whether they can be successfully brought up and expunged.



I discussed with Hart and Dick the question of the carding of ISOS. At present we are only carding to a limited extent the names in Europe and the Middle East. Nothing has been done about carding American and S. American names. There is no duplicate card in the registry, and there is no automatic look-up of all names. We shall have to consider this matter very carefully, both from the point of view of secrecy and efficiency. Personally I think that all names should be looked up and that a duplicate card should be placed in the registry bearing the name only suggesting reference to B.1 registry. This will of course place a good deal of extra work on B.1 who will have to look-up possible connections for all sections of the office. It is probable that only on rare occasions there will be a likely case. A possible compromise might be looking up and carding of all names by B.1 and the placing of a card in the registry whenever there are sufficient particulars to make it reasonably possible to establish identity.

Further enquiries have been made about the Norwegian broadcast in the Hernie case. As far as we can see at the moment, the broadcast was an extraordinary coincidence. Before the departure of the Hernie the question of Quislings in the Brandt Club at Bergen had been a matter of general talk and speculation in Norway. As a matter of hot news certain data on this subject had been transmitted from Stockholm via the Norwegian Legation through the Norwegian Catalogue Reference:KV/4/188

section of the B.B.C. here. By a coincidence those travelling by the Hernie had chosen a reference to the Quislings in the Brandt Club as their code message signifying their arrival in this country.

It is now established that OXENWALD's wife did not own the Hernie but one of the other boats that had been suggested for the expedition. There is still a certain amount of doubt about OLSEN, the Norwegian Vice-Consul at Lerwick who is to be questioned. It is clear that in future we shall have to arrange that Norwegians at Lerwick are sent straight down to the R.P.S. without making contact with either the Consul or Vice-Consul. The present arrangement by which the Norwegian authorities and local representatives of SO2 make contact in the first instance will have to cease.

September 9th

We had a D.G. meeting; Adam was asked to prepare a note about the listing of property and despatch of suspects ~~from~~ to the RPS from Ports.

Had an R.S.S. meeting this afternoon. It was of the usual rather controversial type. It had been arranged some time ago that we should receive a copy of T-R's notes on ISOS, but somehow or other they had never reached us. I asked that the minutes about T-R's notes should be read out and it was quite clear that we should have had them. They had been sent to Section V. and had

We are now to get them. Strachey of G.C & C. asked to have them too and stressed their great importance to him in carrying out his work. He is evidently thinking on the same lines as ourselves about something in the nature of an ISOS bureau but is clearly in a very delicate position.

September 10th

The R.U.C. have received a request through their contact in the Garda for information about Dr. GOERTZ, the German spy who got 5 years here sometime before the war. He served about $3\frac{1}{2}$ years and was released before the war. It would be interesting to know how the Eire authorities have got hold of his name.

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

In the meantime he reconstructed the document and also gave us certain coded messages with the en clair underneath. These should prove valuable to G.C & C.S. I think we are well out of a difficult situation.

The Russian news is bad. It seems that the Germans have got across the Dnieper and are pressing on to the Don basin. Stalin has sent an S.O.S. message to the P.M. We have promised 450 planes immediately and 250 per month plus 200 tanks per month. Stalin wants double this amount and hopes to get the remainder from the U.S.A. Unfortunately all the indications at the present moment are that U.S.A. production is far behind what it should be. Quite clearly we are not going to get very much from there for some considerable time although a tremendous drive is being made to speed things up.

discuss the vetting of wireless traffic and secret ink communications, in answer to questionnaires put to Tricycle. It was decided that this should be done by the local J.I.C. in Washington. I put forward a paper about sabotage which had been prepared by B.I.A. We wanted to get it accepted in principle that in order to build up Mutt and Jeff we should be allowed to blow things up. We thought there was an advantage to be gained from getting some sort of control over enemy sabotage activities in this country. If we could satisfy them that they had an organisation for the purpose they would be less likely to attempt anything of the kind through other channels. It was thought on the whole that we should use service rather than civilian establishments for the purpose since the inevitable activities of the press, police etc. could be more easily controlled. We have in fact been asked to blow up food dumps and we shall have to think out ways and means, for inducing the enemy to concentrate more on bomb stores or the like.

September 11th

Gibbs has sent in his resignation, as he felt that a job was being made for him. I have assured him that there is plenty of work for him to do in B.I., quite apart from Censorship matters, and that I shall be glad to absorb him there if he felt that the post would be congenial to him. It was agreed to try it out for a month without obligation on either side.

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Bingham has been told about Haylor's appointment at the RPS and asked to be allowed to consider his position. Dick has talked him round and he has decided to remain.

NAKIMURA has applied to go to Stratford and thence to Leamington Spa. Orr thinks that he will almost certainly lose his way and go on to Coventry. D.M.I. is anxious that we should have him followed and if possible catch him out. This all seems to me to be rather a waste of time. It would be much simpler if there was a general ruling that attaches could not go to any places of military, naval or air importance and that if they applied to go elsewhere they should be confined to a radius of 5 miles. I have arranged with Scotland Yard to have NAKIMURA followed.

September 12th

Orr is in a fever about the Japs. It seems that Antony had made careful arrangements about NAKIMURA and was going to have him watched at his hotel at Leamington Spa. He therefore called off the police observation by Scotland Yard. Orr says that this has let him down in the eyes of the W.O. and everybody else. I told him that it was entirely my fault for thinking that I was dealing with the case de noyo. Had Antony been here I should have course asked him to make the arrangements and he would then have told me that this had already been done. Orr seemed to think that he ought to have been kept informed of every move in the game.

He did know in fact that certain arrangements were being made and these arrangements should have been known to D.D.M.I. who approached Orr with the suggestion about Scotland Yard. Carlisle of M.I.L was au fait but evidently did not tell D.D.M.I. There is a great deal of confusion about Room 055, largely brought about by Harry Allen's dual role of Director of Security Service and D.D.M.I. Security War Office. The situation is complicated by the fact that nobody in the War Office knows the difference between M.I.5 and the Security Service. An added difficulty is that Harry is now a permanent member of the J.I.C. When the question of closing down the Jap consulates was raised the other day it was done through him although when the meeting was called I had to go and fight the case. Another anomaly arises when the D.G. writes to the M.I. and the D.M.I. hands his letter to Harry Allen who is really the D.G.'s subordinate, for advice or action.

There has been an interesting sabotage case. It was noticed that a curious white powder was coming out of a large tin of eggs which had been imported to this country from Shanghai on the "Tacoma Star". On further examination it was found that the case was packed with magnesium and contained a clock bomb of a type which has been definite identified as German. A large number of the tins had already been taken away and placed in cold storage, and the labour involved in digging them out would be so colossal that a chance will have to be taken. The indications are that the tin was not tampered with en route

and that it was probably filled by the packing firm. Enquiry in Shanghai shows that the firm is Henningsen & Co. and that the head of the packing dept. is a White Russian named J.M. KOPELMAN.

September 13th

Twenty Committee have started a new idea which is to be known as Plan Trellis. A bank representative here with a German background goes to Lisbon and says that he has been sent there by the British to act as a double-cross. He declares that he is thoroughly pro-German and suggests that he should be taken on in his present role as a German agent. They will know that anything he sends from this country will be under control. He will however have the opportunity of sending them other information and will of course be able to visit them from time to time. He suggests further that they will be able to learn something from our misleading traffic. He will ask for a wireless set.

Lt. Glen who went on the Spitzbergen expedition came in to see Dick, and gave us interesting impressions which are largely covered by what I have already said. The ~~Metereological~~ Metereological station was kept going until the party was ready to leave. Within a few hours of its closing down a Condor came over to see what was happening and found all the mines and huts ablaze. There were a few doubtful elements on the island but on the whole the reception was friendly and many were glad to get away. Glen travelled back

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with the manager of the Norwegian Mine, one SVEDRUP. This man had proved difficult at first and had been regarded by the Canadians as suspect. Glen did not think he was really a bad man and if properly handled might be extremely useful. The Norwegians had in the meantime asked for his internment. Glen thinks that as Norwegian mines had been created by SVEDRUP and was really his life's work it would be unjust to regard him as being disloyal if he had been rather naturally lacking in enthusiasm when the Canadians came to destroy it.

The two Poles MUHLSTEIN @ MILLS and SUKKEINIK who denounced EISEMONT are so unsatisfactory that we propose to hold them under the arrival of enemy territory act pending interrogation. This is being done with the full approval and cooperation of the Poles.

The situation in Abyssinia is not very satisfactory. There has been a recrudescence of Italian propaganda, largely owing to the presence of E. African black troops who are insulting the Abyssinians and treating them as an inferior black race.

Japan seems to be moving away from the Axis, and inclined to come to some agreement with the Americans. This is doubtless due to the close cooperation between ourselves and the Americans and the firm line which has been taken. Japan evidently does not feel too sure of her ground. In military circles here it is thought that if Germany loses

and Japan is still a member of the Axis combine Britain, Russia and America may force her to withdraw from China.

September 14th

I discussed with Dick his note, Hart's note and my covering letter to V.V. on the subject of ISOS. We agreed that this should go forward. We also had a discussion about Curry and the possibility of absorbing him in B.Division. Dick thinks that he would be best in the role of a collator of all information on the axis intelligence organisation.

September 15th

It has been arranged that Tate shall be caught in the general round-up of those who have not registered but that his excuses shall be accepted by the authorities here. This will result in his having to do certain work which will restrict his movements and make it easier for us to decline to give certain information. Rainbow has received an concealed inside the packing of a tin of coffee. The ink was on a small piece of cotton wool which has to be dipped in water. The whole package came through Customs and Censorship without the slightest difficulty.

I lunched with Z.O.R. He was steeped in his usual gloom. He thinks the Russians are getting a frightful thrashing but admits that a large number of Germans have been done in in the process and that valuable time

has been gained. I think that his horizon is clouded by the fact that any business with which he might be concerned is at a stand-still and that the struggle for existence is going to be even harder in the future than it is now.. He did not think that the Germans would get very much out of Russia even if they occupied it for a long time. He said that there was no greater obstructionist than the peasant and that he would commit any act of sabotage or murder when his own hearth and home were concerned. He would have little regard for the consequences. Few people realised how simple-minded and barbarous the Russian peasant was. He was quite capable of cutting his wife's head off with an axe, bursting into tears and saying that he did it because he had to.

I asked Z.O.R. to find out from Lev Rabinovitch about the Russian oil industry. How far is it possible to destroy the oil wells at Grosny and Baku. Obviously the machinery could be destroyed, but for how long would this impede production. To what extent was the whole of Russian industry dependent on supplies from these centres? He said he would let me have a report.

Burgess came to see me about Peter Hutton of the News Dept. of the F.O. who had disclosed to our Swiss contact, information obtained from telegrams between Stalin and the P.M. Hutton had done this in an off-the-record talk and was nervous lest his Swiss friend might have passed the information further, since enquiries were being

made as to how KUH had become so well informed on the subject of these telegrams. The fact is that all these people in the News Dept. have their own pet journalists and that there is rivalry among all members of the department in being sought after by the most prominent journalists. The journalists of course like to go to the people who will tell them most and the results may well be deplorable. The difficulty in this case is that if Hutton is made a scapegoat our very important relations with our Swiss contact may be jeopardised. I think we shall have to tell Codrington and suggest to him that this incident should be used more as an occasion to tighten things up generally in the News Dept. than to take drastic action against one individual.

