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because a suspicion would always remain that what he got from the FBI he might well pass on to OSS, G2 or ONI. For this reason I thought it better that we should have our own representative with the FBI and that if S.I.S. felt they still wanted to maintain liaison with that body they should continue to do so. Our representative would keep in unofficial touch with theirs but there would be no outward organic connection. I think Duff more or less agreed with this view.

April 3rd

Duff has returned our report for the F.M. with a letter saying that the F.M. would like to have further details about WURMANN. The F.P.M. has minuted the report in red ink: "Seen. Deeply interesting. W.C." Duff seems to think it has been a great success.

The Germans are still trying to devise some means of paying Dragonfly who in the interim has dried up in a huff.

Springbok is attempting to set up wireless communications between Canada and Germany. He has sent off a letter announcing this to his Lisbon cover address.

The Watchdog case has been further jeopardised by a reference to his arrest by a member of the Quebec Parliament and references in the French language papers in Canada.

ZigZag has gone on from Paris to Berlin.

I talked with Courtney about the case of DONALD. I am rather worried about the whole position. We are still by no means satisfied that he is not the person who wrote the postcard to H.YAMAMOTO in Switzerland, and I do not like the idea of his being still in Censorship. On the other hand we have tried every possible check on him but without result. I have suggested that we should send him to the Japs at Lisbon and then watch reactions on the B.J.s. Before he goes he would have to be very carefully watched in Censorship.

We have just had a Lourenco Marques B.J. indicating the identity of "Felix" with SITTIG. Webster has telegraphed expressing a certain amount of anxiety about the appointment of an S.I.S. representative in S.Africa. Meanwhile a telegram has been received from the High Commissioner to the D.O. suggesting that this representative should be attached to the M.I.5.Mission.

Curry has written an extremely good memo on penetration of S.O.E. and S.I.S. organisations. What emerges more than anything is that lack of unity as between ourselves, S.I.S. and S.O.E. is a serious menace. Curry thinks it quite likely that a large number of organisations in Belgium are probably affected and that they only decide to strike at the last moment such action might have a serious effect on military

operations. Equally serious is the lack of co-ordination between S.I.S., S.O.E. and the Belgian authorities. It happens on occasion that the Belgians give last minute and contradictory instructions to one of their nationals working for S.O.E.

April 5th

I gave a talk to the course on various loop-holes in our present C.E. network, and then laid the meeting open to questions. I concluded, with the assistance of Ramsbotham, by giving a short talk on the American set-up, F.B.I., O.S.S., G.2 and ONI.

FANTO arrived yesterday and is being interrogated today. It is difficult to know exactly what has happened since KOESSLER appears to have been in Lisbon for the last fortnight. We shall probably get some reaction to FANTO's departure on special sources, which may clarify the position.

D.G. has written to Goodacre telling him that he is anxious for him to go to Trinidad as soon as he returns.

Cecil returned last Thursday from Dublin after a most successful visit. He was accompanied by Dennis Page. The work on the HELD cypher was done by Dr. Hayes, curator of the National Library, who appears to have done an extremely good job. The cypher is a very difficult and complicated one. Messages which refer to the bringing of an agent to Eire and also to the planning of

the escape of GOERTZ are of considerable interest. They are written by ANDREWS, the son of the Butcher in Rush whose father buys his sheep on Lambay. His father once asked me to find his son a job in the police. Young ANDREWS was in touch with GOERTZ before the latter was in prison and in fact was mainly responsible for the information given to the Eire authorities for GOERTZ's arrest. It is presumed that through this association he became acquainted with GOERTZ's cypher. How far he is using it on his own or in collaboration with GOERTZ is not yet clear. He is in any case somewhat of a double-crosser. EASTWOOD, the cook on board the "Edenvale" is equally doubtful since he evidently does not think that he is getting enough pay for the job he is doing. He has not carried it out very efficiently since he was quite ready to hand the letter for the OKW over to Granger THOMAS in Lisbon, who was merely a Portuguese in the habit of hanging round ships in harbour in order to get food from the ships' cook. Eastwood began by asking him if he knew where the German Legation was. When he replied in the affirmative, he was given the letter to deliver. He had a friend in our Press Attaches Office and very wisely took the letter to him. It was photographed and returned to him for delivery. The reply passed through his hands in a similar manner. We had a little trouble the other day with Eastwood, who frequently gets tight. The master had had about enough

of this and sacked him. Fortunately however the crew protested and Eastwood was reinstated. Eastwood is now on his way back to Lisbon, presumably with another message.

I saw Maxwell about Willi LORENZ. Milmo and I emphasised very strongly that we did not wish to give the slightest encouragement to those wishing to institute habeas corpus proceedings. If LORENZ thought that his application might lead to a jaunt up to London and the paying of his expenses, the other inmates at Dartmoor would undoubtedly try to do the same thing. It was agreed that the Red Cross were unsuitable as intermediaries and that Maxwell would try and find a solicitor in Tavistock who could handle the business, and who could be impressed with the necessity for secrecy.

Diplock and Wells came to see Dick and myself about America. In their view Stephenson had no intention of resigning. They thought therefore it was necessary to present some plan to the inevitable meeting at Kinnaird House which would probably take place next week. They suggested as a possibility that our representative in the FBI should work to Connop Guthrie, and that the latter should take over the MI5 representation. Dick thought this would probably be regarded by S.I.S. as a further encroachment of MI5 on their preserves since Connop Guthrie operated in S. America. There was an additional difficulty in that Guthrie work to some extent tied up with the up-town

office and that if the connection there was maintained the F.B.I. would not play. I said that de facto the position as I saw it was that we wanted someone on the spot to pour oil into the FBI, and that if we were going to get the 20% that really mattered this could only be done by someone who was not organically connected with DSC. It is inevitable in the present situation that Stephenson will be by-passed since much of Thurston's work here is verbal and contained in his personal letters to the Bureau. By putting a man in the FBI we should be increasing the flow in the opposite direction but we might of course be cutting off certain sources from DSC. I think that to get over this difficulty we should have an understanding with Hoover that if we sent a man to the Bureau it must be understood that such information given to us which relates to the work of SIS should be passed to them by us or by the Bureau themselves if they so wish, but that we shall take no such action on any particular information without first obtaining their permission. It must however be accepted that our representative will be in touch with though not subordinate to the DSC. Diplock and Wells thought that Stephenson would object to any such arrangement and might say that if we propose to proceed on these lines we should take over Guthrie and the down-town office. Another alternative would be to hand Guthrie back to the IDSE, but for obvious reasons this would not be very satisfactory. We agreed to think the matter over and let Diplock and Wells know our solution.

April 6th

At the D.G.s meeting today the question of the admission of enemy aliens into the Home Guard was discussed. The A.G. is apparently very anxious to take them in provided the C.O. in each case is agreeable. I said that anybody who served in the Home Guard would eventually become a British subject. It was therefore necessary to consider each case from the point of view of naturalisation, and to conduct positive enquiries into each man's reliability. I doubted whether if vetting was done on this basis and each application approved by the C.O., the labour involved would really be worth while. The argument had been put forward that as enemy aliens were now admitted into the regular army they should also be admitted to the H.G. There is however a considerable difference. An enemy alien in the regular army is under a fair amount of supervision, whereas those in the H.G. only give 48 hours a month of their time to military matters. They have access to a certain amount of information and are virtually under no supervision, since all restrictions are removed. If there was a crisis they would only be a source of embarrassment since everyone would be suspecting them of being spies.

I lunched with Farrer and Farquhar, when we discussed the case of BIRKIGT. Farquhar has undertaken that if any member of BIRKIGT's firm visits him in Spain as a result of his being reinstated to the chair-

manship, he will shepherd any such individual during his visit and see that he does not talk out of turn. I said that I thought KENDALL would probably want to go out and that he was rather notoriously indiscreet.

MENEZES has been condemned to death on Friday last at the old Bailey. B.J.s indicate that the Portuguese Ambassador has been instructed to put in a special plea on the highest possible level for the man's reprieve. There is no death penalty in Portugal.

CRAVEN, an ex-Fascist who wrote to the German Legation in Dublin, mentioning that he had formerly done work for the German Consul in Liverpool etc., has been given a life sentence under the D.R.s. by Mr. Justice Singleton. The first I heard of this case was when I saw it in the papers. The letter had been intercepted by censorship and sent to the H.O. who on the instructions of the Home Secretary sent it to the D.P.F., and it was not until proceedings had actually opened in court that the matter was brought to our notice.

Masterman has had a long talk with FANTO. It does not appear that any attempt was made to stop him from coming here by K.O. Portugal. This may be due to the fact that he was being run from Brussels. KOESSLER appears to have taken the offensive. There was a conference in Madrid on the subject of KOESSLER's organisation. K.O. Portugal evi-

dently resented the interference from Brussels and were in favour of its liquidation. KOESSLER said that he was quite indifferent but that if Berlin thought that his organisation was no good he would liquidate his company, provided they would pay off his shareholders. On the other hand if they had confidence in him and wished him to continue he desired as a sign of their confidence that his wife should be sent to Lisbon. As his wife is a Jewess, this could not be done without the consent of the Gestapo in Berlin. Brussels sent a man specially to Berlin and obtained the necessary permission. KOESSLER's wife is now in Lisbon and presumably his whole organisation has Berlin's confidence. It is difficult to understand therefore why Berlin sent the last-minute instructions to K.O. Portugal to stop FANTO's departure.

April 7th

At the Wednesday meeting I raised the question of SZCZUPAL and BAUDE, a Pole and a Belgian, who had passed through the LRC. Brook-Booth said that in the case of the Belgians there would be very little supervision, particularly if the man were taken into the Army. From the investigation point of view it was generally better to have a doubtful case drafted into industry, since there would be better facilities for continuing investigation. He agreed that both

cases were unsatisfactory. It is to be hoped that when we get the new intermediary camp it will be possible to carry out more intensive interrogations.

In the afternoon I took Viv. down to the LRC. I think he was quite impressed with the general set-up and with the efficiency with which the work was done.

There has been another move to amalgamate all three services. Duff apparently put up a memo to the P.M. sending copies to C. and Selborne. The P.M. thought that any such move would be too dislocating and Selborne clearly wants to hand on to his own show. It was therefore decided that a meeting should take place once a month between D.G., C. Selborne, Loxley and Desmond Morton. Clearly this will be just one more committee which will decide nothing and eventually peter out. It is to hold its first meeting on Friday to discuss the American situation.

April 8th

I drafted a memo for the D.G. as a brief for tomorrow's meeting on America. I am suggesting that if the presence of Mills at the FBI office in Washington in direct touch with ourselves is unacceptable to S.I.S. which I gather it is, we should press for Mills to be appointed as our representative in Canada with facilities for visiting the FBI whenever the occasion demands, and that our

London office should be allowed to send experts to the F.B.I. whenever we wish. Quite clearly Stephenson does not intend to resign and the farce of Security Co-Ordination will continue. It would be far better if they wiped the whole lot out and started again.

Melland gave an excellent lecture this afternoon to the Course on the German police system both in Germany and in occupied territory.

Amongst ^{the} other things he said that at the moment/cream of the S.S. were fighting in Russia. There were in consequence only a very small nucleus in Germany to deal with any serious trouble. Any signs of the S.S. being withdrawn from the Russian front would be highly significant. Melland also stressed the brutality of the Ordnungspolizei, whose excesses had gone beyond almost anything committed by the S.S.

Burt tells me that the D.P.P. has turned down the suggested prosecution of HOYSE.

Our letter to the D.M.I. on the Second Front giving details of the officers whose services are available has been sent off today.

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April 9th

As a result of the MENEZES case there have been 23 arrests in Lisbon including the head of the S.D. Meanwhile Montero has wired to the F.O. with a plea for MENEZES's reprieve. Loxley was anxious that we should consider our attitude. Malkin, the F.O. legal adviser is definitely of opinion that a reprieve should not be granted on the grounds that there is no death penalty in Portugal, since this might create an extremely awkward precedent. The F.O. think however that a reprieve should be granted owing to the extremely co-operative attitude of the Portuguese, the insignificance of the information actually transmitted and the way MENEZES assisted the authorities after his arrest. MENEZES' solicitor has written to Montero and taken pains to impress upon the latter that he personally will be responsible for the execution since it was on his recommendation that MENEZES was dismissed from the Portuguese Embassy and deprived of diplomatic privilege.

Ben GREENE has withdrawn his case against the Home Secretary. KURTZ made an extremely good impression in the box, and evidently GREENE could not face up to an examination of KURTZ on the interview that he had with GREENE which led to the latter's arrest. GREENE did in fact compromise himself very seriously. It appears to be the opinion of all

concerned in this case, including the A.G., that Birkett's handling of it in the Advisory Committee was beneath contempt. He interrogated KURTZ like a pick-pocket, and so far from interrogating GREENE, placed himself in the position of an advocate for his defence. I only hope that steps will be taken to see that our critics in the I.O. are made aware of the condemnation in high legal circles of the proceedings before the Advisory Committee. In the CRAVEN case criticisms were also made by the I.O.

CRAVEN's release was strongly opposed by ourselves, and Maxwell minuted the file to the effect that it was a pity that M.I.5 took such an unbalanced view, and had not got a liberal outlook. The effect on CRAVEN of the H.O.'s liberal outlook has been to get him a life sentence instead of merely internment for the duration of the war.

The case of one STEINER has turned out to be of interest. A Belgian, he escaped from Belgium by offering his services to the Germans. His wife and children are held as hostages. He arrived at Lisbon and was to go either to the Congo or the U.K. He was interrogated by S.I.S. in Lisbon who regarded him as low-grade and unreliable. They did not consider him any use as a double-cross, as they thought he would probably be blown. He had refused to talk to the Belgians in Lisbon as he did not trust them. It was thought better that he should come here than be allowed to proceed to the Belgian Congo.

He duly arrived and was sent to 020. He is based on Ast Brussels and his cover name is Jacques. He seems to be a mine of information and of quite a high grade. We know from special sources that he got into touch with the Germans two or three days before he left. It will be some test of his reliability if he comes clean.

The D.G. attended the high level meeting today on the subject of America. Stephenson is to drop the MI5 representation. Denham is to go out on our behalf to see how an MI5 office can best be organised and exactly what is required. There is some possibility that Denham might stay there himself. The D.G. thinks that Mills' presence in the FBI will also be necessary. Stephenson may fade out in due course if his job is whittled away too far. Viv. will probably go out with Denham in order to establish a small separate CE office which will work apart from Security- Co-ordination.

Ede came to talk to me about the future of Overseas Control. He seems to be getting things in hand. He thinks, rightly in my view that all information coming and going between DSOs and this office should pass through his hands, since only thus can he get a real grip of the job and give useful advice to the sections corresponding with the Dominions and Colonies. He will make it his business to build up a fund of knowledge through interviews with all those returning from dominions and colonies,

whether they are civilian or military. He regards it as an open point whether or not it would be desirable to have an overseas section in B. division.

April 10th

I attended the SCOs conference at Blenheim when Milmo delivered a most interesting lecture on the handling of agents and interrogation. I said a few words afterwards about our recent discovery through WURMANN of the lack of Signal Security in this country and on our misgivings about certain cases which for lack of evidence had to be passed through the LRC.

Adam raised the question of property sent up to the LRC. It seems that the arrangements for sending up property were still as haphazard as they were months ago when I spoke on the subject at the DGs meeting. Abbott was supposed to have taken up the running but apparently nothing has happened. I raised the point because I felt that if a proper check was not made and receipts given the prisoner might deny ownership of incriminating property. I took the opportunity of telling the SCOs the possibility of communication in duff. While we did not expect them to look for duff I thought it was as well that they should know of its existence and the possibility of its being on any piece of paper or other object carried on a man's person, so that they might send up such objects however innocent they might appear.

I thought it would be a waste of time to give them a list of places where duff could be concealed. We have come across it on a man's tie, on his wrist-watch, his letters and his passport, and this was sufficient indication to show that it might be concealed almost anywhere.

April 11th

We have now received the minutes of the meeting held on the 9th at which Duff Cooper was in the chair, with Selborne, Hambro, CSS, DG, Loxley and Morton present. This was the first meeting of the Secret Service Co-ordinating Committee established as a result of Duff's memo advocating the amalgamation of all three Services. The committee discussed the position of British Security Co-ordination. It was agreed (a) that the Director of Security Co-ordination should cease to represent the Security Service in the USA, Canada and the West Indies.; (b) that the Security Service should make their own arrangements for their presentation in these countries and should send Denham to review their requirements there and to make recommendations. They thought as regards the USA a representative in direct contact with the FBI appeared to be required. The status and terms of reference of this representative would have to be decided by the Security Service in consultation with SIS. (c) Col. Vivian should visit the USA to review the organisation of SIS activities there and in particular to set up a section

to handle matters of common interest to SIS and OSS and to decide whether any reduction in SIS personnel was desirable. (d) If, as a result of these changes, the position of the Director of BSC ceased to offer full scope for Mr. Stephenson's capabilities, the possibility would arise of his leaving the service of SIS. In that case it would be necessary to consider whether the title British Security Co-Ordination and the position of its director should continue and whether SOE should continue to use the personal services of Stephenson for liaison with OSS.

April 12th

Dick, Baxter, Butler and I had a talk with the D.G. about the LRC. The D.G. was rather inclined to take the view that as there had never been any genuine complaints either from the public or the Allied Governments about delays in getting people through the LRC, an increase in staff would not be justifiable. The fact is that the H.O. and in particular Moylan and Kirk are really responsible for the complaints about the LRC. Presumably they anticipate they may have trouble if things are not speeded up. Baxter said that the last week the average time for people passing through was 6 days. This did not of course include the time they spent at Camberwell. We were all agreed that the establishment of another LRC for specially

suspect cases would meet nobody's point of view. It would be pure eye-wash to say that people were passing through the LRC more rapidly if the difficult cases were merely detained elsewhere. It seemed to us that three things were necessary: an increase of staff, an extended use of 12(5)A, and some additional place for interrogation where segregation was possible. The Oratory Schools have been suggested. Our only reason for these suggestions is that we are convinced that a certain number of unsatisfactory cases are getting through the LRC and that supervision when they get into the Allied Forces is bound to be inadequate. The D.G. eventually agreed to an increase of 6 at the LRC and that I should go and see Maxwell about 12(5) A and a suitable place of detention.