I have just seen the papers of the Rev. George Henry DYMOCK. DYMOCK who is a rector aged 62 has been more or less associated with Fascist activities since 1935. The police at Bristol have been making enquiries about him but could get no further. They asked for our assistance and M/Y was sent down. She provoked the old man by suggesting that they should compile a seditious pamphlet and circulate it secretly. She also hinted that in time of invasion there might be a possibility of cutting up telephone wires and blowing up bridges. She got quite a strong reaction and in the course of conversation with DYMOCK and BREWER who is now interned under 10b it emerged that DYMOCK had a number of Fascist

uniforms concealed on church property. The Police decided to search. The uniforms were discovered and the Regional Commissioner made an order for internment and submitted it for confirmation to the H.O. M/Y had arranged a special code and pseudonym for corresponding with DYMOCK before his arrest. He got frightened when she sent him a telegram and gave a copy of it to the police saying that he knew nothing about its contents or the sender. In the meantime she telephoned to M/Y instructing her not to come near him. The H.O. eventually decided to reduce the 18b order to a restriction order under 18a prohibiting DYMOCK from moving outside his parish without reporting to the police. They also reported him to his Bishop for a raspberry. In minuting the H.O. file on this case Hutchinson and Newsam both took exception to the agent provocateur methods of M.I.5 and Hutchinson went so far as to say that the S. of S. would strongly disapprove of the use of agents in this way. I put up a strong minute to D.G. saying that if these methods cannot be employed to investigate the 5th column field we cannot be responsible for its investigation at all. Quite clearly the ordinary methods will lead us nowhere, and it is clearly ^{part of} ~~xxx~~ our duty to find out exactly where doubtful elements ^{would} stand in time of invasion. This can only be achieved by provocation. My own view is that action under D.R. should generally speaking be taken now only if it can be based on evidence other than the spoken word or action which can be directly attributed to provocation.

Otherwise the suspect should be placed on the invasion list. I do not think however that any exception can justifiably be taken to the methods employed in obtaining the information. In the case of DYMOCK the evidence about the uniform although obtained as a result of provocation related to facts which had taken place long before the agent ever met DYMOCK. Toby has some doubts about the lengths to which provocation should go. He thought that there was a limit. I agree, but I do not think it was reached in the DYMOCK case. Theo Turner feels that as neither the S. of S. nor Maxwell have commented on Hutchinson or Newsam's observations we should let sleeping dogs lie otherwise we may get our wings clipped. If on the other hand we are attacked we have a good case. I think there may be something in this argument but it will be for the D.G. to decide.

There is to be a clean sweep in the P.W. Dept. Generals Hunter and Borrett and Col. Coats are all going. The nigger in the wood-pile is Col. Coats who is thought to have been making money on the side although I do not know whether there is any concrete evidence on this count. It is however certain that he is an undesirable character. In 1923 he had a bankruptcy which was considered so near the wind that the papers were sent to the D.P.P. He only refused to prosecute for lack of evidence.

September 16th

We had a D.G. meeting at which Adam's note on dealing with suspects destined for the RPS was considered. He holds the view that responsibility should be delegated through the SCO for examining and sealing up baggage and if necessary listing certain items which are to be signed for by the suspect. He will also be responsible for making the necessary arrangement for their transfer by rail or car to the RPS. He will endeavour to work out the necessary details with the Immigration authorities.

Had a talk with T.A.R. about Curry. He seemed rather in favour of his joining B. Division in order to collate information about Axis intelligence organisations. He had a specific job which he would very much like him to do. This would consist of placing himself in the position of Dr. R and reading through the whole of B. la's traffic. He would then be in a position to say whether he detected any flaws. T.A.R. thought it would be useful to have an entirely fresh mind on this.

The P.M. wants a report on Jap contacts in this country. I have asked Blunt to compile this and to send it to Loxley who will collate it with other information from the F.O.

I had a talk with Jones who is coming under T.A.R. in connection with a XX organisation to be built up among seamen. There have been endless difficulties about this with

D.4. who seem to think that such an organisation would be under their control and run by SCOs. While I think that D.4 should be kept informed I think that the less SCOs have to do with this work the better. There are cases where they would do it very well but there are others where the whole thing would break down owing to lack of knowledge and efficiency.

The new Command^{an}ant of the RPS, Major Begg, has packed up. He does not feel he can make the grade.

I spent the night with Charles. and discussed with him to a fairly late hour my various difficulties. We⁹ came rather heated about Curry. Charles I think has never quite forgiven him for his support of the malcontent at the Palace. I said that I thought Curry had been placed in an almost impossible position. I think that in the end Charles saw my point, and is going to say a word to the D.G. about Curry's possible transfer to B.Division.

September 17th

Stephens rang me up early this morning to say that SAETRANG, one of the Norwegians who arrived on the Hornfjell, had committed suicide, By hanging himself from a water-pipe with his scarf. He had' stripped himself to the waist and gagged himself by stuffing a handkerchief down his throat. He had only been interrogated for 5 minutes on his arrival on the previous day. He

connected him with the German S.S. and that he had better consider the advisability of making a written statement. He had been seen by the guard at 4 a.m. and must have committed suicide sometime between 4 and 6.

On arrival at the office I got hold of Cookie and Cussen in order that we could make arrangements for a coroner's inquest with the least possible publicity. They have made arrangements to do this effectively, through a tame coroner in the north of London.

Swinton was in the office in the morning and I explained the facts to him. From the intelligence point of view it is a pity that SAETRANG had done himself in. We think he is identical with a man called SVERRA and that he could have told us a good deal.

D.G. has writtlena very strong letter to the F.O. about a complaint from Orme Sargent that our action in sending a Norwegian named BULL to the RPS was jeopardising our relations with a friendly allied government. Orme Sargent and Collier, our Minister to Norway, had got most of their facts wrong and after dealing with these the D.G. embarked on a tirade against F.O. methods of lightheartedly allowing aliens of every sort and description to come to this country. He said that he wished that for once the F.O. would put themselves in the position of the Security Service and realise that this country was a battlezone. He thought that allied governments should be made to

appreciate the necessity of security measures the lack of which in their own countries had to some extent led to their downfall. I must say that I hand it to the D.G. for this effort. He has the courage to say something which has needed saying for a very long time.

The D.G. has also written a very strong letter to the H.O. about Sneath's pamphlet on the BUF. Inspired I think by John Morris of the Advisory Cttee Maxwell had written in to say that he was anxious about the circulation of this document to the police as he thought it might be taken as an expression of government opinion. D.G. took a contrary view and thought that a free interchange of information between ourselves and the Special Branches attached to provincial police forces was highly necessary and educative. Without such an interchange the police would be largely working in the dark.

The Brazilian Embassy are suggesting that a released Italian seaman should be allowed to return to Italy and the H.O. have asked for our observations. A glance at the file shows that he was released under Cat. 19, namely "those who can satisfy the S. of S. that by their public actions and writings or speeches have shown themselves to be strongly opposed to the Fascist cause." Theo has minuted the file back to say that either the Brazilian Govt. are trying to lure this man to perdition or that he has grossly misled the Committee which released him and should be reinterned.

I have spoken to the D.G. about the DYMOCK case. He is quite ready to weigh in if we give him the facts.

September 18th

ISOS shows that the Germans are proposing to send an expedition to Spitz bergen to see what has been going on. There is also an indication that saboteurs formerly employed in Bessarabia are being moved to Paris in preparation for further work. This may be in connection with Spain or this country. This is the kind of information which if read in conjunction with other reports may be highly significant. I rather doubt however whether it ever sees the light of day under the present system.

The Air Ministry report at 10.30 last night or the night before a German aeroplane came to within 12 miles of the coast off Abbs Head, just north of Berwick. The engines appear to have stopped for 15 minutes and then started up again. The suggestion is that an agent may have landed in a rubber boat. I have told Milmo to find out whether at the time the tide was coming in or going out, as this may be quite a significant point.

Bingham tells me that in one week RPS have dealt with 195 suspects and that the rest of his staff have examined 750 Norwegians and 180 French at Glasgow. He is very anxious to get more staff.

I had a long talk with De Geyr about the RBS. He has had a pretty rough deal and since his arrival there has been acting in every conceivable capacity. In his own words he has been a "bonne a tout faire". He seems to have sound ideas as to how the place should be run and would like to put in for the post of commandant. He thinks there should be a commandant who would supervise generally. He should be a civilian. He should have under him an Asst. Commandant who would be military and look after the Guard, Quartermaster etc. The Intelligence side would be dealt with separately as arranged. Personally I think he might be very good as the commandant. He would have the necessary cosmopolitan outlook. He knows how to handle foreigners and speaks their language. Just after I had seen him, the D.G. sent for me and introduced me to Webster, late SCO Port of London. D.G. thinks Webster might make a good Commandant. Personally I do not know very much about him but he seems a pleasant fellow. Since however he broke down owing to overwork at the Port of London and has only just recovered I should hesitate to recommend his appointment. I gave him the lowdown about the RPS and said that although I did not wish to put him off he would find the job a pretty tough one. D.G. wants him to go down and have a look at the place.

September 19th

Twenty Committee have suggested that someone should go out to America in order to coordina

XX policy and the feeding of information through the local J.I.C. The committee want a decision from the W.Board. I have written to Stewart saying that I think that this is primarily a matter between S.I.S. and ourselves and that before putting the matter forward to the D.M.I. as chairman of the Board I thought it would be as well for us to come to some agreement.

D.G. has agreed to a £500 guarantee to Celery's employer on whose behalf he is going to Rio.

I had my first flare-up with the D.G. today when he turned down my scheme for the formation of Machell's section. He seemed to imagine that Machell would have a full time job sorting letters without doing any enquiries and that the preliminary investigations which he had been doing should now be done by Jock Whyte's section. The other matters he thought should also go to Jock Whyte. He had been spending the weekend in the country and had evidently talked over the whole matter with Horrocks and Jock. I told him that I could not agree and he eventually said that he would put his views on paper and would like to discuss the matter when he returned from his holiday. He then spoke to me about the suggested transfer of Vesey and the lack of work. Jock Whyte had evidently put a fast one over on him and I told him so. From a careful study of Jock's work over a period of years I have formed a very definite opinion about it. Sometimes it was good and sometimes bad

and I could not say which without personally looking through it from back to front. D.G. said that he thought he had a very wide knowledge of his subject, I said that he might but that it was not always accurate, and that he was too much of an old soldier. We ended the conversation by talking about flyfishing. I shall have to get the matter straight when he returns.

We had a meeting with G.P, Maltby and Frost. G.P. presided. This was to consider Frost's charter vis a vis R.S.S., With certain minor amendments it was accepted and certainly contains a good deal of eyewash.

I have asked Bingham to find out through his Air Ministry contact at the RPS whether any allied aviators have mysteriously disappeared, when in charge of an aeroplane. This would of course be a very serious matter and I think we ought to know the position.

SCROGHEIM of the Hornfjell has amongst his kit a bottle of medicine which he says is for V.D. He is not at present suffering from any such disease but we are taking a test to see whether he ever has. suffered from such a complaint, The medicine ~~xxxx~~ can also be used as a very high grade secret ink and has been used by the Germans on a previous occasion. SCROGHEIM is a close friend of SAETRENG.

Lunched with V.V. when I covered an immense amount of ground. He was very friendly

I still have difficulty in persuading him that T-R's approach is the right one. He does not however wish to show our document to Felix until Section V has settled into its new quarters and got its full staff. I asked him whether in the meantime he would have a talk with Hart and Dick and possibly T.A.R. in order to hear from them first hand what their difficulties had been. He has agreed to do this and will come over some time next week. We cannot I think get much further until Dick and the D.G. return. I talked a great deal about the building up of section V abroad. I thought that at the moment they were very understaffed V.V. thought that we did not realise how difficult it was to get information from abroad. I said that I thoroughly understood the position and was always trying to impress it on other members of the staff. It was however difficult to answer them when we could not get the most elementary ~~xxx~~ questions answered from Lisbon and other places. Such questions often necessitated only a visit to a block of flats in the town to see what names were on the door plates. I pictured the Section V man overwhelmed with work, having to dash out in the lunch interval to do these jobs. Germans were thick on the ground and it seemed that there was work for at least half a dozen people in a place like Lisbon.

We also had a long talk about America. I said that I doubted whether Stephenson was equipped to deal with our particular enquiries. There had been no action so far on my letter

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of April last that technicians should be recruited for XX work, and the Joe K case revelations in the American press were extremely damaging to our work. We had never received any details about the case and we had never been told of the proposed action. Surely if the relations with the FBI were so good this could have been done. V.V. agreed that the present situation left much to be desired, although he thought from reports he had seen that Stephenson was sufficiently equipped to deal with these matters.