I had a talk with Butler about B.IK. The suggestion has been made that Cussen should take it over and use Redfern to do most of the work. Personally I do not think this is altogether satisfactory. The work is essentially B.Divn. work and involves the recording of leakages from BJs etc. on Grimaldi's index. This all ties up with operations and deceptions. I suggested that the essentially B.Division part of the work, namely the collation on a subject basis of material indicating the knowledge available to certain persons and classes of persons on secret subjects, and the collation of material indicating speculation by such persons which comes dangerously near the truth, should be

transferred to Blunt and Young.

I gave T-R lunch. He seemed very depressed. He said that he had really nothing much to do since whenever he produced a document based on his product or made any suggestions, he was told that this was already being dealt with by Section V. He is anxious if possible to get a job in the Mid East, but this might lead to the break-up of the section, which would be a disaster to all concerned.

Goodacre came to see me about the suggestion that he should go to Trinidad. He was I think at first a little worried, but I persuaded him that his head office experience would be of the very greatest value to Trinidad and that we hope in future to have better liaison with the U.S.A.

Medlam has returned for a short spell.

Dick and I had a short talk with Horrocks. He said that he had had three goes at the D.G. about making TAR an A.D.B. but the old man was adamant about the creation of any new assistant directors. It seems useless therefore to pursue the matter. The new organisation chart is coming out but clearly it will not give anybody the slightest idea of how the work is carried out.

Dick talked to me about P/Ws in Ireland. The Air Ministry want to revise the policy affecting the exchange of interned airmen. Their arguments seem to be somewhat mixed.

First of all they say that it will be increasingly difficult for the Germans to fly over Ireland but that with the advent of the Americans we must expect an increase in forced landings. It seems now that the Irish are much more liberal in releasing our planes and pilots and that they are only hanging on to those originally interned. It seems to me that we are not likely to benefit very much, since it is difficult for the Germans to escape, whereas our people have quite a reasonable chance. Both sides are given parole and the Germans visit their Legation once a month. They could therefore take back some useful information. There is a good deal of additional data which one would like to know about before coming to a decision. e.g. how many internees are there on both sides. I have suggested that the matter should be debated at the H.D.S.E.

Bill Younger came to see me about an informant of M's who has got mixed up with Cradoc-Owen, Morgan and the Patents Development Co., a Black Market concern connected with the STOCKMAN case. As M's informant was getting into rather deep water, and was likely to get into deeper still, I decided to cut the painter. The informant is to extricate himself and return the money that he received in anticipation of the assistance that he was going to give MORGAN to obtain a passport and exit permit for the U.S.A.

C. spoke to me about the suggestion that the DMI should write to Gen. Strong of G. 2. on the subject of our showing B.J.s to Thurston. He said the whole matter was so delicate at the moment, that he was rather worried about American security generally and that he did not wish at this stage to suggest to the Americans that there should be any loosening up of the present procedure. He told me that he had heard from Selborne, who had got it from the Dutch, that an American talking to Gerbrandi, the P.M., the other day, had mentioned the fact that we had got hold of certain machines. He was trying to find out the identity of the Americans.

I spoke to Phipps about the unfortunate accident to Dr. STRATON in the I.O.W. STRATON was one of D.B.'s people. His house was hit by a bomb a few days ago. STRATON was killed and his wife seriously injured. The house was totally destroyed. Somewhere in the ruins are important papers and a wireless transmitter. I told Phipps that he should go down and see the local police and also a Dr. DRUMMOND at Larmouth, I.O.W., who was apparently a member of STRATON's organisation. It seemed unnecessary to keep guard on the place until somebody came and cleared away the debris. He should also find out about a man called G.C. FLANDERS who was found on the site of the disaster about 10 minutes after it occurred. This was about 7 in the morning. FLANDERS is a friend of a man called Hans HAMILTON who was closely associated with SNOW in certain business

that he was conducting in Germany. FLANDERS was described as pro-Nazi.

April 13th.

At the D.G.s meeting this morning Brooke-Booth mentioned the cases of American seamen of enemy alien origin who seemed unsatisfactory. One in particular had been naturalised in 1940 and had been voicing his pro-Nazi sympathies. It was felt that we should tell G.2 and ONI both of whom appear to be concerned, that we cannot agree to the landing of types of this kind. We do not propose to ever object to their employment on American ships but the responsibility for this must lie with the American authorities.

Hollis asked for guidance about passing details to the Fighting French about members of their organisation who were Communists. It was decided that we should mark such cases "No trace", since anything we told the French would go back to the C.P. in this country. The Fighting French have a number of Communists in their employ about whom they presumably know, but are indifferent.

After the meeting Lennox gave us a certain amount of operational information. It is reckoned that the Germans have roughly 100,000 men in Tunisia, & about 100 tanks. It is not thought that Tunis will give much trouble but Bizerta may, as it is strongly fortified. There is considerable ill-feeling against the lack of action by the Americans

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at Fondue. Had they got through the pass they would almost certainly have cut off Rommel's forces. Eventually a British Brigade was sent down and did the job of getting through the mine-field, with the loss of about 15-20 armoured vehicles. Our total casualties in the recent operations are light and amount to something like 4,000. There is considerable dissatisfaction about our operations in Burma and Wavell is to be recalled for a conference.

I had a talk with Burt about the attitude of Kendall and S.B. He told me that he tacitly the attack was really coming from Canning, who was disgruntled about the handling of the MENEZES case. S.B. think that MENEZES should have been taken to Cannon now and that they should have presented the case for the prosecution.

Burt.

seems to be on quite satisfactory terms with Kendall but realises that he will have to draw in his horns a bit. He thinks that there are many cases which can be much better and more expeditiously dealt with by his section than by S.B., quite apart from the Security aspect. He thinks that S.B. are generally rather disinclined to take or to recommend action. Burt also told me that Robinson's appointment had caused a certain amount of ill-feeling among other officers at the Yard. He thought Robinson was quite a good man and he realises that he will be only concerned with the administrative side and will have nothing to do with the Intelligence. Apparently some

of the higher placed officials at the yard think that they might have been given the job. There is a certain amount of criticism of this department by S.B. since they only see a certain number of our somewhat desultory enquiries. They have no idea of the number of spies that have actually been caught. They probably calculate that as we have only executed 13 there are no others.

Burt thinks too that although the JOYSE case was originally turned down by the D.F.I. the matter is evidently being reconsidered and Counsel's opinion taken. It looks as if Cripps was not prepared to accept the D.F.I.'s ruling.

I had a talk with Mountain of the I.B. staff. He is very anxious that as soon as G.I.C. of the B.E.F. is formed we should put in one of our officers who would advise on I.B. matters from the opening stage onwards. I impressed on him that I thought it important that our officer should come into contact with those sections of the F.S.F. who would be concerned with giving effect to his advise. We should then give the F.S.F. a course which would help them in carrying out their duties. He seemed quite keen about this.

G-F has replied to the D.G. on the question of Signals Security. His letter is not particularly satisfactory and we propose to raise the matter on the Radio Security Committee. Parry is evidently afraid that it may fall to the lot of R.S.S. to look after

Signals Security. He is therefore reluctant to have it brought to the notice of the Chiefs of Staff that the Germans are acquiring a considerable knowledge about the disposition of our units in this country and elsewhere through signals leakages.

April 13th

I discussed with Dick and Milmo the question of MENEZES' reprieve. We have now received a file from the H.O. asking us (a) whether MENEZES gave any assistance and (b) what effect a reprieve is likely to have in a general way. We have replied that MENEZES did assist us but that we cannot give any general ruling on the question of the deterrent effect of the execution. We offer the following observations however on this particular case: (a) the Portuguese authorities did give us considerable assistance, firstly in withdrawing diplomatic privilege and secondly in rounding up a number of German agents in Portugal; (b) that a reprieve may possibly give us assistance from other Embassies and Legations at a future date, since if they feel that a death sentence is inevitable they might be reluctant to remove diplomatic privilege; (c) that if a reprieve is granted for reasons which would be carefully considered, as it is desirable to leave any actual or potential enemy agents who may be working in foreign Embassies a feeling of uncertainty about their fate should they be discovered, that some such phrase is suggested as "after due consideration of all the circumstances" et

Lastly we have drawn attention to the fact that if MENEZES is reprieved he should be put either in Dartmoor or 20. If he is to serve his sentence in some other penal establishment there may be a leakage of highly secret information.

April 14th

Felix has asked whether we are prepared for S.I.S. to show any material received from this office to OSS, or whether we want to make any reservations. We have replied that any integrated material from this department could be shown at the discretion of Section V. officers but that if it is thought desirable to show our products such as the O20 reports we should be notified and given the opportunity of placing on them the proper interpretation. Lastly we have stipulated that we should be notified before any reports affecting the FBI area, namely North and South America, are given to OSS, since we ourselves shall be passing our information to the FBI. In certain cases it might well be undesirable that the reports should also go to OSS who might start taking action upon them and so queer the FBI's pitch.

At the Wednesday meeting Dart said that the information from Lisbon during the past week had declined in value and accuracy. The Abwehr in Bremen are sending an agent to the U.K. via Lisbon in the next few weeks. The Germans apparently have a Spanish agent working

in Philadelphia. They are sending another agent from Cadiz to make contact with him. This agent will probably sail on the Spanish ship "Rita Sister" from Cadiz to Philadelphia in the near future. The FBI have been told.

Jacob and Barbara WILDER have recently applied in Barcelona for visas for the U.S.A. A year ago the Germans were interested in these people. F.B.I. have been informed.

Milmo talked about the case of Frank STEINER who has proved to be an extremely interesting agent. As far as we know he has come clean but he does not make an entirely favourable impression. All his information which is checkable has been found to be accurate. He told us amongst a great many other things that the Germans carry secret ink in a woollen thread which is woven into their clothes. This is a new development.

Milmo also mentioned the case of LALART, a Frenchman who landed as a German agent in French West Africa and is being lent to on by Giraud for a month. He was put ashore in a small rubber dinghy rowed by two German sailors, but the boat capsized and the whole party, after marching 150 kilometres to the nearest French post gave themselves up. They said that they only had a revolver and a piece of sausage between them. The probability is that they had sabotage equipment which was lost when the boat overturned. LALART received his training in Berlin.

I lunched with Creedy and told him about my plan for the creation of something in the nature of permanent staffs in the various intelligence services, which will be able to give continuity to the work and the promotion of intelligence officers throughout the three services, S.I.S. S.O.E. and ourselves. I thought that this would give a better opening to anybody wishing to make a career in the intelligence world. On the present basis we could offer little hope of promotion.

April 15th

GELATINE has been promised some money. GARBO made a further attempt to establish W/T contact on the 7th but was not successful owing to weather conditions. The Germans appear to have fallen completely for GARBO's underground project which involves the sending of saboteurs. We are thinking of getting FATHER transferred to India. Meanwhile there is evidence that the Germans are still placing reliance in him. A report by LIPSTICK on operational matters has appeared in ISOS. It is stated that the report could not be vouched for but that the view is held in Berlin that previous reports on non-operational matters have been good. We now have 17 actual XX agents and 6 notional.

D.M.I. has raised the question of the collating and disseminating of I.B. information to the zone of the armies abroad. Most of the material we get is obtained in the LRC.

M.I.19 have not in the past distributed copies of their reports which they take at the LRC. We feel that in future they should do so. They do not however make a point of collecting IB information. This is more than covered by our interrogators, copies of whose reports are sent to Section V. We have been under the impression that Section V. were doing this work, but evidently they do not. I am rather inclined to think that we should be responsible for the dissemination of our own IB information which should go to the W.O. country section concerned. I propose to discuss this with Harry on Monday.

The D.G. has agreed that the question of Signals Security should be discussed by the R.S.C. He was a little inclined to take G-Ps view and to be irritated by Frost's minute. I said that I did feel that this was a matter in which Frost had been quite right and that it was one which we should bring to the notice of the appropriate authorities since it vitally affected the security of the armed forces in this country. It was their business and not ours to find a remedy. I said I thought it was ridiculous for G-P to talk about not pulling the trigger. The fact was that the trigger had been at half-cock for 3 years and it was high time that someone pulled it. I rather felt that G-P and Hadgate had been getting together in order to avoid a dust-up. The D.G. then told me that when R.S.S. was taken over he h

had agreed that they should not accept responsibility for signals security. This was new to me. I had always been under the impression that G-P had laid off this responsibility on the services without consulting anyone.

I discussed with T.A.R. and Courtney Young the question of sending DONALD to Lisbon. There was one slight snag in that DONALD took part in the observation on the meeting between TATE and a representative of the Japanese Embassy in 1941. If he disclosed this to the Japs. there might be awkward repercussions. On the other hand it might be argued that if it had been his intention to do so he had ample opportunity before the Japs came into the war.

Cecil's special sources indicate that when the hue and cry was raised in the Press at the time of the passage of the Scharnhorst and Gneisenau through the Channel on the grounds that the weather reports which made this operation possible had been sent by wireless from the German Embassy in Dublin, something of the kind did in fact take place. Wash registered a protest with Hempel about the use of his wireless set and made it clear that if it came up again it would either result in the set having to be handed over or possibly a demand from the British and Americans that the German Embassy should be closed and that Eire should abandon her neutral status.

Four of the Russian agents who were brought over here with a view to their being dropped by parachute in Austria are awaiting a ship from Scotland which is to take them back to Russia via the Panama Canal. The party consists of 3 men and one woman, who are believed to be Austrians. They have been here for nearly a year and are being sent back either owing to their unsuitability or their reluctance to undertake the job. They told their S.O.E. bear-leader that in fact they were ^{not} being sent to spy against the Germans but to bed themselves in as long-term comintern agents. They think that they will now be sent to some desolate spot in Siberia and are anxious if possible to be allowed to remain here. It is possible that this may be merely a ruse to get us to allow them to bed themselves down here instead of in Austria. On the other hand their story may be a perfectly genuine one. Geoffrey Wetnered is going up to have a talk with them.

April 10th

Spent the morning dictating at home.

Pennox brought Gibson to see me, Gibson is to be GSOL. IB for Huskey. He had been promised two people by SIS, to form his SIB unit. One of them is to be Johnstone, an airman who is working in the SIS office in the M.E. and has a good knowledge of Italian. He is to come back here to be turned into a soldier and then sent to

N. Africa. Gibson does not know who the other is to be. He is strongly of opinion that he should have a Security Service representative and his view is apparently shared by Mountain. I showed him the D.M.I.'s letter to us and our reply, which gave him a good idea of what we had to offer. I also said that I was going to suggest to Harry that he should take the matter up with the D.M.I. on Monday. Meanwhile it would be up to him when he got to North Africa if he thought fit to put in a special request from there through his D.M.I. who will probably be Kenneth Strong. I told him that Strong held views similar to his own.

BALOOON has received £740. Berlin has authorised a final payment to TRICYCLE of 187,500 escudos. We are still at a loss to find suitable cover for TRICYCLE to go to Mid East.

FANTO, who is in future to be known as PUPPET, has sent two letters to Lisbon announcing his safe arrival and his reception in this country. He has given quite a lot of useful information about the Abwehr and German penetration in Belgium. No further action will be possible of a XX aspect until PUPPET gets his secret ink.

The Germans appear to be satisfied with the work of BRUTUS. He is going to make a survey of the south coast shortly.

GARBO made contact on 9.4.43. He has been asked to instruct sub-agent No.3 to investigate the movements of troops south-west of Glasgow. This appears to be a request from Berlin who regard No.3's reports as valuable.

The Germans are taking a good deal of interest in the "City of Lancaster", which has taken a long time to get from Lisbon to Gib. We have considered staging an explosion in Gib. but on the whole think it wiser to await the vessel's return to Liverpool.

April 17th

I saw Maxwell and explained to him our difficulties with regard to the new LRC. I thought we wanted firstly an increase of staff at the LRC, secondly a place where we could segregate detainees at any rate for a limited period, and lastly an extended use of 12(5)a. MAXWELL was very sympathetic but he was not very keen about extending 12(5)a as he thought it would lead to appeals to the Hurst and Lindley Committees. He saw no objection however to extending the R.L.L. period. He undertook to have a talk with Moylan.

On the D.G.s instructions I told Maxwell that we are not anxious to send our LRC report to Moylan as it contained information which affected SIS and SOE. They were already rather touchy about the recording

of anything relating to escape routes and I thought that if we let the report go further than himself we might get into trouble. He quite understood and handed me back their copy.

I gave him to read a copy of the HARLEQUIN report that we had prepared for the P.M. I also discussed with him the question of the H.O. appointment, the D.G. having given me a note in which he asked whether consideration had been given to the two names that he had put forward, namely Sir Charles Stead and Sir . . . Campbell, two of his Indian civil service friends. Maxwell said that he had been reconsidering the whole question and that he was now convinced that the H.O. should if possible appoint somebody from within their own organisation.

Ronnie Reed has written an extremely good report on ZIGZAG, a copy of which I am proposing to send to Duff Cooper.

Plan MINCEMEAT has been approved by the P.M. I have seen the documents which are extremely well faked. The body is to be dropped somewhere off Huelva. The compromising document is one containing a plan and cover plan written by GCIGS to Alexander. Actually the cover plan is the plan.

Duff is rather annoyed that the question of Signals Security has been delayed. He

is writing to G-P and called a meeting for Monday.