It now transpires that the interest of the Eire authorities in GOERTZ arose from the arrest of certain members of the I.R.A., but we hope to hear more next week when the Garda will be paying a visit to the R.U.C. At T.A.R.s suggestion a comparison has been made between the handwritings of GOERTZ and that on the document known as Plan Kathleen which was found at the house of Stephen Carroll HELD about a year go. There is no doubt that the two are identical. We may therefore infer that the parachutist who had left his parachute and wireless equipment plus a considerable sum in dollars at Held's house was probably Dr. GOERTZ.

The Germans have under sentence of death one Oloff de WET a South African. He is charged with espionage or conspiring against the state. They are suggesting that he should be exchanged for someone under sentence of death here and have asked for the names of any suitable candidates. As de WET has not been employed by any known organisation

in this country or in S. Africa this may be a ruse to get us to disclose what agents we are holding in captivity. We could of course give them RICHTER or FINKELSTEIN of the Jan Mayen expedition.

September 20th

Milmo tells me that the tide off Abbs Head would have tended to carry a small boat out to sea for a period of about 6 hours. It seems unlikely therefore unless the boat had a small silent engine that any attempt at landing was made.

I had lunch with Harker, and expressed myself very freely about the Jock Whyte incident as I believe he was to some extent behind it. I think he would agree with me if he had had so much to do with Jock's work in the past as I had.

The Germans appear to have taken Kiev. The Spiers Mission have rung through to say that de Gaulle wishes to see the 5 Frenchmen who escaped to this country in canoes. They are still under examination at the RPS. As this might be an awkward precedent and as everybody has been told that De Gaulle is to receive no special favours, I rang up Desmond Morton. He told me that orders had just been given by the P.M. and that the men should be brought up and would be seen by himself and the General. It seems therefore that a better atmosphere has been created.

September 21st

There is an interesting P.W. report. A wireless operator from the crew of the U.576 which was captured off Iceland has said that from the beginning of the war until the middle of October he was in a Norwegian ship owned by a German company and was sending reports by wireless about English shipping movements. There were 3 people on board including an officer. The ship was about 3,000 tons and generally sailed under a Norwegian flag. Lat Sept. the P.W. was on a fishing smack somewhere in the vicinity of Calais setting up communication with W/T units. It seems probable that he was on the ship which we picked up in the early stages of the war communicating with Hamburg. The code was similar to that used by Snow, and it was the interception of these messages that really led to the development of the Group traffic.

September 22nd

I saw C.S.S. and Viv. about the suggestion of the XX Committee that somebody should go to America to co-ordinate our policy with the F.B.I. They agreed with me that this was primarily the concern of S.I.S. and ourselves, but that there was perhaps a certain service interest in the provision of information in reply to questions. We came to the conclusion that if possible it would be a good thing to send somebody from both our offices and that if anybody from the services wished to tack himself on there would be no objection.

It would have to be understood however that the Mission was in our charge. I said that I should be very pleased to go myself if I could get away. Viv thought that the best solution would be for Dick and Felix to go. He felt that they would have an opportunity of composing differences and that in the meantime they would have a suitable opportunity for putting Section V on its feet. Felix is apparently adamant about not going till he has improved his organisation at home. I thought on the whole that it would be less arduous for Dick to go than to remain here in charge of D. Division.

September 23rd

We had a D.G. meeting. The D.G. is away on leave. The only matters discussed were those on the agenda for the H.D.S.E.

I went on to a meeting of the J.I.C. at which restrictions on foreign Attaches were discussed. The Services seem to blow hot and cold at every meeting and never seem to be able to make up their minds about where the balance lies. They are anxious to stop foreign attaches from picking up our secrets here but they are afraid of restrictions on ours in the countries concerned. They also find difficulty in coming to an agreement amongst themselves. The army say they do not mind restrictions on the Swedes, the Navy say their attache in Stockholm is getting valuable information and they do not want to have his wings clipped. Stowell was inclined to take the view that if the

Security Service could not guarantee that the attaches complied with the restrictions it was no good imposing them. I said that we could not possibly guarantee to keep every attache under observation and that it was for that reason we wished their movements restricted, to places where they could do little harm. We would certainly endeavour to see that the restrictions were complied with, particularly in bad cases. We quite realised the advantage of catching one of the attaches out as this would give the Service Depts. a handle for tightening things up still further. I said that I did not think it was altogether realised what observation on a man entailed. It usually meant a car, motor-cyclist and 3 or 4 men had to be detached until the job was finished. The local police could help up to a point but they could not do a great deal. It was eventually decided that a round robin should be sent by all the Service Depts. and also by the F.O. saying that 72 hours notice must be given in future and that the departments concerned would in future refuse permission to travel to areas of military importance. The Service Depts. will consult each other on this matter and then inform the Security Service. If the request is for a civilian attache the Security Service will be responsible for getting the ~~information~~ x opinion of the Service Depts.,

I lunched with Neville Bland and Howard. Bland had been going as Ambassador to Brazil but the appointment was changed at the last moment. We did not talk any business.

In the afternoon we had an R.S.S. meeting. the importance of developing the South American traffic was stressed since it seemed fairly clear that both the Germans and Japanese were collaborating in building up an intelligence service in S. America which was to work in with the North and which might to an increasing degree operate against ourselves. There was already evidence that agents were being sent to W. Africa and S. America. I mentioned the P.W. report about the man from the U.570 who had in the early days of the war been employed on a 3,000 ton Norwegian ship in Scandinavian waters for the purpose of reporting on British shipping by wireless. T-R is going to frame a questionnaire for this man, and Maltby will make the necessary arrangements with Kendrick. Hart mentioned that according to ISOS a German agent was travelling between Vigo and Eire. It seemed likely that the ship on which he was working was the City of Antwerp. I think this is one of Samuel Stewart's boats.

There has been a certain amount of trouble with Felix over the case of ELVERSTAD. We had reached a point in his interrogation where it was necessary to establish whether he had acted as a conscious or unconscious courier for the German S.S. We felt that probably only the original German text might enlighten us. Felix thought that this was a contravention of our agreement and wrote me a rather embittered letter saying that he was sending the information along as he "did not wish to be accused of withholding

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information from M.I.5". This is an obvious reference to my minute to the D.G. which he sent over to Viv and which I gather has caused a good deal of ill-feeling. I explained the position to Ferguson who attended the R.S.S. meeting. He said that probably Felix wrote the letter at 2 in the morning.

Brooman-White brought me a new officer, Edward Livingstone Clark, who he wants to take on in the S.American section. Clark appear to have had a good deal of experience in the Argentine and on the whole seems suitable.

Warden of S.O.2. came to see me about Fritz Wilhelm AGAR @ Gunnar JENSEN who had had been putting himself up at one of their hostels and was causing them a good deal of anxiety. AGAR may be a German, Swede or Belgian. Before Dunkirk he was employed by S.O.2 in Brussels and also by the French Deuxieme Bureau. His information was good but too expensive. He was therefore paid off. Later, according to his own story, he was imprisoned at Dunkirk by the Germans but escaped across France to Spain. He said he knew Spain because he had fought in the International Brigade. On the other hand he seemed to know more about the Falange than the Republicans. He came to England in March this year and was interned at Brixton for 5 months. He has just been released, but nobody knows why.

Swinton came at 6 p.m. to discussed the P.M.'s anxieties about various British
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subjects who were making contact with the Japanese. We went over the whole ground with him. He will reply to the P.M., who had become very excited about the whole matter on account of a B.J., that for certain reasons GEROTHWOHL should be left at large, that SEMPILL should in accordance with our advice given years ago be removed from the Admiralty, that EDWARDS was openly receiving £4,500 a year from the Japs and it was believed was of certain value to the F.O., that Swinton would speak to MCGRATH, that George SALE knew very little but was inclined to put business before the country and that PIGGOTT was a pathological Japophile but honest.

September 24th

Discussed with Charles and T.A.R. the acquisition of a new office where seamen could be interrogated. T.A.R. also mentioned J.C.s reduction to the rank of Lieutenant. He thought this was unfair and proposed to take the matter up with the D.G. He wishes to get in a Miss Ralli, a W.A.A.F., to take the place of Mrs. Morse in B.la, who is not satisfactory.

I mentioned to Charles that I thought it would be of great assistance if we could have an A.Branch officer attached to B.Division. There are endless administrative questions with which I personally have to deal and which could be very well handled by somebody who had a fair knowledge of the work and could represent the interests of B.Divn.

I have raised the question of air mail letters to Gib. — They go from here to the country, back again to London office, from here to Room 055, thence to W.O. Despatch, then to Airways who take charge of them until they get to Lisbon. In Lisbon they go by Embassy car with two couriers to Madrid and from there in the same manner on to Gib. It seems most undesirable that the mails should be left in the charge of Airways about whose personnel we know nothing.

Nothschild is anxious to send someone to Gib. to go into the case of MUNOZ, a Spaniard who has given us specimens of German sabotage material and is by way of acting for a German organisation in Madrid. We are a little inclined to think that Medlam is having his leg pulled. Most of the material that he has got seems to be rather out of date but it may be that MUNOZ is trying to work himself in as a double-cross.

At the 12 o'clock meeting today Hart mentioned that ISOS disclosed that Stettin has been asked to give sanction to some new project which originates in Viga. It looks as if the Dr's presence is required there.

Bingham tells that he has been approached by the Norwegians who want to have someone at Leuchars. The complaint was that that people from there who should go on to the RPS are allowed to depart undisturbed to their destinations.

Milmo told me that EGER has been the subject of considerable correspondence with S.I.S., that they had no real case against him and that he had therefore been released from Brixton.//The Norwegians are to be informed about the suicide of SAETRENG.

Eothschild brought me a rather interesting case of a letter with a plan of an aero-drome sent to one P.O'CONNOR in Dublin apparently by a member of the aerodrome staff. ~~With the letter is a considerable~~
~~amount of~~ The letter is very conspiratorial and has an I.R.A. flavour. We are checking up on the details of the plan and Fish is going down to interview the O.C. and try to get the writing identified.

Swinton has been asking for further particulars about Sempill. He is evidently going to put in a pretty strong note to the P.M. I do not think that the Admiralty will come very well out of it.

September 25th

I saw D.M.I. after speaking to C.S.S.. He said that at another meeting at which all the D's of I. had been present they had considered the resolution of the Twenty Committee and all agreed that somebody should go to America. They left the arrangements to S.I.S. and ourselves. They did not wish to send anybody from the Services. As regards Findlater-Stewart D.M.I. asked me to arrange matters direct with him and let the W.Board know what was settled.

I went on to see A.D.N.I. about the case of STRACHAN of the H.M.A.S. Bulolo. It had been noticed when this boat was refitting in Baltimore in August last that STRACHAN had visited Joe K. at a place called Pocono Pines. The local consul had commented on this and when asked what he was doing there STRACHAN said that he had got particulars of the place from some Travel Agency and had gone there on a holiday. STRACHAN, who is secretary to the Captain, is apparently unpopular in the wardroom. I visited the chartroom and found that the Bulolo is now at Simonstown and that she had been escorting convoys between there and Freetown. It seemed now that she might be destined for S.American waters. In any case there was no prospect of her coming here. It was decided that after getting certain further details from S.I.S., a signal should be sent to the Captain instructing him to interrogate STRACHAN.

I saw Robson-Scott and discussed with him a recent circular about the Czech section. He thought the matter could best be handled by some sort of Central European Group consisting of himself, Sneath and Denniston and Renton. I told him in the mean time to carry on as usual and said that I would organise a meeting as soon as Dick returns. In the meantime I will try and prepare the ground with Theo Turner.

Mrs. Gladstone came to see me about the agency. I asked her about Acworth and Van Der Willik. She said that the conclusion that she, Dixon and Shepherd had come to was that Van der

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Willik was a good man and very loyal to Acworth who he thought had been wrongfully dismissed. They thought that Acworth was keen and hardworking but rather simple. Without guidance they thought he might get into difficulties. Acworth who I had seen on the previous day was very worried about the agency. While he accepted his position he thought we should be losing a good man in van der Willik. He was himself very keen to stay on and run the agency with van der Willik as he felt it was the only decent job that he had been able to do since the beginning of the war. Acworth had also seen Theo Turner who had formed a good impression of him. Both Acworth and van der Willik have got the secrecy bug developed to the nth degree. Acworth evidently thinks that only about three people should not anything about their work. I asked him how the office was going to make use of his organisation if it did not know of its existence. He did not seem to have any real answer to this question. From what I saw of it I very much doubt whether he will ever submit to any close control. I do not think he would mind working under Theo but it seems rather a bad organisation to have two agencies working apart from each other. I am proposing to have a conference about the whole matter as soon as Dick returns.