The D.G. has shown me his report to Duff making suggestions for the post-war reconstruction of the office. He is quite emphatic about the question of proper establishment and pension rights. I agree with most of what he says. He gives some interesting figures about establishment in the past years. In 1909 there was one officer with no staff, in 1914 there were 4 officers with a staff of 10, in 1918 97 officers and 470 staff, in 1924 a total staff of 28, in 1930 staff of 54, in 1938 130, and in 1939 220. Today there are 270 officers on the Security Service establishment, 180 on military establishment, and a staff of 2515.

Maunsell has wired that more help is needed in Egypt. He has obtained an increased establishment of 30 and would be grateful if we could fill any of the vacancies. He could I think have Kenneth Younger in due course and we could also at considerable sacrifice give him Brooman-White.

April 19th

Thurston came in to see me. He is going back to America on Thursday. The D.G. had already acquainted him with more recent developments concerning the establishment of a Security Service office in America and Denham's proposed visit. I said it was rather early at present to say exactly

how things would plan out but that I thought considerable progress had been made. I felt very strongly that until we had ~~xxxxxxx~~ our own representative in the Bureau there were many things which might be of interest to us which we should not get. In particular I hoped it would be possible to get over the difficulty of not passing us cases which were sub judice. I explained that this was a thing which we were doing constantly. I hoped that the FBI would be able to reciprocate. Thurston entirely agreed and said that he would take the matter up in Washington.

I had a talk with Dick, Adam, Baxter and Brooke-Booth about the various categories who were in future to be sent to the LEC. Adam explained that he was still having difficulties with the Home Office. He was anxious in so far as it was possible to keep off categories. This would give the SCOs much wider discretion. He proposed that those to be sent up should be (1) people concerning whom there was information at head office, (2) people who unfavourably impressed the SCO by their manner etc. (3) people who had been in circumstances or in an area where they might have become susceptible to enemy influence. Within this framework it would be purely a matter for arrangement between ourselves and the H.O. Adam said that the papers were with the H.O. and Perkes had told him that the matter had gone forward to Maxwell. I rang up Maxwell's secretary who knew nothing about the file. He undertook to

make enquiries and let me know. I gave him the number of the file which Adam had, to chase up.

The effect on BRUTUS of the recent trouble between Poland and the Soviet Govt. is being carefully considered.

The Germans are intending to send more sabotage material to Mutt and Jeff.

Tate has expressed himself as being worried and disturbed as he thought that he saw a D.F. van in his area recently. For this reason he will not be transmitting so often. The possibility is being considered of allowing Tate to take up a job. He is being given his freedom.

Our plans for an explosion on the "City of Lancaster" have rather gone astray. The ship should have come in at East Ham, but had to go on to Glasgow. It was decided therefore that the captain of ship and the S SCO, and certain officers, should inspect the bunkers and the crew would probably draw the conclusion that the investigation was concerned with something which had occurred in that part of the ship. It was thought that the subsequent expansion and distortion of this interrogation which would result when the crew got back to Lisbon would provide sufficient cover for ZigZag if the enemy were at the moment suspicious of him. Keed went up but for some reason or other thought it advisable that the piece of coal should be "discovered"

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This I think was a pity.

There is to be another Plan Dream involving the sum of £2,500 in the near future.

Two more of Garbo's agents have been identified with Felipe's V-men. W/T tauch has been maintained and instructions received to encipher all messages twice for greater security until we receive a new code.

Lipstick has had four incoming Duff in the form of a questionnaire.

A new agent named METEOR has arrived. He comes to us as a XX with instructions to act in that capacity, but also to communicate with other addresses which is not supposed to have disclosed. He has been put in touch with Tricycle.

April 20th -

Away ill with jaundice and then on leave.

In my absence it seems that a German station was heard transmitting on 20.4.47 trying to get in touch with Springbok.

File in get down of Mrs. Koppel.

A letter has been thrown up by Censorship from the son of General Louis de la Pellouse in Occupied France, to a Mrs. TREFUSIS in London, inviting her to come to Portugal for discussions and giving her a cover address for her reply. It was clear that this letter was written on the instructions of the German S. S., the whole matter being

reflected in ISOS. It was possible that this was some form of peace feeler. Mrs. TREFUSIS is known to be pro-Vichy in her sentiments. The letter has been allowed to go on and arrangements made to intercept her reply. The cover address used is a well known German collecting centre.

On 5.5.43 Hart reported that an agent named _____ is on his way here. He has been in Lisbon for 4 months and before that in Berlin. He is bringing jewels instead of money with him. He is connected with KOESSLER's circle and was a member of the firm of Otto WOLFF. There is another, so far unidentified, agent coming from Lisbon, of whom it is said he will communicate by B.O.A (possibly B.O.A.C)

The outcome of Wethered's interview with the 4 Austrians intended to be dropped in Austria as Soviet spies, which I mentioned on April 15th, was as follows:

He saw three of the four at Inverness and the fourth in a convalescent home in Surrey. Their names were Wilhelm WAGNER @ Kurt TRAUB, Hilda UXA @ Marie DICKSEN, wife of WAGNER, Alvin MAR @ Georg MARTENS and Anton BARAK @ August HOFFMAN. The aliases are the names under which they arrived in this country from Russia on 18.12.41. MARTENS arrived later than the other three, as he replaced one Karl SCHWARZ who fell ill and had to return to Russia in Feb. 1942. HOFFMAN arrived at the end of Sept. 1942, by MARTENS.

The nominal object of the expedition was for them to be dropped by parachute in Austria under the auspices of S.O.E., in order to carry out a plan specified by the Russians, but unknown to S.O.E. who assumed it to be one of war-time espionage. SCHWARZ was to be the wireless operator, and had a W/T set, code etc. which S.O.E. did not see, and which he took back to Russia with him. MARTENS brought a similar outfit with him but was torpedoed and had lost the set and all his documents. The Russians then sent a third W/T set of the same kind and other papers, a few of which S.O.E. have seen. The party, on their arrival, complained bitterly of the documents issued to them by the NKVD and the cover stories which had been arranged for them. They all declared that the NKVD had advised them to seek assistance from the English in these matters so that documents and cover stories could be improved. When S.O.E. raised this point with the Embassy however they received the reply that in no circumstances were SOE to offer any help or interest themselves in the matter. As no improvements could be effected the party refused to go and negotiations between London and Moscow began. New documents were sent from Russia, which apparently were scarcely better than the original ones. The main difficulty seems to have been not so much in the form of the documents - which was approximately correct - but in

the cover they were supposed to give. Mistakes were also made, as for instance in one case three documents made out on different dates over a period of 5 years for the same man each contained a precisely similar photograph of the individual wearing the same clothes etc. In spite of negotiations, no real improvement was effected, and the Soviet Embassy never allowed the party to seek assistance from S.O.E. On the arrival of MARTENS, with no fresh instructions or improved documents, matters reached a deadlock. Party because of this and partly because of ill-health the party refused to make the trip. They were then ordered to return to Russia. This alarmed them very much and they asked if they could remain here, but the F.O. refused for political reasons. In Jan. 1943 they were put on board a ship, which sailed for the Faroes but as no convoy was available returned to Scotland in March. During this voyage the party were kept as prisoners by one TOROPCHENKO, who made no secret of the fact that trial and perhaps death awaited them in Russia. This man is now at Inverness living in the same hotel as the three members of the party. All of the people concerned were Austrians who originally went to Russia at the time when an open invitation was given to refugees from European communist parties to come and take up work in Russia. Wethered thinks that the possibility that any member of the party had a role of penetration in this country may be dismissed. They are genuinely terrified of their fate should they be sent

back and anxious to give all the facts in their possession in the hope that they may be allowed to remain here or go to the U.S.A. Wethered concludes that none of them knew for certain what exactly their presence in Austria was designed to serve. It is clear that they were to form some sort of information service, and two of them strongly suspect that their chief role would have been a post-war one. They all said that instructions, requests for information etc. were only to be transmitted to them after their arrival in Austria and when they had set up wireless communication with Russia. The present position is that as it is obviously impossible for them to remain here, the F.O. is at present considering a plan by which certain facts should be communicated to the Americans, and that if the Russian ship puts in at an American port in the Panama Canal or elsewhere, as is probable, the party should be arrested, taken off the ship, and subsequently allowed to escape.

On 2.5.43 we heard that the body of MINCEMEAT had been washed up at Huelva and had been taken in charge by the Spanish Naval Authorities.

It was announced on the 8th May that we had captured both Tunis and Bizerta at one blow, and that the Germans were now retreating into the Cape Bon Peninsula.

On 11.5.43 Curry was seconded to S.I.S. to take over and work up their Communist section. The idea is that he is lent for about a year, and will work at Broadway. He will however continue to edit the German S.S. book, the next edition of which it has been decided to bring out about November. He seems quite pleased at the idea of starting in on this new job, which will certainly give him something to get his teeth into, as S.I.S. have done nothing about the Communists for the last three years.

Asst. Commissioner Kemp and Sub-Inspector Regar of the R.C.M.P. have come over on a two weeks visit and are going to be given as much information and instruction as they want. According to Mills there are large gaps in their knowledge of the various sides of Security work which will have to be filled.

(12/5)

The papers this morning/had the news of the PMs latest visit to Roosevelt, the secret of which had been well kept in advance this time. There was only one rumour as far as I know about it, which appeared on the telephone check for KUH on May 5th.

On 15.5.43 we heard that von ARNIM is coming here as a prisoner. He will probably be housed with the Panzer Generals. It will be interesting to hear what he has to say to them. The war in Africa is over. The Germans surrendered with masses of equipment, guns, petrol, etc. still available to them, all of which is now in our hands.

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Von ARNIM was taken prisoner by the 4th Indian Division.

We have now heard from Mills that the package which SIS were sending from New York to Lisbon for delivery to Springbok's cover address, giving particulars of times when he would attempt transmissions, was mishandled by the New York office and sent by sea instead of by air, so that it could not reach Lisbon before the dates on which the transmissions were supposed to take place. The attempts to establish Springbok as a XX have therefore been frustrated.

Dragonfly has made contact with the Germans, one hour late. The Germans announced that they had a message for him, which will presumably be received next week.

Garcia ARMAS has deposited with Richard Butler the sum of £2,375 for the account of "Douglas Wills". When the 225,000 pesetas have been paid over in Madrid he will give instructions that it may be released.

Mutt and Jeff's w/t sets were both working last week, one from Scotland and the other from London. It appears from messages received that the Germans intend to drop sabotage material at the end of May. Plans are accordingly going ahead for working out a scheme to sabotage the power station at Bury St. Edmonds. On investigation it was found that Basingstoke was unsuitable for various reasons. The Germans will be informed

that Jeff has been posted to Bury St. Edmonds and he will then put up his revised project.

At the Wednesday meeting on 19.5.43 Milmo reported the arrival here of the Belgian agent Jean HUYSMANN.

HARLEQUIN is packing up on us.

Stopford's agent Joseph who has just returned from Lisbon, was approached there by the Japs and asked to act as an agent in this country. They suggested various sabotage schemes to him, one to function in Glasgow in September. He was given a cover address in Lisbon, a seal specially made for him with his monogram on it to seal the letters he would send back by courier, and a promise of a wireless set which would be sent in separate parts by degrees through the courier who would bring his letters.

On 22.5.43 The Soviet Government announced the disbanding of the Communist International.

It has been decided to withdraw the charges against DITCHFIELD, who turned out to be 17 years of age, and to commit him to an approved school till he is 19.

Jean HUYSMANN has been identified with the previously mentioned ISOS character Jean LEGRAND or LATOUR. One Gerard "P" left for U.K. on 19th May. So far unidentified.

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May 31st

I returned from sick leave this morning.

The principal things of interest seem to be that: Plan MINCEMEAT has been an unqualified success. It has been reflected both in ISOS and MSS and it seems that a number of troops have in consequence been sent to Greece. A post mortem was held, and the conclusion reached was that the man had been in the water for 10 days or a fortnight, whereas he cannot have been afloat for more than 48 hours. Had the post mortem been properly conducted it would have disclosed that there was no water in the lungs. The "death" of the "Major" has been reported officially in the Gazette, and "relatives" have sent wreaths.

GARBO has had another great success. He has received a code which GC & CS say is almost the equivalent of a one time table. What is more important is that he has instructions to use our army procedure in transmitting his messages. The preamble and conclusion of his cypher message will indicate that his messages are British Army communications and they will not therefore be recorded by voluntary interceptors. The replies to his messages will be in Abwehr procedure. It will not be clear who the recipient is in either direction. GARBO has also a complete table of call signs, times and frequencies up to Feb, 1944.

DUCK has succeeded in her special job of getting
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the Spanish tapes again.

MENEZES has been relieved.

Looking at the move of the dissolution of the Comintern at a distance, I came to the conclusion that probably it would constitute no real change but that firstly it would be a serious blow to Goebbels, secondly to the trade unions and labour parties which the Party was seeking to affiliate with, and lastly it would facilitate the rapprochement with the USA who have always been very apprehensive of Comintern activities. I cannot believe that the good work will not go on as before, and that it is far too valuable a weapon in the hands of Russia to be lightly abandoned. It seems that the party here were taken by surprise. They had received no prior notification of the contemplated move.

Harmer, who has been waiting for Mutt's sabotage equipment in Aberdeenshire, reports that the plane came in to drop the material some 10 or 15 miles away from the arranged spot. It was picked up by a farmer. Two hundred yards from where the parachute was dropped there was a mobile R.A.F. beacon which may have been mistaken for Harmer's electric flashes. The sabotage equipment was contained in a suitcase, dimensions 14" X 10" X 4". Inside were an S.O.E. clamp, an S.O.E. flare and an S.O.E. detonator container, plus £400. We are not acknowledging receipt and are going to suggest going out again, i.e. on the assumption that we know nothing about the container being found.

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Dick has had a conversation with Frost. It seems that the latter is likely to take a job under Fladgate which will involve his lecturing to signals units on signals security.

Not much progress seems to have been made on the Second Front. A telegram has been sent to Hill-Dillon asking him if he wants John Mair. This is a pity. I think that it should have gone to Kenneth Strong, DMI North Africa, who would have given it a more sympathetic reception. Hill-Dillon will probably consult Trevor-Wilson.

I saw Duff and took him the MT5 report. He seemed very interested, particularly in MINCEMEAT and GARBO.

I saw Denham who is leaving for America on Friday. He seemed more or less to agree with my views about what was necessary out there. We both thought however that it would be unwise to prejudge the case until it had been thoroughly investigated.

June 1st

I attended the Director's meeting. The D.G. made a statement about a large number of arrivals from abroad at Camberwell and the LRC. The situation has now become acute, and considerable pressure was being put upon us by the H.O. He did not think this was really justifiable. As far as he knew there had been no complaints from the Allied Govts.

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for about a year, neither did he think that an increased of examining staff was justifiable in the light of the present man-power situation. Jim Hale drew attention to the fact that most of our troubles with regard to internment were due to bad accommodation. People did not mind so much being detained for a matter of weeks provided conditions were tolerable. Camberwell was under the MCC and was extremely badly run. Sanitary conditions were bad and there was no proper control over the guests, some of whom periodically walked out. The D.G. said that he thought the whole matter should be put on the same footing as the LRC, with improved accommodation etc. Later Dick had a meeting with Baxter and Brook-Booth in order to get our requirements quite clear. Opinions have been somewhat revised during my absence. Dick thinks we still want improved accommodation at the Oratory Schools, with arrangements for segregation. He says we have no difficulty with 12(5)A orders when the case is a fairly doubtful one. When sending someone to the Oratory Schools it has been necessary to get a 12(5)A order if only temporarily as it was not considered possible to hold someone in semi-detention on an order refusing leave to land. He thinks we should send more cases to O20 if they are really doubtful and that for the remainder Brook-Booth should persuade the allied governments not to take doubtful cases into the forces until we had conducted a thorough examination. Brook-Booth is quite confident that the various 2eme bureaus are not competent to carry out enquiries once their nationals are absorbed into the forces.

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On the other hand however if they are kept out of the forces we have a chance of making much more searching enquiries. I told Dick that I was quite agreeable to this line but the trouble in the past had been that enquiries in E. Division had been of a very desultory kind. If they were now going to take over this responsibility they must do it thoroughly, with special facilities etc. He said that Brook-Booth quite understood the position and was prepared to act on those lines.

Lennox came to see me and gave me a general outline of future plans. There does not seem to have been any particular material change since I left, except that a rather momentous addition was decided at the Washington Conference. The Germans have about 19,000 troops in Sicily and about 8,000 in Sardinia. The remainder of the forces are Italian. There are very few German troops in Italy.

June 2nd

I took the Wednesday meeting. I raised two points on minutes of former meetings. It seems that quite a number of prisoners taken by the Americans in N. Africa are claiming to be Poles or Yugoslavs who were forced to serve in the German Army. They now wished to fight for the Allies. It seemed to me that they might provide a valuable recruiting ground for ourselves, S.I.S. or S.O.E. If considered satisfactory they could be used as straight agents. Even if

they were wrong I don't see that we had much to lose. T.A.R. is going to take this matter up with Foley and John Senter.

The other question related to the examination of returning escapers and evaders. From a remark of Jock Whyte's it seems that they give a certain amount of information about undesirables, escape routes etc. I thought that this information should be supplied to the LRC for ~~the~~ inclusion in the Information Index. Jock Whyte undertook to get into touch with Vesey about this matter.

Hart spoke about the shooting down of the BOAC plane from Lisbon to U.K. which took place yesterday. It seems that according to ISOS the Germans had obtained certain information about the route to be taken by this plane which had already been attacked on a previous occasion several weeks ago.

Grogan mentioned a new proposal made by the International Red Cross that P/Ws should be allowed to communicate under certain restrictions with their relatives by wireless. It was suggested that provided such messages were delayed for 14 days no very great harm could result. Jock Whyte suggested that in the light of M.I.9 experience which showed that our P/Ws send parts of the same message in different letters despatched by 5 or 6 different people from the same camp, it might be advisable to do as the Italians did, namely to vary the period of hold-up from a week to 6 months. Personally I feel rather doubtful whether we should not veto the whole

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scheme, as it will either involve us in a good deal of work or be somewhat dangerous. I have asked Grogan to let me have a copy of the proposal for careful consideration.