Burt told me about a rather scandalous case which may affect the Ministry of Supply. A firm called Baird & Co. who are making gears for tanks, had supplied a number which were of faulty construction. For some reason or

other Baird & Co. have been allowed to do their own inspection and one of the managers, a man called LOWTHER, had subsequently departed from the firm and joined another firm which were constructing the same gears. It seems probable that LOWTHER supplied the faulty gears from one company in order that their contract should be cancelled and the business should go to the other company. There is obviously some dirty work going on and there will probably be a prosecution.

September 26th

I saw Burt and Spooner about the case of t Carol MAHON. The case is not a very good one from our point of view. I gather that we were informed by S.I.S. at the beginning of the war, if not before that this man's name was on the books of the German Military Intelligence. This might of course mean nothing more than that he had been noted for his pro-German activities in the last war and thought he might be useful to approach. He has been in censorship for some considerable time and was apparently vetted and passed for employment by us. Presumably the files were not joined up. What has been happening in the meantime I still have to find out. Latterly the case was given to Jim Hale to go through and I am told he has produced a very good summary, and that a plan is being laid on through a maid who is in our employ to get certain documents out of his rooms. MAHON took a week's holiday a short time ago, and before doing so had the locks on all his doors changed. my own
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view is that we should search his premises now but I am seeing Jim Hale about this. Burt and Spooner evidently feel that had they been given the case they would have had the man inside before now. The general indications are that he is making notes of all information of commercial value and selling it to firms. I doubt whether he is carrying on espionage. He is apparently associated with a wellknown crook.

There has been very little night raiding for some months. The largest number of planes over this country during a period of 24 hours has not exceeded 40.

I dined with Rupert the other night. He told me that he had had a confidential letter from the International Red Cross in Geneva, showing that as the result of recent European tours they had come to the conclusion that our prisoners were the best fed people on the continent. It seemed that the Germans were becoming a little worried about this as Dr. Goebbels had been telling everybody that we were starving them. Owing to lack of transport, which is required for feeding the civilian population in Holland and Belgium, conditions are extremely bad and probably owing to German pressure a number of parcels supplied to our prisoners is to be reduced. The Germans send their prisoners very little food, just an occasional sausage. The Pope has been supplying one camp of British prisoners in Italy with champagne. I gather that our prisoners there are extremely well treated. For publicity work in the Red Cross

Rupert has got hold of a man called Grimaldi who formerly organised the Ideal Homes Exhibitions. He puts in a certain amount of time at the M.O.I. and seems to be a man of ideas. His latest stunt which I believe is fairly well advanced, is to provide bombers with some apparatus by which they can broadcast a record of marching feet. The broadcast will be a very powerful one and will cut out other transmissions. The marching feet will get louder and louder and the national anthem of the country concerned will come in through the sound; as the bombers pass over the marching feet will gradually fade out.

T.A.R. and J.C. are a little worried by the lack of questions from the other side regarding a possible invasion. This might be due to three things. The Germans may be fully informed that we do not contemplate invasion. They may wish that for the time being their agents here should not be inquisitive and so run the risk of being detected. This would imply that they wished to keep them in position until such time as they themselves contemplate invasion of this country. The only other supposition is that they do not trust their agents in this country.

From information Lennox has given me it seems fairly clear that the strong reconnaissance carried out by the Germans the other day in Libya was due to their anticipation of an attack by us. They have been allowed to believe that such an attack would take place by methods with which we are familiar. The policy is to keep them guessing in this way

right to the last moment. Personally I feel that the method goes a little too far by exaggerating our weakness there at the moment. It seems to me that we are almost inviting attack. Presumably Egypt know what they are up to and are quite ready to meet anything that comes. If I were Rommel and had read and believed their traffic, I should certainly attack them now.

The Russians have tried our new plane the Mosquito and consider it to be the best fighter in the world. Vickers are turning out 50 Wellingtons a week. The new M.E. 109F.2 is considered in some ways to be a better performer than the Spitfire. It operates at 43,000 ft. Vickers are producing a plane to operate at 45,000.

I had a talk with Haylor and Butler about the R.P.S. Haylor would evidently like to be Commandant but remain in charge of Intelligence. He thinks that otherwise it will be difficult to deal with all the problems of the various intelligence organisations with any authority. He would I think be quite ready to see de Geyjr as assistant commandant and in fact performing all the commandant's duties. I said that I would put this matter to the D.G. on his return.

Hart produced an ISOS message today showing that S.O.2's people in Norway are in considerable trouble. The Germans seem to have successfully planted an agent on them. I do not know how they are going to get out of their difficulty but I sincerely hope that

they will be prevented from issuing a warning to some agent who may in fact be under German control. This however is a matter for S.I.S.

September 27th

I saw Burt and Spooner about the Carol MAHON case. I said that I thought it would be better on the whole to proceed as at present arranged rather than to raid the premises. There was I thought a possibility that among the documents on his premises there might be something indicating espionage which we should prefer to work out before effecting the arrest. If we searched now we might foul the ground and be unable to pull up all the roots. I thought however that he and Spooner should see all the papers and tidy up all the loose ends in the cases of associates of Carol MAHON who had criminal records. We also agreed it would probably be better if Spooner made arrangements for contacting the agent as she had formerly been in his employ. I said they should get into touch with Jim Hale and Hunter.

Felix rang me up to say that VIEJA, concerning whom MUNOZ had had conversation with Medlam, was almost certain to be our old friend del POZO, whose name was Pierna Vieja. He certainly fits the description. This makes it fairly clear that MUNOZ is really a German agent as in fact we thought from the beginning. The question now arises as to whether we should attempt to get hold

of both MUNOZ and del POZO and bring them over to this country. This needs a great deal of careful thought. If they are to come we shall certainly have to get the F.O. into line, otherwise they will succumb to representations by the Spanish Govt. There is another awkward feature, namely del POZO's relations with G.W.

We have received a telegram from the W.O. about Germans taken prisoner in Iran. There is some proposal to send them to India and thence to Australia. I have asked Perceval of M.I.L.A. to send a telegram requesting by wire a list of internees both in our hands and if possible those in the hands of the Russians. We can then pass them over the records and see who are of interest. It may be that some of them could profitably be sent here for further examination.

I had about 3 quarters of an hour telephone conversation with V.V. D.G. had written him a letter about Horrocks' and my minutes on the functions of M.I.5. and the carding of S.I.S. material. In this letter he mentioned the other correspondence about ISOS. V.V. feels that it is now rather difficult for him to withhold these documents from Felix. On the other hand he thinks that if he shows them to him he will pack up. I said that I wished that it was possible for us to reach a point where we could discuss things freely and frankly without giving offence. People here had got to the stage where they felt that this was impossible. The only result was that one

sat on things without saying anything, and the work suffered in consequence. V.V. also touched on T-R's disloyalty to Section V. and Swinton's interference. He still seemed to think that Victor had said things to Swinton that he should not have said. I told him that I regretted Swinton's interference as much as he did but as I had previously mentioned our officers were placed in an extremely difficult position. Swinton sent for all and sundry and asked them for their views about everything.

They were consequently placed in an extremely awkward position. It was almost impossible for them to say that they would not answer his questions. I thought the whole thing was grossly improper and I had told the D.G. so. I implored V.V. to see both Hart and Victor and to cross-examine them on anything that they had said. I felt sure that this was the only way to clear matters up. We also discussed questions of secrecy. He said that he felt there were two very definite schools of thought. I said that I fully realised the danger but that I did think that we ran a risk by not disclosing material facts to people who could be trusted and were actually doing the work. Through not knowing the full facts they might make mistakes which they would not otherwise make. I thought that there was room for compromise and that some loosening up was necessary. He was very friendly and we agreed to have a further talk. He has undertaken to see Hart and Victor if necessary.

September 29th

Gen. Lakin called about 4 Dutchmen whom we had released from the RFS to S.O.2 on the understanding that they would only keep them for a couple of hours before sending them on to the Dutch in accordance with the undertaking given about a week ago. S.O.2 had kept these people for 24 hours and the Dutch are raising hell. S.O.2 have written both to the F.O. and Lord Swinton explaining that no blame attaches to M.I.5. The men were retained in order that they might communicate as much information as possible to two of their compatriots who were to be dropped the following day in Holland.

I had lunch with Tangye, who told me that he was communicating political information to Swinton which had little or no importance from an office point of view. Swinton did not ask him any direct questions about the work of the office but often gave him rather obvious openings. He took the line that everything was going smoothly. I explained to Tangye that a good deal of ill-feeling had been caused between ourselves and Section V. through people telling Swinton of our difficulties. I thought that these difficulties should be settled on our own level and that only if we reached an impasse should we ask Swinton to arbitrate,

Blunt has been going into the Turkish Mission. ISOS shows quite clearly that the Germans have planted somebody on them. We have got the services of the British officer

in charge of the Mission. He seems intelligent and is going to keep his eyes open. We are also taking other precautions.

Colonel Dudley Clarke who is the link between G.O.C. Egypt and Maunsell came to see Lennox, who brought him down to me. He has many XX schemes and controls both rumours and purveying of false information through Maunsell's channels. Evidently his operations have been very successful. His rumours go through Istanbul and Lisbon. I said that if we had a really good liaison and knew more about his schemes we could probably give him considerable help. The main difficulty is communication. We decided that it would be necessary to have some sort of code within a cypher in order to ensure secrecy. Two of his schemes seem to have been particularly successful. The Italians were allowed to believe that an attack on British Somaliland was imminent. The purpose of this was to keep their reserves out of Abyssinia. In the end the Italians seem to have become so positive that an attack was impending that they withdrew all their forces from British Somaliland almost without firing a shot. Another plan was devised to make the enemy think that we had very large reserves in Cyprus whereas we had hardly any troops at all. The scheme was worked out on a big scale and in considerable detail, even down to officers being made colonels and generals and dummy tank battalions being moved. What really stands out in contrast to our operations here is that the G.O.C.

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makes his plans and asks the local Twenty Committee to support them, whereas we here reach a point where we have to put forward two alternative policies which go no further than the Ds of I. In other words in Egypt the G.O.C. makes the running whereas in this country it is left to us. Admittedly the conditions are somewhat different but it rather bears out what we told the Ds of I. at the beginning, namely that they had a machine but they did not make proper use of it.

September 30th

I attended a meeting of the J.I.C. to discuss the case of GERLACH. The G.O.C. Iceland had registered a strong protest to the W.O. that a man with such intimate knowledge of the island and an S.S. man at that should on no account be released. We have of course been saying this since July 1940 but with no effect. The discussion was somewhat academic as GERLACH left this country last Thursday. I told the meeting exactly what had happened, and gave them the views both of ourselves and S.I.S. Cavendish-Bentinck said that the case had been discussed on a fairly high level and that in view of the importance of effecting an exchange for Oliphant it had been decided to proceed with the negotiations. Being faced with a fait accompli the meeting shrugged its shoulders and the incident was closed.

There was a directors meeting at which
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liaison with S.O.1 and S.O.2 was discussed. Col Chambers was to be the principal liaison with S.O.1 as Gen. Lakin was with S.O.2. This is not however to preclude liaison between sections where this is thought to be desirable. Theo asked for the position to be regularised with both these departments in so far as internment when necessary of their agents was concerned. It was thought desirable that we should handle these matters on the understand that both departments and S.I.S. put all their cards on the table. If we allow them to deal direct with the H.O. they are likely to spoil the market. What has been happening however is that ~~if~~^{after} we have been asked to intervene and get a man interned, S.O.2. without reference to us get him moved from one camp to another or even released. The question of the prosecution of new arrivals was discussed. It was thought desirable that before an agent is asked to give us his active cooperation the matter should be referred to the D.G. since once this cooperation is given a prosecution becomes impossible. I said my usual piece about prosecutions generally. I thought that we should make a statement in the House to the effect that we should in future for very good reasons proceed on exactly the same lines as the Germans. The House should not think that because they were not told about the capture and execution of spies that nothing of the kind was going on. This would leave us with our hands completely free to retain the majority of those who come over in order that we can extract from

them further information in the light of facts disclosed by later arrivals. We have already found this practice to be extremely useful. From an intelligence point of view it would be far more profitable to put most of the spies on the shelf and pull them out when we wanted them. Execution should be the exception rather than the rule.

I mentioned at the meeting that officers had been asked to take the responsibility of sending letters of a confidential nature by air mail and that it was difficult for them to take such responsibility if they did not know more about the routes, and the actual handling of diplomatic bags. I had myself made enquiries about the route to Gib. and found that there was a delay of at least two days between here and the country due to the fact that the letter had to be entered in a special register, that the letter then went to the W.O. who put it in in a bag and gave to Airways headquarters in London. It was then in charge of Airways until it reached Lisbon although it might be inspected by the S.C.O. at Bristol. Nobody knew what happened to it at Lisbon, whether it was delivered by Airways to the Embassy or whether it was met at the aerodrome. I suggested that enquiry should be made as to the exact procedure adopted for the despatch of air mail letters to all our various links abroad.

We have had a message from S.I.S. to say that our old friend F.J. RUTLAND is arriving at Foynes en route for England. It is said

that he has been asked to leave the U.S.A. in order to avoid an awkward prosecution. We may have some difficulty in going to the Americans about this case since some years ago S.I.S. put in an agent on him and when we were anxious to tell the Americans about Rutland they prevented us in case their agent should be compromised. On present information it is not possible to say whether the awkwardness is due to a belief by the Americans that we have been running Rutland or to a fear that American negotiations with Japan will be embarrassed. We propose to give Rutland a normal search and then keep him under observation for a fortnight pending some further information from S.I.S.

There is to be an exchange of wounded prisoners by ship from here to France. We have 1500 but there are only 500 Germans. It is therefore proposed to throw in about 50 civilian internees, probably women.

I had a discussion with J.C. and T.A.R. about POGO. It was decided that both MUNOZ and POGO should be encouraged to go to Gib. and that as much of their story should be extracted from them as possible. We feel that we cannot very well bring POGO over here and intern him without seriously jeopardising the position of G.W. We shall probably therefore send him back to Spain after we have heard his story. The question of MUNOZ will be for further consideration.

October 1st.

I lunched with Hopkinson and Stewart Menzies. Hopkinson spoke about the attitude of the Egyptians. I gather there is some improvement. He thinks however that we should cultivate the Wafd and if possible bring them into the Govt. In opposition they were distinctly troublesome. We discussed in general terms the extent to which we could probably assist Egypt in their schemes of deception. Stewart was quite sure that this could and should be done and that even New York should be brought in.

The Frenchman OLLION has been arrested with a wireless set in Syria. He was I gather an employee of the French 2eme Bureau. Stewart is anxious as a gesture to the French to get him sent back to Vichy. He thinks that this would be well worth while as it would do him no good either to imprison him or execute him. He asked Hopkinson to use his influence in this direction.

I had a conference with T.A.R. and Adam about the new seamen's section. T.A.R. has agreed that his people in the provinces should work in close touch with the SCO and should go to the SCO with the blessing of D.4. When they wish to make contact they will go on board with the usual FSP party and will not in this way arouse any suspicion. They will fix a rendezvous and see their man subsequently outside the port that T.A.R. gets on

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the lines of the D.4. reports will be passed over. T.A.R. is having summaries made of all information relating to foreign ports that has appeared in D.4. reports. This should prove to be a useful background and will help in the interrogation of agents and in assessing their value. The main purpose however is ^{not} that these agents should collect information from foreign ports but that they should establish a position with the Germans and act as XX.

I had a talk with V.V. about sending someone to America. He does not feel that either he or Felix could go until the beginning or middle of November. He had however suggested that Montagu might be allowed to go in order to instruct the J.I.C. on the question of feeding information to Tricycle. I said that I was strongly opposed to this since Montagu would go with introductions to the F.B.I. from the D.N.I., and probably to other people as well. He would ~~make~~ make all sorts of arrangements which might be very embarrassing both to Stephenson and ourselves. I explained that we had brought the Services in on the XX Committee and "Board because we wanted their co-operation in our schemes. We felt that this could only be achieved by giving them a stake in the organisation. We did not however wish them to take control of it. The question of Stephenson's relations with the F.B.I. was a matter which concerned S.I.S. and ourselves. Only S.I.S. could give him the necessary orders. I thought therefore that the

general question of co-operation with the F.B.I. should be settled by a visit of somebody from our organisations at the earliest possible moment. V.V. agreed and asked me to put my views on paper.

October 2nd

I visited Blenheim to attend the opening of the conference of RSLOs on agents provocateur methods. I explained that we had been rather shaken recently by certain revelations and that we felt that the 5th column field could only be properly investigated by the methods suggested. I explained the difficulties of acting now under the D.R.s on information was purely the result of provocation. On the other hand if other facts emerged showing that subversive activities had been going on before the agent made contact we were perfectly justified in taking action now. Baxter thought if our object was only to find out whether a man was suitable for the invasion list, agent provocateur methods were hardly necessary. I said that our experience had been that where these methods had been employed against one person contact had been established with a great many others about whom nothing had previously been heard. M. gave a very good talk, and Rothschild and Sneath are going to speak tomorrow.

After lunch I went round the Registry with Horrocks. There is no doubt that mechanically an immense amount has been done. As

regards the look-up, this is now divided into divisions, that is to say, B.Branch have their own look-up people. Within B.Branch however they do not specialise on any particular section. We went into the Destruction Section, and Horrocks asked me to look through several files and give my opinion. I said personally I felt that the two girls doing this work have an extremely difficult task. Moreover they seem to think so themselves. There was one file which I think they all felt might be destroyed but which to my mind could not possibly be destroyed. It refers to a man called A.H. LEIGH who had communist connections and connections with the Moscow Narodny Bank and had evidently been used in 1932 for the purpose of changing notes from pounds to dollars. Horrocks assured me that wherever there was any doubt the file was always referred to the section concerned, but I am a little inclined to think that if I had not been there at the time, the file for A.H. LEIGH might well have been consigned to the flames or at best reduced to a C.I. card. I said that in a case like that I should send the file to Hollis, and that if I were Hollis I should make it my business to find out exactly what ^{LEIGH} he was doing, since obviously he had in 1932 been fairly near to the heart of things.

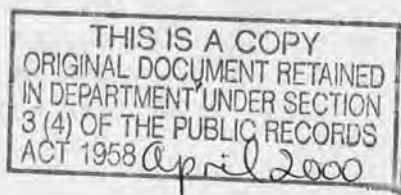
I talked to Horrocks about Machell's new section. He told me that the D.G. had come down with fairly fixed ideas about the whole thing, and he did not know where he had got them. He was inclined to agree with me that

the section would perform a useful purpose.

I talked with Shillito about his work. He said that he latterly had no more to do than he had before, but that Vesey had been given 3 extra regions since the dust-up. In spite of this he still had practically nothing to do. None of the others was really fully stretched. Even Jock did not seem to have very much to do. Jock is of course a regular old soldier and knows exactly what to do when there is an inspection party. He pulls out his best piece of goods and the unwary are invariably taken in.

October 3rd

I discussed with Dick Felix's letter about showing ISOS to members of Ham. There is very little doubt that we have to some extent stretched the agreement. On the other hand I think Felix will have to realise that if we are to make any practical use of ISOS at all, quite a number of people will have to know of its existence. In my view there is more danger in blanketing the information than in giving the full facts.



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D.B. also told me that very definite steps are now being taken to get the Lahti air line closed down. The Americans are being asked to bring pressure to bear on the Brazilians to let them run a service which will go direct to Bathurst. This will mean that further facilities will be refused to the Italian company.

I had another talk with Lennox, Dudley Clarke and T.A.R. Since Maunsell cannot pay us a visit we are going to fix up an arrangements with Dudley Clarke by which we shall be informed of all his counter-plans and receive instructions from him as to exactly what he wants us to do. I emphasised that it was very important that we should have as full knowledge as possible of the measures he himself was taking. I also told him that without running serious risks we could not embark upon a policy of downright lying. We could however put forward tentative half-truths.

I saw the D.G. He was anxious that as soon as it can be arranged both I and Viv. should go to New York.

As regards RPS the D.G. is quite prepared to consider the suggestion that Haylor should be the Director and de Geyer the Commandant. He wants to go down there on Monday with Dick.

Neville Bland has registered a complaint about the food at the RPS. This comes from Cleffens, Certain Dutchmen wh were there

say that they only got bread and water. I told Bland that this was all nonsense and that the food ~~was~~ excellent. There had been complaints on other scores but no one had ever said anything about the accommodation. The Dutch also had the impression that other allied countries were allowed to have their representative at the RPS. I said that this was entirely wrong. No foreigners were allowed at the RPS or access to their nationals until we had finished with them. We had been forced to make this rule otherwise the place became a sort of Babel and cases were not properly investigated. Bland thoroughly appreciated this but said that it would be extremely helpful to him if he could possibly be allowed to take Cleffens down to the RPS in order that he could see for himself that the conditions were not as they had been described. I said I would enquire and let him know.

Lennox tells me that the official view of the Air Ministry is that we now have parity with the Germans in fighters but not yet in bombers. The present policy is to bomb industrial towns in the north of Italy with regularity in order to cause a further decline in Italian morale, which from all accounts is at the moment at a fairly low level. The Germans are showing signs of moving round the coast towards Archangel. This is a fairly serious matter since it is through Archangel that we are supplying a good deal of the war material to Russia. An attack on Moscow is expected with 10

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armoured divisions which have been refitting on the Smolensk front. We have developed a new searchlight ~~xxxx~~ which produces a particularly intense and widespread beam for a period of 45 seconds. This searchlight will be carried by a special plane which will be in contact with two fighters. It will be directed towards hostile aircraft by RDF and will be switched on when the fighters are in position to attack.

October 4th

Plan Stench is in operation. Por-ton is being asked to make a special gasmask which will contain certain ingredients which will puzzle the German scientists. They will think that because we are introducing these ingredients we have some very special gas about which they do not know.. The mask will also have earpieces in order to give the impression that we have some new gas which affects the ears. There have already been rumours about such a gas. It has not yet been decided how this gas mask is to reach the Germans. Dagonfly has received £1,000, ostensibly in payment for the right to sell his cosmetics in certain countries.

The Air Ministry report that Germany claims to come within 10 miles of the shore and then give the air force signal for the day. The suggestion is that they ascertain what these signals are from some communication that they have with the shore. The possibilities of H.F. are being considered. 1

gather that our own experiments with H.F. are fairly well advanced and it may well be that the enemy are using it already. Unfortunately there does not seem to be any very satisfactory counter-measure since unless you are within about 300 yards of the spot you have very little chance of picking up the signal.

S.I.S. reports indicate that the situation in Italy is considerably deteriorated. There is general war weariness and hatred of the Germans. It is anticipated that there may be considerable trouble during the winter.

A.D.N.I. rang me up about the case of Worthy Down. Someone purporting to be connected with the aerodrome sent a plan to a man named O'CONNOR in Dublin. A.D.N.I. had apparently told Wickham about this matter and wanted him to use his influence ~~xxx~~ with the Garda to have the place raided. It seems that something is already known about the address. I told A.D.N.I. that we were making exhaustive enquiries here and that if the address in Dublin were raided we should not stand much chance of catching the man who had actually written the letter. If however it came to the point of identifying this man and raiding him it would be well worth while arranging for a simultaneous raid in Dublin. It was rather bad that N.I.D. should have communicated with Wickham about this matter as we are already instituting enquiries through other channels. The lines might have got

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seriously crossed.