I lunched with Mountain. It seems that he is going back to his company, the Eagle Star, owing to the death of one of his directors. He is very anxious to continue to do some part time work for intelligence. His company has very wide ramifications. It is a pity in a way that he is going as he was a great ally of ours on the Second Front question.

I saw Denham and suggested to him that either he or Mills might usefully visit the Chicago Intelligence School and let us know in some detail what form the instruction took and whether we could contribute anything from here. I said that I was not very anxious to send a Liaison Officer to Chicago as suggested by Ramsbotham. Such a person, with all round expert knowledge, would be difficult to find, and would soon get out of date. It would be much better if we gave the Americans a course over here. Denham agreed and said that he was making enquiries.

The D.G. showed me a letter that he had had from C. about Webster, the S.I.S. representative in S. Africa, had apparently complained that Webster was unsuitable and somewhat indiscreet. I said that I thought that during my absence Michael Ryde had expressed himself rather freely in confidence

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about his difficulties with Webster. The D.G. said he would very much like to see any correspondence of the kind. Harker had already shown me a letter that he had had from Ryde. He had told the D.G. that Ryde was not happy but had not shown him the letter. Meanwhile I had seen a letter which John Phipps had forwarded on. I persuaded Harker that we should show both letters to the D.G. It was no good letting him take up cudgels on behalf of Webster in his reply to C. unless he did so after due consideration of all the information available. Harker agreed, and we showed the letters to the D.G. He said that in replying to C. he would bear them in mind.

June 3rd

I have been looking through the Second Front file and find that there have been several conferences in the W.O. about the establishment of an M.I. unit. The last paper is dated 8th May but there is still no final decision. AS REGARDS OURSELVES; IT IS SUGGESTED THAT EITHER WE SHOULD BE APPOINTED to the S.I(b) unit or to the I(b) staff. It seems incredible that after 4 years of war we should not yet be clear as to the position of an M.I. staff which is to proceed with an expeditionary force. The whole matter has been brought to a head by a visit here of several mysterious officers from the W.O. saying that they were connected with operation "Horrorified" and had been advised to call on us and in particular on B.1C.

The operation was too secret for them to tell us what it was or where they were going and they did not seem at all clear about their duties. They were vaguely interested in counter-sabotage. I am taking this matter up with the D.G. and Harry Allan. John Mair has been standing by for Huskey for the last two months and I rather wonder whether his services are not required or those of any of the other officers. I am suggesting to the D.G. that these points should be taken up on a high level in order that we may know positively one way or the other. If they do not want us we can dispose of our officers to other organisations where they would be better appreciated. It seems clear that the specialised knowledge and information available here is regarded as of some importance. We must therefore either be regarded as a centre for training service personnel detailed to go on foreign expeditions or we must have a definite commitment to supply and train such officers either from our existing personnel or from other sources. At present we have no positive commitment although we have been told by the D.M.I. that he is most grateful for our offer to supply trained personnel for I(b) work. At present there seems to be some idea that people with the requisite experience and knowledge of officers of this department can be turned out at the 11th hour by sending them round here to read a few documents.

I had a long talk with Finney, who is a personal friend of Felix Cowgill, about the relations between B. Division and Section V. He seems to have a very sound appreciation of Felix's faults and his virtues. Finney himself has been much impressed by the efficiency and help of the officers who have been preparing him for the job he is to take on in India. He realises that you cannot run a show of this kind on rigid lines and that it is necessary to employ a wide variety of people of different kinds of qualifications. Some must be field workers and others must have organising ability and some again must have high intellectual and academic qualifications. Felix's idea is "you only want field workers", and that the work of people like Gwyer and others who compile memoranda on the theory of DA work etc. and on the Abwehr are unnecessary and a waste of time. He cannot appreciate the value of periodically sitting back and trying to take stock of the position and see the direction in which you are going. His work is very largely on a day to day ad hoc basis. Finney knew Felix well in India and actually took over from him. At that time Felix was passionate about communism. He thought it was the only thing that mattered. Finney disagreed with him. He thought that at that stage, namely 1938, D.I.B. ought to be turning their attention far more to the Axis. Felix slightly resented Finney's disagreement. He said that Felix was a man who always tried to keep all the details in his own hands and run

the department as a one-man show. In his recent conversations he has told Felix that he thinks he is making a great mistake and causing much friction by his attitude towards B. Division. In particular he has told him that his behaviour in regarding people in this department as not fit and proper persons to be made aware of secret sources of information is entirely unreasonable and causing a good deal of resentment. He has also tried to impress upon him that so-called "intellectuals" form an extremely important part of the organisation and could not possibly be dispensed with. Felix remains more or less mute to these accusations and shows no readiness to make himself more pliable. I said that if he did I should be very pleased to talk to him but that at the moment I felt that our points of view were so fundamentally different that we were not likely to make any progress. Finney had already suggested to Felix that he should try and get together with us but found him deeply suspicious. He refused to meet any of us over the dinner table as he thought that would only be a way of getting him to agree to something which he did not intend to give way on. Felix apparently bitterly resents our efforts to what he calls "encroach on the Second Front." He thinks that it is none of our business.

The D.G. gave a dinner party to Kemp and Regan the two RCMP officers who are returning to Canada after spending 6 weeks with us. Kemp asked me what exactly Denham's office would be, as he thought Commissioner Wood would be

anxious to know. I said that Denham was going purely as an organiser of M.I.5 representation in the Western Hemisphere, which is to include, Canada, USA and the Caribbean. There would be no point in consulting him on matters of detail affecting the work of this office. Liaison would continue as heretofore and Kemp would be at liberty to correspond with anybody in the department who he thought might help him. He could also get a certain amount of expert assistance from Mills who was well acquainted with the workings of B. Division. Kemp seemed very satisfied with his visit. He is an extremely likeable person, though in so far as our work is concerned he is really starting from scratch. He will be taking over the whole of the CID at Ottawa on his return.

June 4th

I have written to Maxwell stating our views about the unsatisfactory cases which we had to pass through the LRC. We are asking for improved accommodation at the Oratory Schools with opportunity for segregation and we are proposing in future that E. Division should advise the Allied Govts in unsatisfactory cases not to take them into their forces. This will give us an opportunity of carrying out observation on them after their release from the LRC. Such cases will to some extent be under the direction of Herbert Hart.

I attended a meeting called by the D.G. at which Maj. Gen. Cawthorne, DMI India, Peter

Fleming, Vickery, Bamford, T.A.R., J.C. and myself were present. India have been rather inclined to think that a XX network can be built up on purely deceptive lines. TAR gave a brief survey of the work of his section. He explained how it had been set up primarily for CE purposes and that only when it was satisfactorily established was consideration given to strategic deception. It was pointed out that its primary purpose was insurance against penetration and that deception was really a side line. If the agents were not properly established and the CE aspect were not carefully considered, much valuable information would be lost. On CE lines we had succeeded in learning a great deal about the enemy intelligence system, in obtaining his secret code, and other methods of communication such as secret inks and duff. We had also established a position where our word was likely to carry weight with the enemy rather than that of another agent who might be outside the ring. We used the organisation for deception in so far as it was possible to do this without jeopardising its whole structure. According to John Marriott's letters from India there has been a certain amount of friction between D.I.B and the military authorities and it is hoped by this talk, which was very sympathetically received, relations in India may be improved. A letter from John Marriott today seems to indicate that things are moving more in the right direction. DIB will perform similar functions to ourselves working in close touch with the military authorities.

I took Dicks daily meeting. Herbert mentioned two more agents destined for this country and also the new service between Berlin and B.A. which has now been broken. This service is being run by the SD. There is a certain amount of information about couriers which may be of value in Trinidad, when examining the crews of Spanish ships. There is evidently a certain amount of friction between the Sg and the Abwehr owing to the former's incursions into the foreign field.

Milmo mentioned that the Argentine authorities had captured quite an important German agent who had left certain of his papers on board ship with confederates among the crew. It is intended to interrogate these people when the boat reaches Trinidad.

B-W mentioned the KOBBE case. From recent B.J.s it was apparent that when he arrived at Louisiana his bag was searched in a very rough and ready manner by the Americans.

There is still no solution to the difficulty about showing B.J.s to the FBI representatives here. I am going to try and take this up agains with Stewart Menzies.

June 5th

G.C & C.S have given us an appreciation of GARBO's cypher. They say that it has 3 outstanding features, it is new, it is perhaps the highest grade cipher ever used by the Abwehr in their experience, and it is

identical in principle with the cipher recently, since 1st May 1943, given by the Germans to their most important Spanish outstations, Huelva, Bilbao, San Sebastian, Melilla and Tetuan. These ciphers have not been broken but with GARBO's information it should be possible to deal with them within a period of 2-3 months. It would appear therefore that the Germans must have good confidence in GARBO and also in his immunity from danger of capture. At the same time the Germans may believe, and the belief is probably justified, that possession by us of this agent's cypher would not automatically "blow" the cyphers of the Spanish stations. Each use of the cypher has a different key process and without a knowledge of this the cypher has a good claim to be considered insoluble. The Abwehr have begged GARBO to guard his code with the utmost care.

I saw Cimperman this morning. He told me that although he was getting on very well with everybody, he was conscious of a slight feeling which he thought was fully justified, that we were not getting our full quota from the FBI. He felt sure that Thurston would see that this was set right. He thought that the presence of Mills in the Bureau would make a vast difference. I said that I hoped very much that Ladd would see his way to coming over here as I thought it would do much towards inspiring confidence in our officers and would ease his mind when releasing information of a delicate kind. Cimperman thought that we might possibly send him a

special invitation as soon as Denham has finished his conversations with Hoover.

Haylor and co. have arrived in the Middle East. Kenneth Younger is probably going to be taken on by Maunsell.

At the daily meeting I discussed the case of ~~the~~ the SOE agent who came here originally as a deserter and was subsequently dropped in Germany. He returned here again passing through San Sebastian with a fictitious story. Apparently his masters at SOE believe him. Personally I think he probably planted himself on SOE in the first instance, and that he is purely and simply a German agent. He is prepared to go back again provided he is not sent to Germany. This I interpret as being the feeling of his masters in Germany that he would be of much more use in occupied territory. SOE are now proposing to use him again on some lone job. It seemed to me that in the interests of SIS and of other organisations of the kind, he should not be again let loose on the continent. He should in fact be interned under the Royal Prerogative. I am proposing to have a talk with Field Robinson about his case. Milmo seemed to think that we should be within our rights in refusing to allow this man's employment. I do not however wish to have a row with SOE if it can be avoided. Day mentioned that he has gone into the case of the R/W of the German Air Force named FRIED who said that he had landed an agent at Flamborough Head in 1940

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and taken him off again. This agent had done valuable work in reporting the departure of certain aircraft which were shot down over Norway. There seems to be some foundation of fact of this story. Firstly the aircraft were brought down in somewhat mysterious circumstances, and secondly the local police did report two somewhat mysterious men rowing out to sea in a boat. The other cases mentioned by FRIED were solely hearsay and probably untrue.

June 7th

Gelatine received £238 on the 2nd April. On 26th May Dragonfly succeeded in re-establishing contact. He was told that a diplomat travelling to this country at the end of May might bring jewellery which Dragonfly could sell. Watchdog has received a questionnaire which seems to disclose that the Germans are interested in his case.

I took the daily meeting. Mrs. Spring produced an ISOS message indicating that the Abwehr in Lisbon have a fairly good idea about our future plans in the Mediterranean. Milmo mentioned that there were difficulties about MENEZES correspondence from Dartmoor. There is no evidence at the moment that the Germans are aware that MENEXES has been reprieved, although it is quite possible that the information has reached them through some Portuguese Govt. channel.

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Our only course therefore is to act on the assumption that any letter MENEZES write is bound to be open to some objection. Milmo thinks that the Germans may well consider it curious that in no single case have particulars been published regarding the execution of a spy who has been in the country for any length of time. All the published stories relate to spies who have been captured immediately on arrival. In the case of Menezes he thinks it desirable that if B.L.A agents are not to be compromised the facts should as far as possible be withheld. I asked Vesey to consider carefully the question of the circulation of the RES report. It seemed to me that possibly we were going outside the terms of our agreement with SIS that details regarding their organisations should not be circulated. Vesey pointed out that the details appearing in the report referred only to the cases of organisations and individuals who were already in the hands of the Germans. I am going to discuss this matter tomorrow with Baxter.

The P.M. returned from the USA via North Africa on Saturday.

I have drafted a note to the D.G. dealing with my scheme for improving the prospects of promotion in this office after the war. It is based on the suggestion that the three Service Intelligence Depts. should appoint a permanent civilian intelligence staff who would give continuity to the work. At
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as their officers get a grip on their subject they are wafted away to other spheres. We then have to try and re-educate the new recruits. Promotion could then take place within these civilian service staffs, possibly SOE, S.I.S. and ourselves. Loxley, with whom I discussed the question thought that certain F.O. posts might also be la open. Financially I have suggested that all services should be paid from the Secret Service vote and that the officers should be uniformly graded in a loosely knit "Intelligence Corps". The advantages of the scheme would be (1) to increase the field of promotion and thereby make intelligence work more attractive as a career to those who have high academic qualifications, (2) to give wider experience to all workers in the intelligence field, (3) to provide a well trained nucleus of intelligence worker on which to build in time of emergency, (4) to retain for Intelligence as a whole the experience of those who are working in its various branches, and (5) to promote a better understanding among all workers in the Intelligence field.

Field-Robinson came to see me about Kurt I told him that I had read the story and found it singularly unconvincing. I admitted that I had not had the advantage or disadvantage of seeing personally. I was only looking at the case in cold blood. Robinson admitted that the story was an extremely peculiar one although of course he said he could not be

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bona fides.

100% certain. He thought that in some ways
was slightly mad. In any case he
appeared to be unaware of the enormous risks
that he would be running if he went on
another mission. He has gladly accepted the
job of blowing up the railway near Mainz.
I said I was quite satisfied from the secur-
ity point of view in this country, provided
SOE could say that had been isolated
throughout his stay here. Robinson gave me
an absolute guarantee that this was so. On
the other hand I thought there were certain
risks in having a man of his type rolling
round the continent and possibly making
contact with our controls or other organisa-
tions, particularly if he had anything in
the nature of a passport. After further
discussion we agreed that the possession
of SOE material, which was now known to be
thoroughly blown, would not give him the
entree. He would have no other credentials
except German Army papers, which would get
him nowhere with the British. There was per-
haps a slight risk of his getting mixed up
with other people in Spain on his way out
and learning something about escape routes.
To obviate this Robinson said that he was
giving very careful instructions that if he
turned up he should be isolated from any
other escapees and the fact reported immedi-
ately. Robinson said that if we were really
apprehensive they would call the whole thing
off. I said that provided the above precau-
tions were taken I did not see that we or
anybody else had anything to lose.

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Hollis came to see me about telephone checks and special facilities on certain doubtful members of the Russian Trade Delegation. It seems likely that the F.O. will agree to this provided a suitable letter is put up to Eden. The F.O. seem to regard it as their prerogative to sign telephone checks for anyone here who has diplomatic privilege. I presume that they base this on the old analogy of special material which was always worked by SIS. Such an arrangement would be quite satisfactory to us provided there is no d.O. objection.

Brooman-White discussed with me future action in regard to the Portuguese. We have received a letter from Philby showing the action of the Portuguese authorities on the representations made by us about German espionage in Portugal. On the 19th Feb. they arrested MENEZES' sister, MARCELO and MIRANDA. The sister was released after interrogation. On 10th March they were given 4 charts illustrating the network of FOESTER, WELTZIEN, SCHMIDT and GRIMM. Still concentrating on the MENEZES case they arrested a number of people in the Ministry of Foreign Affairs who were thought to be connected with a cypher leakage. The principal offender, CARDOZO, proved unbreakable and was released from prison but not reinstated in her former post. A new phase began on 26.3.43 when Salazar gave the international police a copy of the charts and instructions to arrest every-
later the arrest of the Germans themselves

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began, not only in Portugal but also in the Azores. In middle April however the German influence made itself felt. By order of the Ministry of the Interior FOESTER and SCHMIDT were released pending expulsion. No expulsion has so far taken place. On 27/4 three wireless operators working under ANNES and SCHMIDT were arrested. Kuno WELTZIEN's arrest appeared to present certain difficulties since two of his principle agents enjoyed the protection of the head of the Secret Service of the Portuguese Legion. Chance however put into the hands of SIS evidence since proved to be a forgery which seemed to indicate that FORGES and WELTZIEN were attempting to penetrate the War Ministry. They were arrested on 18/5. and 21/5 respectively. Another lucky chance discovery of MARCADO's W/T set in the false bottom of his mother's dog-kennel led to the re-arrest of ANNES and further evidence against SCHMIDT. It does not seem that our Minister, Sir Ronald Campbell has been of much assistance and any successes are entirely due to the efforts of Philby and the local representative of SIS. The Ambassador has shown but luke-warm interest in the affair. It is our intention to bring some further pressure to bear on the F.O.

Mountain of Home Forces who is going back to his own firm, came once more to tell me that he would like to do any work he could on our behalf.

June 8th

At the D.G.s meeting Brook-Booth stated that PWE had asked whether we had any objection to their putting personal messages of a rather obscure kind on the bottom of leaflets which they were dropping in Belgium. These messages would be from Belgian citizens here who had been resident for several years. The idea was that such messages would induce people to pass the leaflets to each other. It is proposed that the vetting of these people should be left entirely in the hands of PWE. I said that I thought it would probably not be long before the Germans took advantage of this method of communication, and that I doubted whether it would meet with the approval of SIS and SOE, and still more doubtful of the value of any leaflets dropped in Occupied Territory at this stage. They might be of some use if we were contemplating an invasion of the continent tomorrow. The D.G. ruled that there was no security aspect from our point of view.

Lennox gave us a talk about future operations and the decisions at Washington. The immediate ones were already known to us. Burma is being seriously considered in a limited way during 1943. Our bombing and fighting strength here is to be rapidly increased during the next few months. American strength in this country would be roughly double our own. American troops will be arriving in large numbers and when

the continental front opened will be roughly in the proportion of 2-1 as regards our own forces.

I had a talk with Baxter and Dick about the LRC. We agreed on the letter that was to go to C. in answer to his complaint about interrogations. I have also asked Baxter to consider very carefully the question of eliminating from the LRC report information which has a bearing upon SIS organisations abroad. I am convinced that for the purposes of their work it is probably essential for section heads at the LRC to see these reports but it should I think be arranged that when they have seen them they should return them to Baxter. Distribution up here should be limited probably to Dick and myself. In order to meet the difficulty about the copies sent to Maxwell and Creedy it may be necessary to have an expurgated edition.

I lunched with Orr. He mentioned the case of a Miss CATTO, who had found her way into the Planning Section of the W.O. She is apparently a night-club hostess who is more often tight than sober. When in her cups she is singularly indiscreet. She was given the all clear after what was described as positive vetting. This only included the passing of her name over Scotland Yard records. Orr quite rightly thinks that more positive enquiries should be made about people before they take up jobs of this kind. It was thought

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inadvisable to sack her since she knows most things about our plans for the next 9 months. She has been transferred to a training branch of the W.O. where she can do less harm.

Frost came in to see me. He talked about Signals Security and mentioned also that he thought there might be some opening for himself in PWE if they were contemplating taking part in Second Front operations. I told him that they were, and that I thought that they came under the Force Commander. I quite agreed with him that his present position did not give him much scope.

I had a meeting with Brook-Booth, Grogan and Stopford about allied seamen carrying letters from this country to Eire which were ultimately destined for Occupied Territory. There is now a great deal of evidence to this effect. It was decided, subject to preliminary discussion by Brook-Booth with the Allied Govts. (1) to destroy all such mail detected by censorship as a deterrent, (2) to inform the Allied Govts. of our proposed action, (3) to get them to post up notices on trawlers etc. making it clear that severe penalties would ensue if seamen were found to be acting as couriers.

I had a meeting with the D.G. and Harry about the Second Front. It was by no means satisfactory. I rather let myself go on the whole question. Harry replied by saying that we had made our offer to the DMI and presumably it was felt that our officer

should not proceed with the assault party. I said that I doubted whether the matter had really been considered. Hill-Dillon who had fixed up the arrangements of the SI(b) unit with Vivian, was obviously opposed to our participation in Second Front activities. When he got our wire about Mair he would probably have had a talk with *_____* who had doubtless gone back well primed by Cowgill. With this as a background excuses had been given that we were not catered for in Establishment. This is true, since the W.O. deliberations have been so dragged out that they have not yet decided about the set-up of Military Intelligence accompanying the expeditionary forces. Had we so to speak been down in the book our officer would have been in N.Africa. If he joined the unit after the assault he would obviously be at a grave disadvantage. If as I understood 3 SI(b) officers were proceeding in the first party who were not particularly well qualified for the work in hand, it seemed ridiculous that our officers should not accompany them. J.G. entirely agreed with my point of view. It seemed fairly clear that Harry did not see his way to taking things up again with DMI. I then suggested that he could take it up on the basis of the new operation which had just been planned and which would start from this country. It was a matter of some urgency to us to know whether we were going to be called upon to supply an officer. If so we should have to get down to his selection and training immediately. Harry seemed to think that we should be required

to send someone, but he has undertaken to find out. I think that in his heart he feels that the whole thing has been rather mishandled and that there is a definite attempt by SIS to keep us off the map. The D.G. told me afterwards that he intended that he and I should go over and see Duff Cooper about the whole matter as soon as the latter returned.

June 9th

I had a meeting with Denniston and Dick Butler about the enemy alien situation. I agreed that since my memo of 2.2.43 was written the situation had somewhat changed, and that we might be able to ignore to a large extent any spy or 5th column aspect provided there was no major catastrophe on the Russian Front, when the problem might once more become acute.

I did not think however that we could ignore the post-war problem. Denniston said that at the moment our knowledge of enemy aliens in this country could go no further than the cases which had for one reason or another come to our notice. There was a large number of enemy aliens here about whom both we and the police knew extremely little. He saw no way of tackling the problem unless he reviewed some 60,000 cases, which he could not possibly do with the staff at his disposal. I wondered whether it was possibly the RSLOs could undertake some of the work seeing that at the moment they were working at a very slack. Butler thought such enquiries were not likely to

be very profitable since Germans who might wish to remain here were probably carefully keeping out of trouble. There is certainly something in this argument. On the other hand it is not likely that they will be any more active at the time when their case comes up for review by the H.O. We shall then be faced with an avalanche of applications for enemy aliens to be allowed to remain here and I am seriously afraid that we shall be singularly ill-equipped to deal with them.

It was agreed that Denniston would have a talk with Prestige of the H.O. about future possibilities, and that we should then consider the matter again with a view to formulating some line of action.

The D.G. spoke to me about my post-war scheme for promotions. He thought the idea was a good one but did not wish at the moment to cloud the issue with suggestion about changed in departments outside our own. He thought the first step was to get ourselves established.

I took the Wednesday meeting. Hart said that an ARGENTINE national of German origin called Oscar LIEHR had been recruited by the Abwehr in Lisbon. He has been intercepted by the control at Trinidad. He has confessed that he was carrying out a mission for the Abwehr. A Spaniard who has been working at Vigo is being sent here by the Abwehr. He is to receive a questionnaire, a sum of money in English pounds and secret

ink. He has been given a cover address. The Abwehr at Vigo are expecting the arrival of an agent from London. This man will travel via Lisbon. Efforts are being made to identify him. (PASTOR)

Dashwood has returned from Lisbon. I met him for a moment at the club last night but it is clear that he had made no sensational discovery about the Lisbon leakage. I should doubt very much whether he had had either the time or the requisite knowledge to go into the matter very deeply. I have arranged that he should come and see Hart.

Milmo and I went over to see Maxwell about the MENEZES case and about Otto WITT. Maxwell who is going away on leave called in Newsam. It was agreed that MENEZES should be kept from communicating with the outside world. The Governor would be instructed to send all his letters here and we would hold them up. MENEZES would not be informed. It was felt that as the Lord Chief Justice had expressed the view that no publicity should be given to the trial and subsequent reprieve it was up to the authorities to do everything in their power to prevent the information getting back to the Germans. It was admitted however that the arrangement proposed could not possibly give 100% guarantee. It was explained that it was in our interests that in so far as the outside world was concerned MENEZES disappeared in an atmosphere of mystery. We did not wish to lose the deterrent effect of his trial and sentence which would undoubtedly be a

matter for discussion in diplomatic circles. We were however anxious that nothing should be known about the reprieve except by those in the Portuguese Govt. who would be bound to know. There was another and more subtle reason for keeping matters secret. So far the public had been given details of some 13 or 14 cases where a trial and execution had taken place. In each of these cases it was clear that the man had been apprehended immediately on arrival. The case of MENEZES was the only one so far where a man who had been resident here for some time had been apprehended and put on trial. From time to time it becomes necessary for us to liquidate a XX who may be tied up with other agents. The Germans know that this man has been in this country for some time and if it is our custom to publish details about long term spies would naturally expect some announcement to be made by the press to the effect that the man had been caught and executed. If they were to reason on these lines they might become sceptical about the bona fides of quite a number of our XXs. It is far preferable that the Germans should think that we do not always publish details and it is quite possible for one of their agents here simply to disappear, the assumption being that he has been tried and excuted without publicity.

Milmo explained to Maxwell the outline of the case of Otto WITT. It had been raised again by a request from Hambro that for some reason which has always been rather obscure to us, Otto WITT should not be

allowed to write to his wife. Before seeing Hambro Maxwell wanted to know the story from us.

Lastly we discussed the general arrangements for improving the conditions for the examination of people passing through the LRC. Maxwell had passed my letter on to Sir John Moylan and seemed to think that the solution we had suggested would be quite adequate. He and Newsam were however somewhat worried about the delays at the LRC and possible complaints. Newsam in fact said that complaints had been received from allied Govts. I challenged him on this point, as I rather doubt whether any serious complaints have been made. I told him that our relations with the allied Govts. were extremely good and that on the whole they took the view that our examination was somewhat lenient. Newsam and Maxwell rather wondered whether it was not possible to pass certain categories through more rapidly. It was explained that to conduct any sort of examination at all one had to reckon half a day for each man. It would certainly take two hours to get his story. Then names had to be looked up and checked, his property had to be examined etc.etc. I then went on to explain how complicated the whole business had become owing to the attempts by the enemy to penetrate our own organisations and particularly our escape routes. It was only by the most careful examination, and frequent consultations with other depts. that we could arrive at any conclusions. There were still a certain number of cases where we were forced

to pass people we did not think had been satisfactorily cleared. I think they began to understand some of the real difficulties that we had to contend with. I believe Maxwell is to visit LRC and O20 tomorrow. This may give him a better picture of the complexity of the work.

Frost came to tell me that he had had another long talk with Gen. Fladgate of Army Signals, and Col. Lycett of Army "Y". It seems that they have quite made up their minds that their own signal security is bad and needs going into thoroughly. Simultaneously with the report that they will render to Peter Reid's committee they will report independently to their own authorities. One of the difficulties is that Gen. Fladgate, head of Signals, and the General in charge of staff duties, have no knowledge of interception services, details of which are known to Col. Lycett. It is somewhat difficult to expect Army Signals to appreciate the risks which they run if they are not informed about the technique employed and the information gained monitoring the enemy's signals. Army Signals are I think going to embark on a programme of education. At present their units in the field are totally uninstructed.

I dined with Peter Reid who is chairman of the committee set up by the Chiefs of Staff to look into the whole question of Signals Security. I put him as completely in the picture as I could about all our activities. He should be a very great help to us both

in the matter of Signals cover for deception and of signals security. It seems quite clear that signals security is fairly deeply ingrained in the Navy and that their technique and precautions are infinitely superior to anyone else's. It is a good thing therefore that the Navy should be in charge of this committee and should induce the other services and the various civilian departments concerned to conform as far as possible to their standards. Peter I think has a very good idea of what is required. He told me that his report for the Chiefs was very nearly complete. He had very clearly sized up G-P, Maltby and Frost. He regarded them as bluffers who to some extent were also charlatants. I explained to him my position vis a vis all these people which was that not being a technical man I never knew when any of them was speaking the truth.

I told Peter about Garbo's new cypher and his instructions to use military procedure which was an added anxiety. He did not see any immediate solution of the problem since any measures that might be in force must first be dependant on getting a marked improvement in Army Signals discipline, and machinery for enforcing it. He had realised Fladgate's position and very much deprecated the situation where people in that position were left in total ignorance of our "Y" activities. This was not so in the Navy who held a somewhat privileged position. I suggested to Peter that I should put him in touch with TAR on the

question of signals deception. He very much welcomed this idea.

Harry Allan told me last night that he was pressing our Second Front case very hard with the W.O. They were in the process of building up staffs and he thought that we should be required to send an officer for the Italian expedition which would be leaving this country and also for the more immediate operation for which I think Stopford or Robertson would be suitable

(XAVLT)

June 10th

I had a talk with Adam and Stopford.. The latter is worried about the liaison at Dyce between Josephine and MacRoberts, It seems that Ellman is putting a spoke in the wheels since MacRobert who is admirably suited is no longer acting as intermediary between Stopford and Josephine. Adam is going to Aberdeen next week and will look into the whole question.

Harry told me this morning that the D.M.I. was going to N.Africa and has been thoroughly primed about our Second Front views.

The second part of Plan Dream has been successful. £2750 have been paid over today to Garbo's account. This brings his total up to something over £7,000.

Harker, Charles, Dick Butler and I had a talk about stepping up the establishment of O20. This will involve making Tin Eye a full colonel. The only possible danger is that it

may make him a little more difficult and increase separatist tendencies. I think however that this is a risk that we shall have to run. It was suggested that if the D.G. agrees to the scheme which has been put up in order to assist us in getting staff of the right calibre, the D.G. should make it clear to Tin Eye that this in no way gives him any greater measure of independence and that for all intelligence matters he is to consider himself still as part of B.Branch.

I had a word with Stopford about the possibility of his being required for a special job. He did not seem to be particularly enthusiastic about taking it but I think he would give way if we really wanted him to. He thinks that the problem will be a limited one. Once liaison has been established with the local authorities and a clean-up has taken place, it will boil down largely to Port Security Work. I would suggest his going out for a couple of months, and then handing over.

June 11th

A certain number of Russians who allege that they are escaped P/Ws are coming through from Madrid. We have agreed with the Russians to give them full particulars. After a check-up has been made their visas will be granted and the men passed through the M.I.9 transit camp before being handed over to the Soviet Embassy. The Soviet Military Attache has been very reasonable about the whole business.

Jock Whyte has a story that certain P/W parcels going to allied nationals are not being subjected to censorship. Grogan seems to doubt the accuracy of this statement, which is being checked up. It might constitute a loop-hole for sending out plans but the average time for parcels is about 3 months

Dick, Bird, Grogan and I discussed Miss Evans' report and the attitude of SIS. The latter seem satisfied and we are proposing to leave the arrangements to them and Herbert. We do not think however that they are likely to be particularly satisfactory or profitable. In connection with Herbert's scheme there is apparently to be a huge censorship conference at Miami to which we have been invited. D.B. has I believe suggested that I should go. I do not however feel that I could attend this conference without a serious twinge of conscience.

C. has written to the D.G. about the exchange of spies. There is a French national who worked for us who is under sentence of death, and also several British officers who worked in Tunisia behind the lines and were caught by the Italians. While we would like to do everything in our power to assist SIS in this matter, it does not seem that we really are in a position to do so. First of all we need German and Italian spies recently captured and under sentence of death. "With very few exceptions all our spies are neutral and in the case of those who have been at

020 we could not release them without running a serious risk of compromising TAR's D.A.s. There is also the over-riding consideration that in this matter the Germans have no sense of honour and would take advantage of the situation to find out as much as possible about the spies that we have caught. We have suggested to C. that he might possibly find some suitable exchange in the Mid East. EPPLER and SANSTEDDE have been mentioned but as they have been in pickle for some months the chances of their execution would appear pretty remote to the Germans. Maunsell may however have others.

Tangye has produced evidence that information is reaching the Evening Standard from their correspondence in Lisbon. This is carried in letter form and posted in London, probably by some member of the crews of the KLM. I am suggesting to Brook-Booth that he should inform the Dutch and that they should warn KLM that if this continues we shall be obliged to search all members of the crews on arrival and departure. It is hoped that this will act as a deterrent.

Tricycle has succeeded in getting himself appointed by the Yugoslavs to undertake a mission to Portugal and Spain, and is now being prepared for his journey.

A letter from KOESTLER enclosing further instructions for PUFFET and the match which he needs for secret writing has been received in Lisbon for onward transmission.

ISOS reveals that Paris has obtained the aid of Berlin in getting Dragonfly paid. Berlin is warned that the person paying the money should not personally visit the address given where the money is to be received because of the possibility that Dragonfly is not genuine. The courier is coming from Switzerland and may conceivably have some connection with the BUNSEN organisation. He is believed to be a diplomat.

I have read a long account by Mawhood of his activities in Australia and N.Z. In July 1940 Mawhood, who was formerly a security officer Eastern Command was sent out to organise a para-military unit on behalf of M.I.R. which subsequently became SOE. He seems to have turned more of his attention to attempts to set up a security office. He got himself mixed up in the welter of dominions politics and the petty jealousies between departments. A tremendous struggle went on between the military and the civilians for the control of the Security Service which was not finally set up until 2 years later. It is now a kind of combined organisation. Jones has gone, and Brig. Simpson has taken over. There is no doubt that security in Australia is practically non-existent or at any rate of a very primitive kind. There are some 6 organisations dabbling in it, and the military and police were throwing people into prison and pulling them out without any rhyme or reason. Jones appears to be a whole-hearted supporter of Mawhood but the military disliked him so much

that they were wiring more than a year ago to the CIGS to have him removed. If I remember right, Mawhood is a rather aggressive and tiresome type of man. He had no real charter to deal with security matters and little experience, except at Command H.Q. He appeared to be trying to manoeuvre himself into the position of importance and not unnaturally incurred a good deal of odium. He recounts his difficulties at and meetings with high and low at very great length but during his stay in Australia and N.Z. never once appears to have reported home. We had no responsibility for sending him out and his attempt to set himself up as a security adviser was entirely his own idea. Harry Allen as D.D.M.I(S) W.O. is now trying to clear up the mess. Until the advent of Brig. Simpson we practically had no correspondence of any consequence with Australia. The fact is that at this distance it is extremely difficult to know what they require. There must be Jap activities going on there but there is no evidence of German espionage.

I saw Duff for a few minutes and gave him some more recent information about the subjects dealt with in our last MT5 report. He was going to see the P.M. at 4.30. I showed him a copy of G.C & C S report on Garbo which I think pleased him. If B.L.A. have done nothing else for the last 3 years they would certainly have justified their existence with this case. I also talked to Duff about Signals Security and my talk with Peter Reid.