I discussed with Gibbs the point raised by Jock Whyte about letters sent to Poste Restante addresses. It seems that anybody can collect letters at a Post Restante address without giving any satisfactory proof of identity. Inland letters are kept for two weeks and foreign letters for 2 mont months. The Post Office have no power to demand an identity card. Jock Whyte has suggested that anyone collecting letters should be asked to fill up a form giving full particulars about himself. The P.O. do not welcome this suggestion as it will give their counter staff, already overburdened, additional work. Personally I do not think that any measures of this kind are likely to be effective. Even if an identity card could be demanded it might well be a fake one or a stolen one. Personally I think there is more to be gained by trying to turn this rather loose system to our advantage. I have asked Gibbs to explore the position and see whether we cannot get some snap check on all Poste Restante addresses. If we find we get anything out of this we could possibly get the censorship to exercise their powers in having all Poste Restante letters submitted for examination. This would certainly act as a deterrent. It is also possible that the Post Office might issue an instruction that identity cards should be requested, even if they have not got the power to demand them. If the man refused to show his card particulars might be taken.

Lennox and I had a discussion with the D.G. about Room 055. He has asked us to draft a note on the whole question with a view to clearing up the relations between the W.O. and the Security Service, and the W.O. and Director C. & D. This will be an extremely difficult matter since the whole position of D.C & D seems to me to be totally illogical. D.M.I. seems to regard him as the channel for all information which affects the Security Service whereas he is only really the channel for information affecting the work of C. and D. Branches. Here again the position is illogical since the work of C.Branch affects all the fighting services and civilian departments and the security of factories is as much a matter for the Air Ministry or Admiralty as the War Office. The Security of ports is perhaps one-fifth military and four-fifth civilian or naval.

October 6th

I discussed with Dick and M. the International Domestic Agency. We were all agreed that it was essential that this agency should work in B.2. in conjunction with the other agency. We thought however that possibly Acworth had been rather hardly treated and that on consideration we might put the case to the D.G. and suggest that he should continue his present work in conjunction with van der Willik. M. Said that he thought that if he had a talk with Acworth and had him under his control things might work quite well.

We had a discussion with Theo Turner, Kenneth, Curry, Renton, Dick, Robson-Scott and Sneath about the formation of a Central European Section. We were all in agreement that such a section was desirable and that all information regarding Germans, Austrians and Czechs other than spies should be pooled. We thought further that this section should be in E. Division and should act as a background to Alien Control. Sneath is quite ready to leave E. Division and do this work. He does not mind whether he remains an A.D. or not. This section will have to work in close co-operation with Denniston. Theo will prepare a memo and the matter will be submitted to the D.G.

Major Avison called about radiolocation. I told him that we were proposing to get hold of an expert to advise us in these matters. Avison seemed to think that radiolocation work in the army was highly secret and that those who attended the course at Petersham were told everything. I rather doubt whether this is the case but we shall see.

The German wireless has been broadcasting every 7 minutes in an attempt to get in touch with the British Govt. They say they have important information to communicate with regard to the exchange of P/W. As far as I know no attempt is being made to communicate on our part.

Grogan came to see me about the opening up of telephonic communication with Switzerland on lines similar to the existing arrangement with Portugal. I said that I could see no objection in principle but that if it involved communication by the Protecting Power this might be a matter for consideration. Grogan said he would find out. I shall then have to put the matter to the D.G.

Grogan also mentioned the minutes of a meeting held by DPR at which Harry was present. A decision had been made to reduce censorship on mails of Italian prisoners of war which had previously been on 100% basis. In future only 15% of outgoing mails were to be censored and 25% of incoming. The matter had been submitted to the Security Service for their comments. We both agreed that the arrangement was to say the least a rather peculiar one, since the Italian P/W had a certain measure of liberty and moved about the country whereas the German prisoners were interned in a camp. Further it seemed curious that censorship of incoming mails should be higher than of outgoing mails.

Dick visited the RPS with the D.G. and I think that we are perhaps one step further. The D.G. thinks that possibly Haylor might be suitable as commandant with De Geyer as his Administrative Assistant. He is going to see de Geyer on Wednesday.

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October 7th

We had a Director's Meeting. I mentioned two censorship problems, one concerning the censorship of letters from Italian P/W and the other the suggested opening of radio telephony between this country and Switzerland. D.G. seemed to approve of the line adopted.

The exchange of prisoners is off. The British Govt. did after all communicate with Berlin by wireless, which strikes me as being a mistake. In fact the whole business has been a mistake. I am sure that from the beginning we should have refused to consider the question of civilians in conjunction with that of P/W. The exchange of prisoners who have been wounded comes under the Geneva Convention and is on a category not a nominal basis. The exchange of civilian internees is purely a matter for arrangement between the British and German Govts. through the Protecting Power. The Germans are evidently trying to pull a fast one over on us, and to place the responsibility for the break down of the negotiations on our shoulders.

D.G. has agreed to Curry being removed from F.Branch and placed on his personal staff for the purpose of collating and writing of reports on various aspects of the work of the whole office. For this purpose he will be able to have access to the records of all divisions. He will principally be

concerned with the writing up of the German intelligence organisation abroad..

Hollis is to take his place as D.D.F.

We had an R.S.S. meeting. We are now intercepting 216 stations and there has been a steady rise in the decoded traffic.

We considered the question of German aeroplanes coming in near the coast and getting our aircraft signals for the day. Enquiries so far seem to indicate that the information is obtained verbally and not by VHF. Frost is very concerned about the vans employed for this work. He says that they are no better than they were before R.S.S. took over. He complains that R.S.S. put all their energies into the group traffic and that there is a serious gap between R.S.S. and Army signals. Army Signals maintain that they are solely responsible for communication between parachutists in uniform and German reconnaissance planes. R.S.S. state that they are responsible for static agent. Nobody seems to be responsible for parachutists who may be sent in the guise of 5th columnists and move about in the back areas.

The set in wire which is communicating with Nauen has again started to operate. The matter is being taken up through Maffey.

I spoke to the D.G. about Acworth and the possibility of his remaining to run the I.D.A. under M. He seems to be open to argument about this.

D.G. has agreed to Medlam being asked to return here in order to discuss the MUNOZ case and also the Gib. leakage case. The present information rather points to Gib. being the source of leakage.

Jenkins has sent in an extremely interesting report on members of the Greek Government and Greek Army in Egypt. Most members of the Govt. seem to be self-seekers of the worst order. On the other hand the Army material is extremely good and the morale in Greece appears to be first-class. I have suggested to the D.G. that the report should somehow reach the P.M.

Dick had a discussion with the D.G. and Wells about the RPS. The D.G. now thinks that the head of the organisation should be an administrator. I do not think this matters so much provided he realises that that the one important thing at the Schools is to extract intelligence from guests. Personally I think Haylor would be very well fitted for the job, as he would have the right attitude.

October 8th

Egerton Johnson came to see me about LONYAY who appears to be head of the British

of the Free Hungarian Movement. He wants to introduce LONYAY to SO2. I warned him about SO2 and also about LONYAY, but he was very confident that LONYAY was 100% pro-British. I said that I did not know enough about him to express an opinion but that if he was wrong he would be very wrong. I told him to discuss the matter with Caulfeild.

There has been what may be an interesting development in the Worthy Down case. One of the forms filled in and signed J. RAYNER appears to resemble the handwriting of the letter to O'CONNOR which originally caused the enquiry. For some administrative purposes forms had to be filled in by all members of the staff of the aerodrome at Worthy Down and this enabled us to examine the handwriting of some 1600. The curious thing about this particular form is that the filling in has been done by someone else and the signature J. RAYNER is in rather illiterate handwriting. We now have to find out who filled the form in. Personally I am not convinced about the handwriting. Although its general character seems to be the same there are discrepancies in certain letters particularly the "r".

Capt. Amies and Capt. Shorty of S.O.2 called here to enquire whether they could be given any information about foreign police forces. I told them that this was mainly the function of S.I.S. but that I could give them the general set-up in Germany

and in America although my information was pre-war. It seemed to me that what they really required to know was the present system of passes etc. They then asked whether I could give them any information about the Italian OVRA and the Falange in this country. They apparently want this information for their instructors. They are also anxious to have information about the mistakes made by the various spies who have landed here. These are also wanted for the instructors. I impressed upon them that these matters were all of a highly secret nature, since we naturally did not wish to give the Germans any inkling as to where they had slipped up. He assured me that this information would not go beyond their instructors who were absolutely reliable from the Security point of view. Personally I am not altogether happy about this.

F.J. RUTLAND is reported to be walking about in the uniform of a Sq./Ldr. We now gather from S.I.S. that he offered his services to them in America before his deportation. The offer was turned down. I intend to give him a short run and if he does not make contact with anybody interesting we propose to interrogate him.

There has been an interesting development in the Dorothy case. Her brother has asked us to supply him with a small American wireless set. This is to be

passed into the I.O.M. camp at the bottom of a tin of biscuits. If such a thing is possible it discloses considerable laxity. It is also quite certain that letters are going in and out uncensored, since Dorothy took out 3 for her brother in the lining of her coat. There seems little purpose in discussing the degree to which censorship should be applied in these camps if people can carry letters in and out as they wish.

The German drive on Moscow appears to be making a certain amount of progress. 19 armoured divisions are said to be involved.

There has been a magnificent action off the Canaries. An armed trawler attacked a submarine which had torpedoed another ship. The trawler opened fire, sank the submarine, took up 44 of its crew, and then towed the damaged ship into Gib. The P.M. has sent a special wire to the Captain of the trawler.

October 9th

I gather from Lennox that the skeletons of 7 American divisions are expected here shortly.

I lunched today with Arnold and G/Capt. Elliott. We discussed the question of radiolocation personnel. Elliott entirely agreed that it would be much more

profitable if we concentrated on positive wetting of certain categories. He would think out the whole procedure and let me have his considered views. He said the matter was a highly complex one since it was inevitable that an increasing number of people would have to get to know about certain developments. There were also limitations on the production side. Private firms could not produce more than 200 sets and once a set got into mass production the surface of leakage was enormous. Elliott was very confident about our night-fighting development, particularly our searchlights. It is estimated that in any big attack we ought to be able to deal with 20% of an invading force.

Victor's friend, to whom I spoke the other day, was not so confident about the searchlights, but this may be a bit out of his line. I gather that we now have some device by which it is possible to release a bomb which will fall within an area of 200 sq. yds. the device being operated from this country. The process is automatic and not in any way controlled by the pilot.

The effect of the closing down of the Jap Consulates in India appears to have been considerable. They find that they cannot operate except on perfectly legal lines.

I discussed with J.C. and Harmer the Mutt sabotage scheme. A site has been discovered on a food dump and the proposal is that nobody should be warned. Normally there are two fire-watchers on duty. Personally I feel somewhat apprehensive about the whole scheme. I have suggested that as a preliminary HARMER should carry out an examination of the site both in the daylight and at night, since I think we must be satisfied that nobody would really be wandering about. Even then there would be likely to be a risk that one of the two firewatchers might take it into his head to stroll round the buildings. There is also the possibility that the machine might not go off. This would necessitate everybody being warned and the site being roped off until some expert could dismantle the machine. Publicity would be bound to result. Lastly there is the question of getting some suitable notification in the press. How exactly is this to be done and what will be the result. Will a horde of press representatives arrive on the site and make enquiries? All these matters will have to be carefully explored. I think the principle is right that we should if possible satisfy the enemy that something is being done. Similar measures were taken in the last war with success.

October 10th

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daughter

of Harriman of the American Mission is acting as a representative of the Hearst Press and sending her stuff out through the bag. I have suggested that we should ascertain from press circles that she is a representative of the Hearst Press and that we should establish through censorship that she sends no telegrams or letters to her paper. We can then suggest to the American Embassy that they might look into the question.

A man called Johnson using the name Robert ADAIR has deserted from his ship and has been arrested by the Police. He has confessed that he was sent here by some Hearst paper on the instigation of Senator Nye, the Isolationist. He has to collect as much data as he can about the state of our armaments etc. for publication in the Isolationist press.