I have had a long letter from Cyril Mills who is eagerly awaiting Denham's arrival. He seems to have rather big ideas about the setting-up of an organisation in the USA. He is very emphatic that we should concentrate almost entirely on the FBI to begin with and only establish with other departments when our position is thoroughly secure. I am inclined to think that he is right. My own view is that good relations with the FBI after the war are going to be of great importance and that even if we do not get a very good return for our money now, it is essential to try and build for the future. There will doubtless be an effort to make us revert to the old system of placing our enquiries through Passport Control, but this should I think be strenuously resisted. It would in fact be far more logical for M.I.5 to take over Passport Control. The latter is completely blown as a cover for SIS but as a defensive organisation concerned merely with preventing, through the visa system, undesirable people from coming to this country it quite naturally has contacts with local police, and Zeme bureaux. Its functions come far more logically into the C.E. orbit. S.I.S. should really be built up under a commercial cover.

I had a talk with TAR and Harmer about the case of Mutt. Mutt's father is a hair-dresser in Oslo, and has sent a message to his son by a Miss WHITE, who found herself in Norway at the time of the German invasion. She has just been allowed by the Germans to leave Norway with her aged mother, age 80.

Miss WHITE has told Mutt that for a time his father was placed in a concentration camp. Miss WHITE does not make a particularly good impression and if she was wrong she might have been told to give this message with a purpose. Mutt should normally react, but cannot do so because he is not supposed to have disclosed to his father that he was going to England. Miss WHITE thinks that Mutt is in the Norwegian forces which in fact he is, so that if anything gets back it will not affect Mutt's position.

Pantelleria capitulated early this afternoon, after continuous and heavy bombardment over a longish period, both from the sea and from the air.

June 12th

There may be a sudden change in Operation Lifebelt which will in that eventuality become Operation Vault. It looks as if the Portuguese may agree to our terms in which case a brigade may go out in a week or 10 days time. The security problem will remain much the same. Harry agrees that it will not be a very long operation since once a clean-up has taken place and the necessary liaison has been established there will be nothing much left to do except control the transit shipping. I think Stopford would be much the most suitable candidate. He has the right sort of experience and speaks the language. This new move is to protect our Atlantic convoys both from sea and air. I gather

that our new anti-submarine weapon is extremely effective. It is a new type of bomb, small but dropped in large quantities over a considerable area. It clings to the side of the vessel, explodes and makes a small hole. It now seems that our troops had actually landed on Pantelleria before the white flag was hoisted. I gather however that there were practically no casualties on either side.

June 15th

On my return from Whit weekend this morning I discussed Operation Vault with Dick, who had been making the necessary preparations with Stopford. It appeared at first that S.I.S. did not intend to send anyone but later Felix intimated that he had Paul

in training for this job for the last 11 days. It seemed a little odd that who had only left us a fortnight ago and speaks only Spanish, should be chosen to go as the SIS representative. Stopford has seen his Brigadier and has been given the rank of Major. It seems that Felix intends to consult "C". I spoke to "C" myself on the telephone and said I thought it was highly necessary that we should come to some arrangement about expeditions of this kind. I made it very clear to him that we had no wish to encroach upon their preserves or muscle in on foreign territory. We felt, and I thought rightly, that the present constitution of I.D. staffs was seriously deficient. The ~~best~~ training of best.

an I.B. staff officer outside his purely military duties was really in this office. As things were at present, I.B. personnel received no training. A few of them had been given a very short course of lectures before Torch but otherwise nothing had been done. We felt therefore that we had something to contribute on parties of this kind, since there were many functions which we performed which were not performed by SIS at all. On the other hand there was not very much done at Glenalmond that was not covered up here. It was for this reason that we had offered certain trained officers to the D.M.I. Our offer had been accepted and this was the first occasion on which a demand had been made for our services. I made it very clear that we were not going out as M.I.5 but as I.B. staff. In fact we were selling our people to the Army entirely, and we did not expect them to communicate with us except through the I.B. staff. "C" said that he would be seeing Cowgill and would let me know what the possibilities were of a joint mission on this particular occasion.

ISOS disclosed that RICARDO, who has been responsible for a good deal of the leakage of information about convoys etc. in Lisbon is an interpreter for the British and American Consulates. Enquiries are now being made as to who this man is likely to be. If he is identified, our anxiety about action in Lisbon to find somebody connected with our missions there who would fit the bill will have been fully justified.

I have read through John Marriott's letters from India. They start in a very pessimistic mood. He found things very different to what he had imagined. He thought that D.I.Bs office would be at least as big as S.S. In actual fact it only consists of 12 people and in a number of respects is extremely one-horse. There is a tremendous shortage of personnel and of equipment, methods of transport etc. The worst feature of the situation has been the quarrels between DIB and the Army and nobody had a very clear picture of precisely what was wanted or how the job should be carried out. The Army have been thinking entirely in terms of deception, not realising that it is necessary to build up on firm foundations a CE network in which the enemy had full confidence. Until this has been achieved it is no good thinking of deception, since you cannot assess the degree to which you are likely to be believed. Marriott eventually put up a long memo on the whole question which he is getting accepted by DIB. He also seems to have made considerable progress in Army circles which we have reinforced by our conversations here with the DMI India and Peter Fleming. At the end of April 7 parties of spies, consisting of two agents and a wireless operator each, were dropped in India. 13 of these have since been apprehended. Marriott was anxious to get into touch with these people who should form the basis of a D.A. network. He was not however allowed to see him. His situation has since been remedied and I think that there should be decent co-operation in future. Marriott's

proposals are that there should be a Twenty Committee under the auspices of DIB as it is under our auspices here, and that sub-committees should be formed in certain of the Provinces. He has also made a number of other recommendations which from the point of view of man-power etc. should improve the whole position to a considerable degree.

Lennox tells me with reference to Operation Vault that negotiations with Portugal seem to be taking a favourable turn and that we may be able to act with their full consent.

Miss Sherer came in to see me. She has just arrived back from New York. She has been working on CE in S. America. Since however it was decided to transfer this work to London her job had become little more than a sinecure. SIS tried to get her to stay until Vivian came out and had told her that she could only get a secretarial post here as women in SIS did not do executive jobs. They did however offer her the job of running their office in Mexico. I told her about Denham's visit and its probable outcome. If she were prepared to take it on there might be a job out there as assistant to Mills. Alternatively she might work here in B. LA as a case officer. This would be necessary in any case until the position in USA was clarified. The experience would always be a useful one. On the other hand if she thought that SIS had anything to offer her which was to her advantage I did not wish her to feel under any obligation to

this office. She said that she had been asked to go and see Cowgill tomorrow. She would let me know the result.

June 16th

I spoke to "C" again this morning about the Second Front. I told him that I thought there was a great deal of prejudice entering into the whole business, I once more made it quite clear that we had no intention of encroaching on his preserves. I discussed with him the present constitution of I.B. staff and its inadequacy. I made it clear to him again that I thought we had something to contribute. Since however our functions overlap, it seemed to me reasonable that we should get together and work out some joint charter. There might be occasions on which we could provide a better officer than SIS. On the other hand SIS might be able to act for us. It seemed to me eminently a matter on which we should work in the closest co-operation. He agreed with this but said that he was getting at Riley or Arnold-Foster to go into it and call a meeting with ourselves. Pat Riley rang me up later to say that he had fixed a meeting for Friday between himself, Arnold-Forster, Felix, Dick and myself. I hope that we may once and for all be able to get this matter settled.

At the weekly meeting Hart mentioned the case of PASTOR who from his source seemed to have some contact with the Abwehr. They are at any rate anxious to get into touch with

him. From the facts given, Harris was able to identify this man as a Spanish Professor who had recently left this country and who is in fact a B.L. agent of a kind. We shall have to consider how we are going to deal with him when he returns.

I lunched with Rupert Speir and Col. Barrow of M.I.L.A. to whom I explained our ideas about an I.B. staff. He seemed to be in entire agreement and quite appalled by the proceedings of the committee which had been set up to decide the composition of military intelligence units in the field. The fact is that none of them really know what they want and it is clearly up to us to put them right, otherwise they will go on talking till the cows come home. Barrow said in despair that if they would decide to have 5 Salvation Army lassies and one policeman it would be better than what they are doing now.

Gibbs came to talk to me about the cases of 4 submarines which had either been damaged or failed to surface during their trials. Three of these accidents occurred to ships from Walker's Yard, and MID want us to investigate their cases. Two of the ships have already been examined and we are quite satisfied that ~~they~~^{the damage was} were due to accidental causes. The case of the submarined "Untamed" which is lying in not very deep water off the coast of Scotland cannot very properly be gone into until the ship is raised. This will not occur for about another three weeks. At the moment we have no starting point.

If Burt goes up he will obviously have to cover a very wide field and cause quite a lot of alarm and despondency perhaps unnecessarily. I am writing to ADNI in this strain.

Miss Snerer came in again to see me. She had been offered an secretarial post under Orien. She had turned this down, and was told that possibly something might be found for her in the Mid East. I have suggested that she should take her holiday and then make up her mind if any offer is forthcoming from SIS, whether she prefers to accept it or return to us. I told her that she should regard herself as a perfectly free agent.

There is still no suggestion from SIS that Stopford should get together with Paul Mathews. We feel now that it is better to leave things and trust to the good will between Stopford and Mathews, who know each other, to work out a concerted plan on board ship.

Ramsbotham has returned from doing an I.B. course and put in a memo. He thinks that people from here who are going on Second Front jobs should know more about military duties. He found himself rather at sea. I said that while I agreed that some knowledge about Army procedure would be useful, I thought that he had perhaps got a slightly exaggerated view of its importance. Things were very different in the field to what they were at

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home. A great many of the formalities were cut out and language, personal relations, etc. were much more practical and informal. Ramsbotham is joining up and hopes to get a commission in 6 months. It seems rather a waste after doing the course and being trained here he should be handed over as cannon-fodder. We are going to keep an eye on him so that we can get him earmarked for a Second Front job.

June 17th

A serious protest has come from "C" about Joe Stephenson receiving RSS documents connected with his work by bag. On arrival in Cairo Joe was taken to see the SIS people. They complained that they could never get much information out of London and asked him whether he could enlighten them on certain matters for the purpose of a memo which they had to prepare. Feeling that he was among friends he produced some of his documents which got into the hands of Edney who passed them on to impounded the documents and wired the news to "C". "C"s complaint is (a) that he was not consulted and (b) that the material was not coded. He admits that he would probably have agreed to some of it being allowed to go if it had been coded. Clearly the documents are essential to Maunsell and his staff and indeed even more so to the SIS representative. In fact of course they never receive them. The route by which the P. Q. bag goes is generally considered to be absolutely safe and I

believe the bag also contains the P.M.s despatches. The fact remains however that we have committed a technical breach. This is unfortunate as I was just about to take up a number of questions which have been causing intense irritation between ourselves and Section V. I was proposing to say that most of them are of an extremely petty kind and due almost entirely to the narrowness and jealousy of Felix. I shall now have to wait a bit until this latest incident has simmered down.

I have read an interesting report by Wheeler Bennet of our Embassy in Washington on a visit that he has paid to BRUNING at the end of February. He says that he had never seen him in such a nationalistic mood. He was all German patriot, hating French, Czechs, Poles and Russians indiscriminately. His hatred of the Nazis is unabated and he sincerely desires their destruction, yet his fear of the Russians and his affection and admiration as an old front line officer for the German Army per se lead to very confused reactions regarding the war in the East. While he would welcome the overthrow of National Socialism by the British and Americans it does not seem as if he could stomach the thought of Germany being defeated by an alliance which includes Czechs and Poles, who like all the Germans he despises, and also Russia, whose political and ideological ambitions he profoundly fears. BRUNING was at that time inclined to think that that the war would be a stalemate. It would be unfair to say that he favoured

a stalemate peace but he does take a decidedly defeatist view as to its possibility. He is rather bitter about the bombing of Germany, particularly of his native town of Munster. He thinks the Casablanca formula of unconditional surrender has rendered impossible any chance of an uprising in Germany or of a coup on the part of the Army. It has resulted in the consolidation of German morale. Wheeler Bennet has the impression that BRUNING has a growing desire, perhaps even ambition, to play the role of a German Talleyrand at the peace table and to win for a non-Nazi Germany better terms than there would otherwise be granted. He seems to regard it as a patriotic duty to save if he can for the new Germany as much as possible from the shambles which will follow the collapse of national socialism. BRUNING's reactions are interesting in the light of Vansittart's book which I have just been reading.

Hollis has just told me that SPRINGHALL has been arrested. He had approached a girl named Mrs SHEHAN in the Air Ministry whose husband had been in the International Brigade and who was either a member of or fairly closely connected with the C.P. He had suggested to her that as we were fighting on the same side as Russia she might pass him information which would be useful to our ally and which he would see got to the right quarter. She had been in fairly frequent touch and at some of the meetings a girl-friend of hers in the Ministry had also been present. SHEHAN fell ill a few days ago and gave her friend an envelope to

hand to a man called "Peter" who would be calling. The girl friend consulted with her officer who steamed open the letter and found inside details of the C.P. cell in the Air Ministry and also details about some secret device. A copy was taken of the information about the cell and that about the device was removed. The envelope was then handed to "Peter". When SHEHAN was interviewed by the police she said she thought that Peter's name was SPRINGHALL and she subsequently identified him from photographs. The police thereupon arrested SPRINGHALL and found on him the document about the party cell in the Air Ministry. The chain of evidence is therefore complete. Unfortunately the law is somewhat inadequate in the case of a man who is spying on behalf of an ally. It seems unlikely that SPRINGHALL will get more than 9 months to 2 years. SHEHAN had ~~communicated~~ with her husband and more or less intimated to him that she was going to carry out some kind of secret work on behalf of the Party. The husband is employed on some RAF station.

I attended a meeting at the F.O. in Loxley's room, at which Philby, Milne and Sir John Dashwood were present. We discussed the memo we had prepared on the result of the protest to the Portuguese Govt. about German espionage activities. It was agreed by all that as soon as the memo was approved the matter should be taken up vigorously at both ends. It was known that the Portuguese Ambassador in London was anxious to see

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Sir Alexander Cadogan in order to thank him personally for his intervention in the case of MENEZES, and it was thought that this would provide a good opportunity for pointing out that we expected rather more in return. Hopkinson, Loxley's predecessor, now Minister in Lisbon, was expected here in a week's time. He is fully acquainted with our work, and it is suggested that we should brief him thoroughly on the inadequacy of the measures that they have so far taken.

Later on I was joined by Stopford and we had a discussion with Loxley about Operation Vault. It was quite clear to us that nobody had considered what the possibilities were going to be on the arrival of the party. Could they enter and raid the German consulate, were all communications in the island suspended, were German ships to be boarded, etc? Much of course would depend on the replies received to the present approaches being made by our Ambassador, but in the meantime the party will have sailed and will have to be communicated with in some form of code. Loxley undertook to go into this with Brig. Hollis and would be getting in touch with Stopford ~~later~~ before he leaves.

I told Philby that we were having a meeting tomorrow about the Second Front. He seemed to think that some form of consultation was highly desirable in order to avoid incidents of the kind where a plan of action was left so much in the air. He obviously could not

however commit himself on the problem of the proper set-up of an S.I.(b) unit. He told me that he could not understand how we had got the impression that Section V. were not sending an officer ^{on your} since we had given them Paul Mathews for that very purpose. I said that I had been away at the time and that I had no idea and I was quite sure Dick had not either, that Mathews was required for this particular operation. We were not even aware that such an operation was contemplated at that time.

June 19th

We held our famous meeting with Felix, Arnold Foster and Pat Riley this morning, and seem to have got our proposals more or less accepted. Felix is clearly full of the gravest suspicions and receded only inch by inch. We put forward the suggestion that at the earliest moment there should be a consultation between Felix and myself about the selection of the best men or man available in either service for any particular operation. Those who went into the SI(b) unit would be seconded to M.I.6 for their term of service at the end of which they would return to their former duties here. Felix raised two difficulties. One was that he was looking for people who could stay on after the war, and the other was that no member of an S.I(b) unit could have higher rank than that of Captain. We all felt that the second one was a difficulty which somehow or other ought to be got over. It seemed incredible that the

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best men should not be put into the right jobs merely because they happened to have earned higher rank than that laid down in Establishment. As regards the first objection, we said that many of our people would probably be returning to private life and it would not be possible to give any sort of guarantee. The officers chosen here for the S.I.(b) unit would be released for instruction at Glenalmond at the appropriate moment. This was dependant to some extent on the exact nature of the job. For example, if they wanted a case officer who was in a sense a technical man, it would not be necessary for him to spend very long in Section V. before going out. This would all be a matter for consultation and arrangement. We then made it clear that we had an entirely different commitment to supply suitable security officers to the I.B. staff. We thought however that these officers would provide a soft point in the I.B. Staff for giving effect to the information obtained by the S.I.(b) unit. Felix clearly did not much like this idea as it tended to bring together our respective functions rather than to draw a sharp dividing line, which is what he always appears to want. Actually, as I see it, our officers on the I.B. Staff will probably be asked to advise on all the information put forward by the S.I.(b) unit for action. Lastly, we suggested that a general course of instruction for selected I.B. officers

already serving should be jointly planned and carried out by us both, and that officer of G.2 should be included. While Felix agreed that this might be desirable, he did not think that Section V. should take any part beyond approving the synopsis of any lectures which had as their background information obtained from secret sources. We had quite a tussle over prior consultation before an operation between our I.B. officer and the S.I.(b) unit. It had been clearly demonstrated in Operation Vault how necessary this was. There was clearly no point in S.I.(b) carrying information on an expedition unless they knew just how it should be used. There are points which may concern the F.O., or the Chiefs of Staff, or even the Cabinet. If we did not consult before hand and thrash out these details nobody else would. The decisions would rest with high authority and we should have to move them to action. Pat Kiley was very insistent on the necessity for this and ultimately he managed to get a para included in the minutes of the meeting.

Submarine "Untamed" will be brought to the surface on Monday, and it has been agreed with A.D.N.I. that we should have someone present. Burn is also going up to consult with Vickers.

T-R has written an extremely interesting memo on the struggle between the Abwehr and the S.D. Himmler is gradually muscling in on Canaris's preserves.

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The conclusions are (1) that the S.D., expanding its original political intelligence assignment, is now engaged in subversive activities on an increasing scale, including those para-military operations which are typical Abwehr interest. (2) that it is Canaris's policy to concentrate Abwehr resources on supplying immediate operational information for commanders in the field. It is by his success or failure in this that he will be judged. His Spanish contacts are his main support. (3) that the S.D's political intelligence service is constantly encroaching on the work of the German F.O. The intelligence which it provides varies in quality in different places to an extraordinary degree. It is good where they have highly placed pro-Nazi elements, and is generally better in eastern Europe than in the west.

Stopford is off tonight, but will not sail for another 3 days at least.

A definite request has at last come for the services of John Mair. He is to go with that part of Husky which will leave this country.

Maunsell has wired for some assistance in running deception in Algiers. It is a little difficult at the moment to see how we could help him.

Kirk and Robinson have arrived from the Mid East. The latter is in charge of XX there and has come to consult with TAR.

Michael Ryde has written saying that his job is really impossible. Apart from the difficulties with Webster, the police and D.M.I. are both at logger-heads and intensely jealous of their own preserves. The last straw has been the arrival of Mark Oliver who will end by purveying his information direct to the appropriate authorities. It is quite impossible to set up any C.E. organisation or to move the appropriate authorities to action. He thinks therefore that the sooner he comes home the better. His place can be taken by an office boy, which appears to be all that Webster seems to require. We should be glad to have him back as he will obviously be useful somewhere on the Second Front.

June 19th

Mair talked to me today about his position as an I.B. representative for Husky. There is apparently no S.I.(b) unit for that part of Husky which leaves this country. This to some extent impairs Mair's usefulness, since he will have no direct contact with secret sources. Ideally he should leave with that part of Husky to which the S.I.(b) unit is attached, but probably it is too late to arrange this now. We might however ensure that as soon as the first part of the operation is over he should join the IB staff of the Force Commander.

I had a long talk with Burt about corruption in the police force. Burt knows perfectly well that it is going on and he thinks that the Commissioner is largely in ignorance of the really rather serious state of affairs which has been reached. I gather there are certain reliable people of fairly high rank, chief inspectors etc. who are also very concerned and would like to see the position cleared up. They know however that people who previously had a hand in these matters, like Supt. Thompson, have made themselves extremely unpopular in the force and are therefore somewhat reluctant to go forward. Burt thinks that if they had any real backing they might do so. He thinks that Norman Kendal knows a little about what is going on and that Howe knows a good deal more. Burt is even more concerned about the pay of the police. He says there has been no increase in allowances for many years, and that with the high cost of living many policemen of the rank of Supt. Inspector, and Chief Inspector, have been finding it extremely hard to carry on. A Chief Inspector's pay under present conditions does not amount to much more than £6 a week net. Burt thinks this is far too little and only leads to bribery and corruption. The sums offered are extremely large: since pay is inadequate it needs a man of fairly strong character to resist the temptation of a bribe. I gather that recommendations for increased pay have gone forward but that Morrison has turned them down. All of what Burt says is of course confirmed by the STOCKMAN case, which shows that there are at least 20 policemen heavily

implicated in bribery and corruption. It is the greatest folly that any government can commit to fail in giving adequate pay to the forces of law and order, and it can only aggravate a situation where endless regulations involving control of prices make it worth while for certain people to offer big sums in order to evade the law. The D.G. is now considering the STOCKMAN report.

I asked Burt whether he thought that a matter of this sort could be cleaned up within the police. He was doubtful. He said he could do it himself but that he would not like the job.

Liversidge rang me up about a Norwegian called DAHL who is a prominent agent of the Abwehr in Vardo. This man is about to be apprehended by the Swedes, and S.I.S., in conjunction with the Norwegians, are going to try and persuade them to send DAHL to this country. Liversidge wanted to know whether he could have our agreement in principle to the sending of this man to O20. I said that he could. He will be writing a note in confirmation.

June 21st

MINCEMEAT seems to have been more of a success than we originally thought. The first Panzer Division has been moved from France to Greece. It is a fortnight overdue as it is meeting with all sorts of difficulties on the way. These include the blowing up of railways etc. There is also considerable reinforcement in Sardinia. a further indi-

Catalogue Reference:KV/4/191

cation is that GARBO and BRUTUS have been asked to say whether any Greek troops are accompanying the Canadians destined for the Mid East.

There is a special committee under Findlater Stewart who is trying to decide what precautions should be taken here and what action should ensue if the Germans use their secret weapon, known as Do-Gerät. According to P/'s this is a large rocket gun of considerable dimensions. It is said to fire a projectile weighing 70 tons and containing 10 tons of explosive. It has a range of 150 miles and it reaches a height of 45 miles in the course of its flight. The latest reports from S.I.S. were to the effect that some of these batteries were being brought up near the coast of France. Findlater Stewart and I gather also some of the scientists are fairly sceptical. P/W conversations by the Generals infer that the game may not be worth the candle since enormous quantities of copper are required which might more profitably be used for other purposes. It is also thought that the weapon is not particularly accurate. It should however be possible to get within 5 miles of the objective.

I saw Robertson today who is doing XX work in Mid East. He seemed a very sensible person. As in India, Twenty Committee work began the wrong way round. It started with CHEESE being used as a deception agent. There are now 3 reliable agents in Mid East communicating by wireless, and putting

over deception. Deception is regarded as the beginning and end of XX work and is under the control of Dudley Clarke. If new agents are caught he really has the first call on their services from the deception point of view. There is a good deal of trouble in Algiers where the French are in control. Strictly speaking they should not practice any deception except under Dudley Clarke's direction. The French are not very inclined to tell about their agents at the moment. Clearly something in the nature of a Twenty Committee in N. Africa is required. If however we attempt to send anyone there there is bound to be trouble. Perhaps the job can be done by Trevor-Wilson, a representative of the French and a representative from Mid East. Robertson thought we should do well to get the full facts from Dudley Clarke through the controller before we went any further. T.A.R. will do this.

C. has written to the U.G. informing him that a new series known as ITS which is the Italian equivalent of ISOS is going out. He wishes that the same precautions should be taken. He seems to think that the text of ISOS is seen only by Hart and T.A.R. How he imagines we ever do our work I can't think. However since SIS stand so much on the letter in these things we shall probably have to get the position clear.

A suggestion has come from S. Africa that Michael Ryde should establish himself with Mark Oliver at Johannesburg and that the two of them should co-operate on intelligence

matters with Muggeridge. The D.G. is inclined to give this a trial. It is suggested that the new office should be shared between SIS and ourselves:

There has been a hitch about John Mair. Apparently he cannot sail with that part of Husky leaving this country. Harry Allen is proposing to telegraph to the DMI or Kenneth Strong in N. Africa with the suggestion that Mair should proceed with Force Headquarters, which of course will be leaving from N. Africa.

I took Dick's meeting. A captain of a Red Cross ship which sails between Lisbon, Gib. and Marseilles, has been giving information to the Germans on what he sees at Gib. It now transpires that he is an SIS agent, although SIS have no knowledge of the information that he gives to the Germans. He is in other words selling information to both sides, and quite possibly selling SIS as well. They have asked us to suspend action till they get further information. Personally I think that we should press SIS to let us remove him at Gib. and send him back here. If he has been working for SIS in Marseilles the surface of leakage is probably broad enough to lay the information off the ISOS.

Hart quoted from his source a further message from an informant in this country of Kuhlen-thal. This informant, who is described as a neutral diplomat, has always been regarded as notional. Most if not all of his informa-

tion is grossly inaccurate. Personally I am rather inclined to think that a body exists. Most of the information comes from the Avonmouth-Cardiff area. I have suggested that we should find out what neutral consuls there are in the area, and also whether these consuls communicate in cypher with their Embassy in London. It is of course possible that ARTAZA, Spanish Consul in Cardiff, is the offender.

Wethered mentioned the case of a Dane named JENSEN, who is to come here as an agent, his cover story being that he was released from Germany, to fight the Finns, but deserted at Stockholm. We had previous information about this man, who is now in Stockholm. The suggestion is that we should get him over here.

A German airman F/W has succeeded in escaping from Oran. He stowed away on a boat and swam ashore at Algeciras when the boat was off Gib. He has given a certain amount of information about preparations in N. Africa.

I had a meeting with the D.G. and Harry Allan about our report to the Chiefs of Staff on the possibilities of sabotage here. In actual fact we have very little information to go on. Our feeling however is that the enemy would concentrate on shipping and possibly also on highly vulnerable targets. Gibbs feels very strongly that the information we have in N. Africa, America and France about the possibilities of sabotage are not really relevant and should not be

included. He thinks we should be making a mistake in drawing deductions for the Chiefs of Staff on information which did not really apply. I am inclined to think he is right.

Burt came to see me. He had had a talk with Lewes about the sabotage cases at Newcastle. Lewes is apparently rather upset by our letter in which it is suggested that no useful purpose would be served by investigating these cases until the report on the submarine "Untamed" has been received. Preliminary investigation on two of the other cases which it was thought might be connected with "Untamed" as they all came from the same Yard, showed fairly conclusively that the trouble was accidental, or due to some mechanical defect. I propose to see Lewes and smooth things out.

June 22nd

At the D.G.s meeting it was decided to cease the publication of the fortnightly Intelligence Summary that Tangye edits, since B.Division could no longer contribute owing to the secret nature of their sources. Contributions from other Divisions are in future to be circulated separately. This means in fact that they will not be circulated at all.

M.A.P. have raised the question as to whether the M/L factory inspectors should be allowed

access to production figures etc. This once more raises the point as to whether production figures are at this stage in the war a matter of any significance or interest to the enemy. If he gets to know them they can only give him a headache. It is impossible to get any pronouncement on this question from the authorities concerned. Possibly they might be induced to express a view on certain factories where a particularly secret contract exists. On the question of entry of M/L inspectors there is a curious complexity of the law. The Factory Act says they can go in whereas D.A. leaves it to the discretion of the manager where a protected place is concerned.

There has been a crisis in the GARBO case. Mrs. G. is extremely home-sick and jealous of GARBO who is completely absorbed in his work and has consequently to some extent neglected her. Her one desire is to go back to her home country. She thinks that as the whole of GARBO's ^{net} work is notional we have no further use for his services. It has been explained to her that he is a most active collaborator which of course she knows already. She now threatens to go to the Spanish Embassy if she cannot get her papers. She ought really to be locked up and kept incommunicado but in the state of the law here nothing of the kind is possible. T.A.R. is going down to read her the riot act and to explain to her that she has already committed an act preparatory to an act by threatening to go to the Spanish Embassy. It has also been suggested, to give

her an interest in life that she should be shown a bogus message indicating that a Gestapo agent here has some instructions to make contact with GARBO. We would then put in Jack and let her run his case. This will of course be an added complication to the already complicated GARBO case. We have also thought of warning the Spanish Embassy here anonymously that a woman of Mrs. G's description is anxious to assassinate the Ambassador. This would, we hope, ensure her being flung out if she attempted to go to the Embassy. It would however result in the police being called in which would be a bore. If we let her go back to Madrid it seems highly probable that she may talk.

I have just seen Aiken-Sneath, who is dressed up as a captain, and doing a course with C.C.A.O. He has been told that C.C.A.O. has nothing to do with Security of our kind and that this will be a matter for the I.B. staff. Sneath wonders therefore exactly where he comes in. He has now been included with a group described as Civil Defence. This includes fire brigade, A.R.P. etc. He says there are endless lectures dealing with the general political and economic set up in continental countries. I told him to have a talk with Harry Allen who is really responsible for sorting out all this at his W.O. Committee.

Victor arrived in Cairo on the 20th.

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The plan to deal with the GARBO crisis has been changed. It is now proposed that Burt should take a letter to Mr. G. after 5 p.m. when the Spanish Consulate would be closed, telling her that her husband had been arrested and asking for his pyjamas, tooth brush etc. Tomorrow if she appears to be in a repentent mood she will be taken to see GARBO either in a cell at Cannon row or at Camp 020. GARBO will say that the authorities decided to liquidate the case and suggested that he should send one final message, that he thereupon blew up, became abusive and threatened to give the whole show away. He had thereupon been arrested. It is hoped that Mrs. G. will then say that her husband is entirely innocent and that the whole crisis has been due to her stupidity.

June 23rd

The plan to bring Mrs. G. to reason seems to be going fairly well. She rang up Haines and Tommy Harris in a frightful state. Haines went and found the room full of gas. This was clearly a bit of play-acting for his benefit. He did however think that there was a 10% chance of her doing something foolish, so Mrs. Harris was asked to go and calm her down during the night. This morning she was interviewed by TAR who heard her plea and explanation. She has signed a statement saying that the whole of the incident was due to her fault and that on no account would she behave badly in future. She is to be taken to Ham in a Black Maria this afternoon where Tineve is staging an appropriate

act. She will be allowed to talk with GARBO in his cell. GARBO will be released tomorrow when it is hoped that a reconciliation will take place and that he will fall into the arms of his ever-loving wife. Tommy Harris is to be notionally eliminated from the case. He will not see Mrs. G. any more but will continue to work with the husband.

I have had a letter from Victor from Gib. He had an appalling passage with a 5-knot convoy on an American aircraft carrier of somewhat indifferent design. He was sick all the way and the journey took 9 days. He has found plenty to do in Gib. where the XX set-up is the only barrier between German saboteurs and our ships. So far these operations have been extremely successful due to the work of an ex-school-master called SCHERR. This fellow is a captain in the Intelligence Corps. He has only recently been promoted from the rank of 2nd Corporal. He seems to have a real aptitude for the job. Victor is very anxious that we should get him transferred permanently to the staff of our security organisation in Gib. He thinks too that we want a Spanish speaking MI5 officer to take over from Scherr for a month or 6 weeks so that the latter can come home and get himself thoroughly acquainted with head office. I am going to try and arrange this.

I dined last night with Peter Reid. He was on the "Valiant" in Alex. when his ship was partially blown up by a one-man Italian torpedo. A tanker went up just astern of

them and he assembled the crew and informed them that something similar might happen to their own ship. He had only just closed his cabin door when there was a huge explosion. "Queen Elizabeth" was damaged by another torpedo of the same kind. Apparently it was fairly easy for a one-man torpedo to slip in behind another ship when the boom was open. A subsequent attempt at a later date was completely frustrated.

Peter told me that the committee had now got reports in. He understood that the army were trying to put their own house in order but had doubtless been stimulated to do so though the whole matter having been brought to notice. These matters of importance have come to light. It had been discovered that the police broadcast full particulars of all deserters, regimental numbers, units etc. This of course was a gift to the Germans. The matter was brought to the notice of the Chiefs of Staff immediately.

Peter evidently does not think very much of Frost. He said to me that he thought we should do well to get a really good technical expert. Logically he thinks that we should control RSS. I told him about the restrictions placed upon us in giving effect to ISOS information. He said that as far as he knew the Admiralty took whatever action they considered necessary on the "Y" material without any prior consultation with "C". They were naturally just as interested as he was in safeguarding the source.

I took the Wednesday meeting. Hart said that there was evidence to show that the Germans were using the addresses of British engineers in Spain as cover addresses. It is not known whether this is with the collaboration of the engineers or the Spanish Censorship. Jim Hale said that the d.O. had approached him on the general question of the release of internees under 13B. who were quite openly opposed to this country and hoped that the Germans would win. He had been asked what the security reasons were. The answer is I think fairly obvious. We know that such people are a potential danger and that if they had an opportunity they would communicate information to the enemy. If they are released they will require supervision. If they are not to be kept inside one might as well argue that all internees should be released, and a potential 5th column be given carte blanche to do what it likes. Information about these releases would ultimately get back to the enemy and they might try to take advantage of the situation. " propos of the Kuhlenthal agent in this country, I asked Grogan to ascertain what cypher telegrams were being sent by consulates in this country to their embassies.

I had a talk with Baxter, Milmo and Hart about the LRC report. It was agreed that any cases relating to the activities of SIS should be in the form of an appendix to the report, and that the appendix should not be circulated outside this office. The present circulation of the report is to section heads

There has been a serious explosion two days ago on HMS "Achilles" at Portsmouth, resulting in the death of 15 ratings and injury to a number of others. We sent Fish down yesterday to look into the matter, and on Burt's recommendation we have called in an explosives expert in the H.O.

We had a meeting in the D.G.s room at which the organisation of this office was explained to Brig. Vale, D.D.M.I(O). The idea was to let him know in greater detail what this office could contribute towards the setting up of an I.B staff. Vale admitted that there was a deficiency in I.B training due firstly to the fact that our office had been performing a large part of I.B. duties in this country and that there had been little necessity for I.B. work in the field in N. Africa since operations were taking place in desert country. Furthermore in the back areas I.B. work had been carried by S.I.M.E. He seemed fairly satisfied that we had something to contribute. Things are perhaps moving, but very slowly. Before coming over here Vale clearly had only a very hazy idea of what we are all doing. Harry Allen made the point that when an expedition was planned it was necessary on the basis of information available about the area concerned, to work out precisely what personnel was required. There should therefore be consultation between ourselves, S.I.S. and the Force Commanders, before the D.M.I. made his approach to the Director of Staff duties for the necessary personnel.

June 24th

An ISBA seems to disclose that ZIGZAG is still on the map and being prepared for another sabotage exploit.

I had lunch with TAR and Peter Reid. Peter tells me that he has made another discovery, about railways. They are only supposed to use their wireless in emergency and periodically for testing. In actual fact he has discovered through the Post Office that they are transmitting about 7 hours a day. He is finding out exactly what this traffic is.