Swinton rang up to say that he had learned from Herbert that the Americans have known about the DOT for some considerable time. Herbert had given Swinton to understand that this information had been sent over by Stevenson but had never reached us. I said that I could not believe that this was possible. We had known that Stevenson was inclined to say that he had sent material and when he made enquiries found that he had not. It was however quite clear that the FBI were being extremely cagey about the information they obtained. They should have kept us informed about their big spy case and should certainly

have consulted us before taking action. I rang up VV. and told him what Swinton had said. He thought that there might quite well be an misunderstanding between the discovery of the DOT and the discovery of Microphotography. We have all known about Microphotography for some considerable time but the first we heard of the DOT was from Rainbow.

On looking through Balloon's traffic I found that he had reported on an ammunition dump situated on Swinton's estate. This had apparently escaped notice both by the Air Ministry and the Home Defence Executive. Balloon was communicating in secret ink but had not sent the letter off. The necessary amendments have been made.

Frost spoke to me about the B.B.C. broadcasts by allied governments. He says that all sorts of unauthorised people go in and get messages inserted. He would get a list of these and is going to find out from V.V. exactly how S.I.S. regard the whole situation.

I saw Maxwell with Pilcher on the Sam STEWART case. He seemed to think that if we gave a transcript of our interrogation and some account of our original reports, the information would be sufficient for the committee, although we all agreed that they would probably recommend STEWART's release. It would then be for

the Home Secretary to tell John Morris that he had satisfied himself from discussions with the M.I.5. officer concerned that STEWART should remain in internment and that the allegation that he had been regarded as a reliable person by the Germans was well founded.

October 11th

I saw Burt and Davies about the FLEGERMANN case. They have established that this man was introduced through an Indian named GHOSE to a Greek steamship company to whom he paid the sum of £180 for a passage to America. On the strength of his booking he obtained his American visa. The ship went to Canada and the Canadian authorities refused him leave to land. On his return another passage had been arranged. The captain undertook to sign him on as a member of the crew. The job would be that of optician. The captain explained that he was not allowed to take passengers and that this was the only way in which he could obtain the passage. There seems to have been some contravention here of the B.O.T. regulations. Burt is looking into the matter. I said I did not think we could allow FLEGERMANN to go otherwise we were virtually condoning an offence. He agreed.

I had a long discussion with Orr and Lennox about Room 055. Much confusion has arisen in the minds of everybody regarding the exact position and function of Harry in his dual capacity as

D.C & C and D.D.M.I. (Security) War Office

The trouble begins when the War Office War Book para.53 states that para.54 represents the Defence Security duties to be undertaken in war on behalf of the W.O. by the Director of the Security Service who will arrange for mobilisation and supervision of a section MI5 in accordance with the establishment laid down. It is further stated that certain of these duties cover the requirements of the 3 services and that the civil security duties undertaken by the Director of the Security Service on behalf of civil Govt.depts. are not included. There follows a list of the duties, some of which are not being performed by D.C & D., some of which are in no sense military duties and almost all of which are no more military and in some instances considerably less military than many of the duties being carried out by the Security Service. A constant references to MI5 in paras.53 and 54 come (under the duties of the D.M.O. & I.) rather naturally lead to the belief that the section or sections of the Security Service carrying out these duties are in some way a branch of M.I. under the D.M.I. This is of course not the case. The misconception is further emphasised in people's minds by the dual capacity of Harry. Whether it is either possible or advisable to straighten out what to say the least is a completely illogical

situation may be open to argument in this stage in the war, but there is no doubt that it has caused considerable confusion in the minds of many people and is still doing so. My own view is that Orr in his capacity as officer in charge of Room 055 should be representative of the whole of the Security Service and should be responsible through Despatch for distributing any papers coming from the W.O. or to Room 055 from outside sources, to whatever section of this office may be concerned. Orr should also be responsible for seeing that the W.O. receive replies to their queries at the earliest possible moment. A number of enquiries that come from the W.O. and affect B.E. and F Divisions can be dealt with by Orr himself and in this way much unnecessary correspondence can be avoided. I gather also that sections of the W.O. find it convenient to have someone on the spot who can deal with their queries. The distribution of material by D.C. & D. is not satisfactory since he is not as well acquainted with the exact duties being performed by the various branches of the Security Service as is Despatch who are passing papers to the appropriate branches all day and every day. I have asked Orr to amend his memo in certain respects where it was inaccurate and in other places where it was somewhat personal.

Jim Hale has spoken to me about the case of Leslie J. HARRISON, an employee of a firm carrying out Govt. contracts. HARRISON has approached CORNELIUS, the Swedish Air Attache offering to give him information. He has in fact shown him a plan of some machine which is not being manufactured for H.M.G. CORNELIUS very correctly reported the matter to the Air Ministry. Jim Hale is very anxious that we should take some step which will indicate quite clearly to CORNELIUS that we have not attempted to plant HARRISON on him. I think that the best method will be to ask CORNELIUS whether he would be prepared to give evidence. He can of course plead privilege but it is also open to him to ask permission to do so from his Government. We can explain to him that we should prefer this direct method but that if he is unwilling or unable to appear in the case we will do what we can to introduce an intermediary.

October 12th

There appears to have been some mistake about RUTLAND wearing uniform. The watchers evidently mistook somebody else for him. RUTLAND has been to a friend in the Air Ministry and also to somebody in M.A.P. and has offered to act as a XX agent against the Japanese. So far he does not appear to have made any contact with Japs here. It seems unlikely that he will, but I should like to be quite sure on this point before making a direct approach to RUTLAND. In the meantime

I am proposing to find out if possible something more from S.I.S. in America. John Maude appears to have had some hand in RUTLAND's departure from America. Apart from this and the very meagre press survey already received, we are largely in the dark. I should like to ask the Americans for further particulars but before doing so I want to be sure that their agent who several years ago was in touch with RUTLAND will not be compromised.

A F/W report shows that the English recognition signals are sent by W/T. As soon as a German airman sees what recognition signals the English are firing he transmits the information back to their own W/T. This seems to be the explanation of the report about a plane coming down to within a few miles of the coast, turning back and giving our recognition signal in cypher to his own H.Q.

Frost has been investigating this on the possible assumption that the signal was either being communicated by lamp or by V.H.F.

We have at last had a list of the Germans arrested in Iran. Some of them have some quite interesting connections.

October 13th

I saw Grogan this morning on questions of Censorship. He explained that there were a number of censorship points throughout the Empire where there was not very much up to date knowledge regarding secret inks. He thought we ought to consider how far these stations should be put into the picture. I said I thought they ought to be given all available information and possibly a certain amount of direction. It was difficult however to give any advice if we did not know exactly what mails they were intercepting. Grogan undertook to find out. In so far as the inks are concerned T.A.R. is quite ready to allow these stations to have any information available.

We also considered the question of extending our information about the DOT. It was thought that no very useful purpose would be served by passing this information to the SCOs but that it might be valuable for the RPS to be in the picture. There would have to be somebody in the RPS responsible for examining all papers from the DOT point of view.

100% bi-weekly tests on all mails going to certain districts in Spain, and Portugal are still going on. We are now trying certain towns where we know there are covering addresses. The following week we are going to take all traffic going the

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other way. So far we have obtained no results from these tests. It is perhaps not altogether surprising since we are only taking 2/7ths of the mail of a particular district. The only really satisfactory test would be to have a continuous test for a month on a 100% basis. This would probably mean increasing the testing staff by ten-fold, namely to the figure of 200. I gather that this problem presents considerable difficulties. I am rather astonished to find that we only get a very small proportion of the Bermuda mails. The ship comes in with half-a-dozen bags from Brazil to Italy, of which perhaps we take two, four bags from Chile to Germany, of which one is taken, and five bags from New York to Lisbon, of which 3 are taken. These bags are tested against the security list but are not tested 100%. If we assume therefore that of all the mails probably something like .05 contain secret ink, are chances of picking up a letter may very well be .00 .001 or even less. The only answer to this seems to be a large increase of staff, and possibly some sort of mechanisation. Here again there is a difficulty. I believe that if each letter was daubed with a brush when passing by on a conveyor belt, we should not achieve any real results. Collins says that treatment of each letter is an extremely delicate matter and it would not be possible to do it in this way. I have asked Grogan to explore the position and also to write up the

Orr came over to discuss his revised memo about Room 055. It contains some illuminating facts but is in some ways too personal.

Hollis talked to me about the formation of a Middle East Section and suggests that Kellar should be transferred to this work. I told him that I would try and tackle this problem as soon as possible but it was no use my attempting to do too many things at once.

I have recommended that Dick should be made D.D.B. and T.A.R. A.D.B.1.

October 14th

D.G.meeting. The question of special facilities for allied seamen was discussed. The Dutch Govt. are pressing for a relaxation of the present restrictions by which their seamen have to be granted leave to land by the I.O. every time they arrive. They think that if a man has been serving loyally for a year he should be treated as a British seaman. The matter is to be discussed by the Executive. We feel that if adequate safeguards can be provided by a man being forced to register with the police, it will be difficult to resist the request of the Dutch Govt. It is realised however that similar facilities will be demanded for all other allied nationals.

The writer of the letter from Worthy Down to O'CONNOR has been identified as a certain CARRICK. Further enquiries are being made about CARRICK in order to ascertain whether he has any interesting contacts.

I had a talk with Charles about Room 055. He read Orr's memo and approves of its terms. I said that as Orr was under the D.G. I thought he should put it in and that the D.G. should refer it back to the appropriate sections for their comments. The memo is somewhat personal but otherwise presents a fairly accurate picture.

October 17th

The man Leslie J. HARRISON who was in touch with CORNELIUS the Swede has been pulled in. He had taken some plans of the Beaufighter which he had shown CORNELIUS. Representatives of S.B. were in the next room taking notes. HARRISON was arrested after he had left the building. He will be prosecuted under the Official Secrets Act.

Cecil has returned from his visit to N. Ireland. Wickham had written a very stuffy letter about our refusing to let him pass on certain information relating to GOERTZ and the fact that he was the writer of Plan Kathleen to his contact in the Garda. Wickham had evidently misunderstood the whole position. He

does not realise that Archer and Brian have always been at great pains to conceal that they obtain any information from us, and that our position is therefore an extremely delicate one. The fact is that N. Ireland is so concerned about the I.R.A. and obtaining information from the South that they are not inclined to give much consideration to other matters.

ISOS discloses that the Germans have two agents in our Embassy in Ankara and that they have had access to our diplomatic bag.

Medlam, our officer at Gib., called in to discuss the case of MUNOZ and POGO. From what he said I am not so inclined to think that MUNOZ is double-crossing us as I was before. MUNOZ has now given information about a plot to blow up two ammunition ships in the harbour. These ships lie within 150 yds. of the Spanish shore. MUNOZ, whose real name is DOMINGUEZ, is to go out with a party and lay a mine on which the ships will drift with the changing tide. We shall know more about DOMINGUEZ if this operation really takes place.

October 18th

Lennox has seen Oliver Stanley who in addition to running FOPS is to give us direction in regard to misleading the enemy on a large scale. There are various methods in the wind, but they

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change so constantly that the cover plan is likely to become the real one over night.

October 20th

Grogan and I had another discussion about secret inks. It may I think be possible to narrow down the problem considerably. There are roughly 14,000 letters a week going to Spain and Portugal. 5,000 of these are surface borne and might I think be eliminated. Of the remaining 9,000 it is possible to eliminate about 2,500 bona fide business letters, leaving 6,500 of which 2,500 are doubtful business letters and 1,000 definitely suspect. This leaves a further 3,000 private mail. The private mail, the suspect thousand and doubtful 2,500 can be submitted to a damping test. After they have been damped they should certainly be submitted to the major test for ink. If they have not been damped they should undergo the minor test. This may mean a certain increase of staff but not nearly so many men would be required as we originally thought. Possibly 30 or 40 might meet the case. We should then be able to test every day for a month with a real prospect of getting results.

Grogan also spoke to me about opening up a radio telephone service with Stockholm. I said that our natural inclination was to oppose all these facilities, since
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we realised that if supervision got slack

such a service was only an additional danger of leakage. If however other departments could put forward a really good case we would not oppose the scheme.

I saw Oliver Stanley and explained to him exactly what machinery we had for misleading the enemy. It was difficult to see exactly what Stanley's position would be vis a vis the XX Committee and the W.Board. I said that I could not give any definite answer to this question without a good deal of thought. Stanley felt that it might be possibly better for him to be in direct touch with the XX Committee and to have nothing to do with the W.Board. He had already spoken to D.N.I. about his becoming a member of the W.Board but had not met with much response. There is a certain division of functions between Stanley and the W.Board in that the W.Board deals more with security intelligence and Stanley with Operations. Their functions are however bound to clash sooner or later and Stanley, by virtue of his position vis a vis the Chiefs of Staff, would have the whip hand. We do not wish to be placed in a position of calling in Stanley to over-rule the Ds of I.

October 21st'

I discussed the MUNOZ case. We decided that we should allow the present arrangement to take its course and that if it

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petered out we should try and give MUNOZ some direction with a view to his committing some further act of sabotage which would be under our control. We thought that in such an eventuality it would be worth while sending an officer to Gib. in order to make personal contact with MUNOZ and absorb a certain amount of local colour. While we had formerly been sceptical about MUNOZ's bona fide we now thought that there was a reasonable chance that he might be genuinely working for us.

We lunched afterwards with Medlam and put our suggestions to him. He agreed but said that if we were sending anyone to Gib. it was essential that he should speak fluent Spanish. The only people we could send would be either Brooman-White or Harris. Brooman-White would I think be preferable as he has more experience.

We have prepared a list of possible targets for raids on the French, Dutch and Belgian coasts. S.I.S. are also making a contribution.

We had an abortive meeting with Adam, Dick, T.A.R. and Jones about the placing of agents on ships. Adam insists that the work should be under the S.C.O.. Our view is that the SCO has neither the time nor the facilities for doing that kind of work. We intend to recruit agents who in the first instance will obtain

general information about localities and conditions in foreign ports, and information about the activities of any members of the crew who appears to be behaving in a peculiar manner while in a foreign port. If these agents prove satisfactory it is intended to recruit a certain number for XX work. It is true that SCOs already collect a certain amount of casual information of the kind described, but we do not feel that this work is on a very systematic basis. There is moreover the difficulty of maintaining contact with a man who is constantly in and out of port. It is obviously preferable to have someone whom he knows to meet him and the work ~~xxxxxxxx~~ on the XX side must be centrally controlled. A cumbersome system of passing everything through D.4 would I think therefore never work satisfactorily. The fact is that we are now in the 3rd year of the war and that from the point of view of having agents on ships the situation is far from satisfactory.

I had a discussion with Turner, Dick, Renton, Denniston, Mitchell and Milmo about the possible exchange of internees. If we are to prevent information of value leaking back to the enemy through internees returning to Germany the task of sorting out the various categories will be extremely difficult and complex. As a preliminary step it was decided that all internee cases should be carefully gone through and they should be placed in various categories, e.g. confirmed Nazis,

technicians who had valuable knowledge about our industry etc. It was estimated that not more than 350 internees would desire to return to Germany.

October 22nd

I went with Cecil to see V.V. and Jane about the suggestion that we should try and establish a liaison with Collinson and the new American attache who was to take the place of the M.A. in Dublin. Both Cecil and I feel very strongly that there should be no liaison in Ireland. The fact would undoubtedly come to the ears of the Irish authorities sooner or later with disastrous results. V.V. agreed to my approaching Herschel Johnson with a suggestion that as it was obviously difficult for us to get information from Ireland he should give us the benefit of anything obtained by his attache in Dublin. We also discussed the possibility of warning the Eire Govt. about the German agent on the "City of Antwerp". V.V. thought that we could not go further than suggest to the Eire Govt. that they should keep a very close watch on all passengers and crew of boats sailing between Vigo and Eire..

Cecil and I lunched with Maltby, when we discussed the possibility of sending someone over to Eire to locate the German station communicating with Nauen. The

Eire Govt. have agreed to Dan Bryan coming over here for a consultation. He will we hope be accompanied by a technician. We shall then be able to ascertain exactly what Joe Walsh meant when he said some months ago that the matter had been liquidated. Maltby will meet both Bryan and the technician and make arrangements for the necessary personnel and equipment to go over to Eire. We explained to Maltby exactly what our relations were with the Ministry of Defence and what the liaison was between North and South, in case he should at any time be questioned on these matters.

In the afternoon Dick and I went down to see Collins who has just established himself in new quarters in the city. He has a very fine laboratory and all the necessary apparatus for dealing with secret ink. We told him more or less what our plan was for the future and he seemed thoroughly pleased that we should be taking an interest in his work and attempting to get him the necessary staff to carry it out. He said that he thought he would want at least 3 or 4 qualified chemists and anything upto 50 people to apply the necessary tests to suspect correspondence. He gave us a number of demonstrations, particularly with regard to his damping test. It is quite possible by applying a solution of mag. sulph. to see that the paper has been damped. When the brush containing the solution is applied the liquid is not

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usually absorbed but forms into blobs. A secondary test is the application of iodine which when blotted leaves only a very faint mark. There are however certain papers which even though they may not have been damped will react to these tests as if they had been treated. The idea in sorting out letters by the damping test is to subsequently submit the undamped letters to the minor test and the damped or doubtful letters to the major test. The Germans are now using A.V. in a .001 solution, and this involves the use of a re-agent which cannot be expunged. If therefore we are to submit all damped correspondence to the major test every day we shall not only run the risk of getting our own agents who are using these inks blown, but will probably force the Germans to use some new ink for which we may not have the re-agent. It is therefore desirable if possible to find some re-agent to deal with the .001 solution which can be satisfactorily expunged. The letter can then be sent on after being read without running any undue risk. Collins is very excited about the new ink which is based on Vitamen B.

October 23rd

The D.G. discussed with me, Turner and Harker the case of Acworth. He seems rather reluctant to go back on his former decision to get rid of Acworth. He has now given the whole correspondence to

Then to read through again and after

getting Theo's views he proposes to see Acworth and get the matter finally settled. In the meantime we have had applications from the Brazilian Ambassador, the Emperor of Abyssinia and several people connected with the Chilean Legation. In the absence of Acworth these applications are not being dealt with.

We had the R.S.S. meeting. After transacting the ordinary business we discussed the question of phoney broadcasts from Germany. These are monitored by the B.B.C and the results are passed on to us. It seems almost impossible to work out code messages sent by this means unless one has an intimate knowledge of the context. An occasional pre-arranged code message sent over the radio is impossible to deal with. We therefore decided to act on receiving these messages and to file them in date order in the hope that possibly in certain instances we may sooner or later obtain supplementary information from other sources which will help us to work out the code. In the Anna WOLKOFF case it was established that the message transmitted to HawHaw contained 3 references to the word "Carlisle". These 3 references were actually monitored and formed an important part of the evidence in the case.

I lunched with Borum who had just returned from America. He is to be relieved of all his staff duties and will now be head of the protocol. He will continue to handle

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our work but will have much more time than he had before. He told me that Ray Atherton is now head of the European Dept. in Washington. Borum was evidently conscious of the production decrease but did not say very much except that things seemed to be going ahead and that the whole place is looking rather like an Arsenal. He told me that Herschel Johnson had been made Minister Plenipotentiary in Sweden and would be leaving shortly. He did not know yet who was taking his place.

I saw M. and asked him whether he would like to have Egerton-Johnson whose contacts I thought might be very valuable to his organisation. He seemed pleased at the idea. He is also anxious to get hold of Duncan, and had a conversation about him with Theo Turner. He thinks he may make something of Duncan, as he regards him as a willing learner. I asked M. about KURTZ. He told me that the latter had written to Maxwell, which ought to forestall any approaches to the Home Secretary by Oswald HICKSON. KURTZ had been lured into making a rather foolish statement to Hickson about Ben Greene. Ben's brother Edward had got into touch with Kurtz and had got him to deny a certain allegation alleged to have been made against Ben Greene; and his brother Edward then manoeuvred Kurtz into Hickson's office with a view to his making a statement on this subject. Hickson

asked Kurtz whether he was a Government agent. Kurtz replied "No". Hickson then asked him a number of questions connected with the evidence that Kurtz had given before the Advisory Committee, and involved Kurtz in a denial of all the statements he had given in evidence. These denials followed naturally on his first statement to the effect that he was not a Government agent. The whole matter was obviously a trick by Hickson aided and abetted by Edgard Greene. I suggested to M. that it might be a wise move to ensure that no question was put down on the Order Paper about Kurtz since once this was done an answer would have to be given, and Kurtz's name would have been exposed. We subsequently arranged this with Abbott.

I saw Beaumont-Nesbitt for a few minutes. He is on his way to the Middle East, Singapore and Washington. I arranged for him to attend a meeting of the XX Committee in order that they could put him thoroughly in the picture with regard to feeding information to Tricycle. The XX Committee have raised the question of communication with the Middle East on plans to mislead the enemy. Arrangements have been fixed up with Dudley Clarke, but the latter has now got himself into difficulties in Spain. He has been imprisoned by the Spanish Authorities, presumably on his way to Switzerland. I am afraid that after his stay in Lisbon as a bogus journalist he has got rather over-confident about his powers as an S.S. agent. It

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would be much better if these people
confined themselves to their proper job.

There is I gather to be a meeting of the
W.Board in order to consider Oliver
Stanley's position and the question
that he should become a member of the
Board. I gather from Montague that
both the DNI and DMI are opposed to this
suggestion. This is not unnatural
since as far as I can see Oliver Stanley
should to a large extent replace the
W.Board which is redundant in the present
scheme of things. If the Board were
abolished the activities of the XX
Committee would be raised to the higher
plane of the Chiefs of Staff. On the
other hand I think it is important that
we should not offend the D.s of I. who
have done their best to feed us with
information in the past. Latterly however
they have been arrogating to themselves
certain functions which are strictly
speaking the prerogative of ourselves
and S.I.S. It is our business to run
agents but we do of course require
certain information of a confidential
kind to keep us in position. This has
in the past been quite generously given.
On the other hand there has been no attempt
to give us direction or to make use of
our machine for misleading the enemy on a
fairly big scale. Such direction must
I think come from the Chiefs of Staff.

News from Russia seems to be slightly better. There has been considerable resistance in front of Moscow and it is reported that the town of Kalinin has been retaken. The roads are now becoming almost impassable owing to the wet weather. In the extreme south things are not so good, the Germans having made considerable progress towards Rostov. Timoshenko has now been transferred to that area and it may be that things will improve. Voroshilov and Budenny have obviously been sacked. They ought to be engaged in the formation of new units.

October 24th

Tangye came to see me about American journalists. He says that many of them return from the continent with a great deal of information but that for obvious reasons they are reluctant to talk. He wondered whether I could get the American Embassy to induce them to open up. I said that I would speak to Herschel Johnson about this.

I have arranged for Beresford to be transferred to Craufurd for a month on probation. He does not appear to get on with people very well at R.S.S. Victor, Frost, Craufurd and myself had a discussion about RDF. We all agreed that it was important to have some section in the office covering the whole field of RDF.

thing to get an RDF expert into the office. Both Victor and I felt that anybody with really first-class qualifications would be required elsewhere and that if he had not got such qualifications he would be useless to this office. It seemed better therefore to have a first-class consultant outside the office. Victor suggested Prof. Cockcroft of the Min. of Supply or his No. 2 Dr. F. A. Vick. Victor is putting up a note on the whole subject which we shall have to submit to the D.G.

J. C., T. A. R., Dick and myself had a discussion about the attitude we should adopt at the W. Board meeting on the position of Col. Stanley. We were inclined to think that we should at least attend the meetings of the W. Board but we did not feel it was desirable to disturb the existing machinery of the XX Committee. We felt ~~xxxxxxxx~~ that it was essential that we should make our own position quite clear. In other words we should be the final judges on the question of whether information could be put across and how it could be put across. We saw no objection to Col Stanley having access to the XX Committee through Lennox but we agreed that there was no point in his being acquainted with details of our machine.

October 25th

Fish came in to tell me that Dan CORRIGAN had started a new racket. He poses as being able to get people out of occupied