I introduced him to T.A.R. in order that they might discuss wireless cover for deception, which is one of Peter's jobs. T.A.R. told him that at a meeting held by the Controller the view had been expressed that owing to the manpower situation it would be impossible to build up wireless cover since so many trained operators would be required. Peter takes rather a different view. He thinks that the Germans could not be expected to get everything and that there would be ways and means of indicating to them through what they did get that there was a division in a particular area. I suggested that possibly the problem might be narrowed if we intimated to the Germans that the presence of certain divisions in an area was regarded as highly secret and that special instructions had been given that they should cut down their wireless communication to a minimum. Peter

is going to try and reopen the matter. He also thinks that something in very general terms should be said about the possibility of German agents adopting our procedure as in the case of GARBO. He thinks this could be done without jeopardising the source.

He came up afterwards to see the actual documents which GARBO had received giving him instructions in the use of his new code. I think he is going to be a very valuable ally.

Frost and I saw Duff in the afternoon and suggested to him that he might write to Ismay asking for a copy of the report of the committee on radio security, and suggest to Ismay that before the report was discussed by the Chiefs of Staff, he might profitably have a word with Gen. Fladgate, who is conscious of the Army's deficiencies and anxious to put them right. This will enable Fladgate to overcome the difficulties which he is sure to encounter from the Director of Staff Duties. At the moment he gets the bird every time he suggests to Home Forces that they should take certain measures to tighten up security. Frost's motive in all this is to ensure that Fladgate's scheme goes through, since he has reason to think that Fladgate will ask for his services as lecturer to units on Radio Security.

We also raised with Duff the question of the communications of allied governments with

Algiers, Lisbon, Gib. etc. At the moment it appears to be the rather vague responsibility of Gambier-Parry to see that these communications are in order and that the cyphers are secure, but in fact we know that practically nothing is done. It was suggested that we should write a note to Duff proposing that the matter should be considered by the Radio Security Committee of which Duff is Chairman.

Subsequently Frost rang up to say that at today's meeting of Reid's Committee it had been proposed that some enquiry should be made into the communications of S.I.S. and S.O.T. If this is agreed to, they might quite naturally tackle the problem of allied radio communications.

Tommy Harris tells me that the GARBO crisis has now been liquidated, according to plan. The concluding scene was at Room 055 where Cussen in masterly style explained to Mrs. G that she herself had only missed being arrested by a hair's breadth. She has given an assurance that she will make no further trouble and she understands that if there are any other incidents of the kind both she and her husband will be detained for the duration of the war. I think she is thoroughly chastened. GARBO, bearded from his prison life, is returning to her this evening. I gather that he is somewhat shaken by his experiences of the last 48 hours, and that although the plan was of his own making it was one of the most distasteful things that he has had to do in his life.

A new plan has been worked out for getting GARBO's brother in law over here. The latter will be impersonated by a Spanish-speaking agent who will make contact with the Germans in Lisbon. Ultimately it is hoped to work this agent into the local German Abwehrstelle.

June 25th

The D.G. held a meeting to discuss increase of staff and promotion at Camp 020. It was felt that the first thing to do was to obtain the officers, whatever their rank might be, and then if necessary grade the existing staff at 020 accordingly. If we were to obtain suitable officers of the rank of captain, there would be no point in making TinEye a full colonel. I suggested that in order to ease the situation at the LRC we might offer to train interrogators for the I.B. staff. If one officer were attached to each language section they would learn their job in a practical way and would ease the pressure on LRC till they were wanted for some Expeditionary Force. It was decided to put both these matters to the J.I.C in order to get their support.

Denham has sent a wire saying that the D.G.'s instructions about his taking over MI5 duties in U.S.A have been regarded by Stephenson as taking effect immediately. Denham thinks that Stephenson has done this in order to embarrass him. He has said that he will take over when he is ready and not before. At the moment he has no accommodation, no staff and no funds. He has met with a warm

reception from the F.B.I. and also from the State Dept. and the RCMP. He is conferring with Guthrie about the functions that he performs for this office and then he intends to go round the Caribbean. He complains that he was not fully briefed about the work done in the western hemisphere by this office. In actual fact he was given a long written brief and all the policy files regarding the USA which he did not trouble to read. As regards the R.C.M.P. and Caribbean he can get all the information he wants from Mills and Stratton. The D.G. is replying in this sense.

There has been a roundup in Gib. Sabotage material has been captured and Spanish officers are implicated. We are wiring to say that if any diplomatic action is contemplated, it should be co-ordinated with any relevant information here. It would obviously be far better to register the complaint through Sam Hoare or the Spanish Ambassador here than through the Governor.

June 26th

Forty-one Italian parachutists landed in Benghazi in uniform on June 14th. They carried time bombs with which they destroyed one Wellington, one Liberator, and a hangar containing three aircraft. Bombs were removed from four of the aircraft on Benina Aerodrome. Their main target was 4-engine bombers. The operation was para-military. There have also been landings by clandestine saboteurs in Syria.

The MULLET case appears to be going ahead. Col. Servaes came down from Brussels to see von Kharstoff in Lisbon and to tell him that authority for with Koessler's organisation was approved by Berlin and was not to be interfered with by the Lisbon Abwehrstelle.

On 17th June a warrant for the arrest of BRUTUS was issued by the police and his flat was searched. Copies of a new illegal publication called "In defence of our colleagues" were found. This is an attempt by BRUTUS on behalf of certain younger elements of the Polish Air Force to organise a protest against the activities of Gen. Ujejsky, Inspector General of the Polish Air Force, and contains violent attacks on the Soviet and on the General for having attended a reception given by Maisky. BRUTUS was placed under arrest and has been transferred to Scotland where he is awaiting court martial, on a charge of indiscipline and offensiveness to superior officers. The charge is not a grave one though a substantial term of imprisonment can under Polish law result.

A message has been sent to the Germans indicating that BRUTUS is in trouble. His action however fits in to some extent with his mission to this country. He may therefore be able to make capital out of his arrest.

Preparations for Tricycle's journey to Lisbon are virtually complete. He is only waiting for his Portuguese visa.

Harry Allen has seen the D.M.I. John Mair will not be required unless and until the further development of Husky takes place.

Ede came to talk to me about O.C. He has drawn up a paper for discussion with the D.G. on various aspects of his work. After reviewing the whole position he thinks that D.S.O.s have not received sufficient recognition of their services and have not been kept properly in the picture. This has been largely due to communications and he thinks these should be improved. He also feels they should come home every 3 or 6 months. As regards the future he proposes that planning should be done now to deal (a) with the far eastern situation when it arises and (b) with our post-war activities. He is very emphatic that people with the right kind of training and of the right type should be chosen.

Burt came to tell me about the explosion on HMS. "Achilles". This was due to some form of acetylene welding gas which when mixed with air is highly explosive. A man who had been using this instrument had not left it in the tank under repair but had put it on the upper deck. When the enquiry was made after the explosion the apparatus was found in the tank. It seems likely

that some inexperienced person was using it. Unfortunately most of those concerned who might have given evidence have been killed. Some of the injured may be able to help, and also the man who was using the apparatus the previous day.

These enquiries raise the wider question as to whether in cases of this sort we should be called in in the early stages. There is clearly no sabotage. It is a case for technical experts. Unlike the Air Force, the Admiralty do not appear to have any machinery for dealing with cases of this kind. I propose to discuss the matter with Lewes, who is a little inclined to regard us as a subsidiary department of N.I.D.

Lennox told me that the negotiations with Salazar about Vault were a bit sticky. He apparently does not consider that our offer of a few squadrons of Spitfires is altogether satisfactory. Meanwhile the troops are getting somewhat fed-up after being kept cooped up in a ship for 10 days. There is now a proposal that they shall be put ashore on 7 days notice.

The WITT case has blown up in a rather unpleasant way. Maxwell has written a letter intended for the S. of S. for War in which the Home Secretary expresses his grave displeasure and concern at the treatment of WITT at the London District Cage. WITT has made a number of allegations about ill-treatment which have been denied.

The only admission is that WIESNER slapped his face. If the denials are accepted it seems an incredible thing that two Secretaries of State should be drawn into a matter which involves a lying little Nazi having had his face slapped by a Czech. It seems to me that the whole case has got totally out of perspective. The D.G. feels rather hot about it although we are not directly concerned since the incident did not take place on our premises. At some stage in the proceedings it is alleged that Milmo or Sneath said that it was the British Govt's view that it was better that 9 innocent men should be executed than that one guilty one should escape. This statement was merely made to frighten WITT but it is argued that information extracted in fear is of no value. I rather wonder what Maxwell would say if he read all the U20 reports. I am quite convinced that no physical violence is practiced at U20 but all sorts of threats are made without which in ~~xxx~~ many cases one would not get at the truth. It all depends on the man you are dealing with. If the H.O. think that they can handle spies with kid gloves on it is about time someone disillusioned them. I am going to suggest to the D.G. that he should see Grigg personally about this case and try and get it back on more sensible lines.

The D.G. has written a reply to C's letter about Joe Stephenson. This is in general a good letter but there is one major point where I feel he is making a great mistake.

C. said that if the Minister of Defence knew what had happened he would be gravely concerned. The D.G. replies that he has no objection to a full statement of the case being made to the Defence Minister, if C. so desires and then goes on to say that he is sending a copy of the correspondence to Duff Cooper who could, if he thinks fit, mention the matter independently to the F.M. It seems to me that this rather forces C. to register his complaint with the F.M. If so we are unlikely to come off best seeing that we pleaded guilty to certain minor omissions. I very much hope that I shall be able to get the D.G. to omit this passage.

J.C. came to see me about a talk that he had had with Lord Charwell. On instructions from the F.M. Charwell has been going very carefully into the Do-Gerät scare. Charwell says that the F.M. takes all these secret weapon scares very seriously. Charwell himself does not believe in the D.G. although he says there is a 5% chance that it is a feasible proposition. This led him to consider the possibilities of misleading the German scientists by suggesting to them that we had some particularly terrifying secret weapon. J.C. wanted to know whether he could encourage Charwell to put up certain propositions. This would mean disclosing to him something about our Twenty Committee work. I said that I could see no objection. I thought however that he should give us various alternative suggestions. We could then see which was the most appropriate for putting over our existing network.

June 27th

Stopford telephoned to say that the Force Commander was coming to London. + suggested that he should ask for permission to come down too. I told him that as far as I knew he was likely to be put on 7 days notice.

J.C. and "onnie Reed came to talk to me about TATE. They are anxious that he should be given permission to take employment in some photographic business in Watford if this can be found. His detention under present conditions is getting on his nerves and also on those of his guards. If we can with reasonable safety ease the situation I think we should do so. According to present arrangements TATE can go about the village unattended and it would have been quite possible for him to escape if he thought it worth while. Employment in Watford would only extend his area another 5 miles and should he attempt to escape the matter would become known to us within a few hours. I said that I thought provided we took all the necessary precautions like informing the C.C. and having photographs ready for circulation, we could afford to give him this measure of extra liberty. TATE must know that if he attempted to get back to the Germans they would almost certainly shoot him. He might say that he had been working under duress, but he could not explain why he had not let the Germans know through the Jap N.A. that he was under control. Moreover if they went back on his traffic they would hold him responsible for

shows that the Yugoslavs have with their usual indiscretion informed their representative both in Lisbon and Madrid that TRICYCLE has a special mission for the British Govt. I think we may be able to cover this to some extent by giving TRICYCLE a mission from the M.O.I. The fact remains however that a circle of people in the Yugoslav Legation here who know about his work must have been considerably widened. The facts were supposed to be known only to the R.M.

I have heard some further particulars of our latest anti-submarine weapon, known as the Two Four Bomb. It is of American design which only came into operation at the beginning of May. It is estimated that in a period of 24 days we succeeded in sinking 20 U-boats. If they were within 100 yards of the target, this aerial torpedo is attracted to the U-boat and will divert its course accordingly. It travels under water at about 12 knots, and dives as deep as the German U-boat, which cannot proceed at more than 5 knots submerged. The U-boats are therefore between the devil and deep sea. If they do not dive they are bombed, while if they submerge they are caught by the Two Four Bomb. The latter would be no use on the surface because the U-boat can proceed at 15 knots, and would probably avoid it. I gather that the Germans are extremely worried about this new device and instructions have been given to them to surface and attack the aircraft with flac.

June 28th

I had a meeting with Cheney, Grogan, Robertson and Cecil about the evasion of censorship regulations by Dutch and Belgians who have been passing their letters through seamen and unauthorised postboxes in Eire. This route to Occupied Territory is apparently better than the one via Lisbon, where the mails are often confiscated by the Germans. We decided that the Belgians and Dutch should be asked to put up their scheme which we would sponsor with the Censorship. It can then be discussed by the Censorship Committee and if approved the details can be worked out. This will have to be done more carefully than in the case of Lisbon otherwise it is not likely to last more than a few months. As soon as the Germans know that the mails are going that way they will take appropriate action. We shall stop any mails that do not come through the authorised channels. Dan is to be informed.

I had a meeting with Wick and TAR in the afternoon to decide what officers could be made available for Second Front activities.

Later I had a meeting with Mills and Wilson of Section V., TAR and Brooman-White on the case of KOBBE. We were all agreed that it would be too dangerous to try and make any use of the B.J.s. We thought it would be preferable for Mills or some other appropriate person to make a direct approach to KOBBE and seek his cooperation. He could then be run as a straight agent either by

ourselves or be put in contact with the RCMP. If he was really co-operative he might be run as a XX. I said that before taking any action of the kind suggested, we ought perhaps to say a word to Loxley and in any case to consult External Affairs in Canada since there was just a possibility that KOBBE might register a complaint.

The D.G. has approved the amendment to the letter he has written to C. about Joe Stephenson.

Finney is due to leave for India on Friday and Marriott will be starting back about 22nd July. This should give him about 10 days with Finney.

John Mair is getting rather restless. I have told him to take a holiday and to talk things over with Harry Allen. He is very anxious to get into the field somewhere. I said that if he just sold himself to the A.G.s branch he might land up anywhere and find himself doing a job which would not give him the scope for which he is qualified. I can understand his feeling of frustration but I feel fairly confident that in the long run his services will be required.

June 29th

A CX. report shows that the American Supply Depts. are a little inclined to think that the Russians are using Lease Lend to get post-war machinery etc. Probably they think they had better get as much of everything as they

can while the going is good.

Miss Sherer rang up to say that she was returning on the 5th. She has had a letter from Felix that there is no job to offer her.

At the D.G.s meeting today the question of regulated areas was discussed. There appears to be some anxiety as to whether the military would have powers to remove aliens from any particular area under their control. I think the answer is definitely no. The military certainly have powers to close roads, divert traffic etc. but they cannot go beyond this.

Lennox told us that Vault had been placed on 7 days notice. Charles Medhurst is taking a party to Lisbon for discussions. I don't see how such a party can escape unnoticed. Personally, in view of successes due to the B Two Four Torpedo, I wonder whether Vault is really necessary when the complications involved are considered. Sam Hoare does not appear to be very worried about the Spanish reaction. He thinks the Germans might threaten to take the Balearics or that this might be put forward as an argument, to which our reply might be that if they did we should have pleasure in occupying them ourselves, which we certainly should not do if they remained in Spanish hands. This might not perhaps ring very true in the light of Vault.

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B-W has suggested that we might take action against ARTAZA who has been communicating air raid damage reports to the Embassy for transmission to Madrid. If another raid on Newcastle takes place Tangerine could report the facts by telephone. The conversation would be intercepted. She would be interviewed and then disclose what she had found the P.O. could then make a formal protest, not only about this incident but about German activities in Spain. Loxley is being consulted.

An analysis has been made of P/W opinion about Hitler. Many Germans distinguish between Hitler and the National Socialist regime. Considerable misgivings about such manifestations of Nat. Socialism as the Hitler Youth, the S.S and the Gestapo are not inconsistent with a high degree of faith in Hitler. The more liable to criticism some features of the regime become, the more tightly these Germans cling to the Fuhrer above the possibility of human error. Hence the attitude to Hitler personally may be a more reliable test of the loyalty of Germans to their regime than their attitude to Nat. Socialism. The analysis shows that from the outbreak of war to Pearl Harbour, 74 per cent put Hitler above criticism. From Pearl Harbour to the surrender of Stalingrad 62 per cent, and since Stalingrad 54%. Experience with P/Ws suggest the inadvisability of direct attacks on Hitler. Those to hide their inner misgivings about Hitler even from themselves

are unlikely to react favourably to a direct attack from outside, and particularly from enemy sources, and those who while criticising Hitler accept him for want of a better national leader may be strengthened in their allegiance by the feeling that any individual on whom the hate of the enemy is so concentrated must truly represent the national character. Attacks on Hitler therefore should be made indirectly so that it appears to the German people that they themselves have originated the criticisms. Hitler should be connected at every opportunity with the conduct and continuance of the war so that as the war goes against Germany it becomes increasingly difficult to shift the blame on to Hitler's subordinates. The reasonableness of allied war aims in regard to the simple needs of the common man should be emphasised with the object of destroying Hitler's exclusive prerogative to represent "the little man". It is also thought that there should be some measure of recognition of the better elements in Social policy, thus reassuring the German of our fairness and open-mindedness to their point of view. It is suggested that the 25-25 age group should be more susceptible to propaganda undermining their confidence in Hitler since they are less conscious of the pre-1933 period and its unemployment which was rectified after the Nazis came to power.

A report from N. Africa giving a survey of the interrogation of some 2,300 German prisoners immediately after capture provides an

interesting contrast to the reports on those who have been some time in this country. Morale and confidence in victory was extremely high due largely to German propaganda and the absence of reliable news. A large number of men professed to know that there was great activity on the Russian front and that Leningrad, Moscow and Stalingrad were already in German hands. The standard attitude to their defeat and surrender in Tunisia was a typical piece of German reality evasion. "We were not defeated as soldiers, we were over-whelmed by material superiority". The mass of German soldiers as yet uninfluenced by a prolonged stay in Britain and still held within the group spirit in each camp without segregation, were pretty solid for the Fuhrer, extolled his achievements and gifts to the working man and his capacity as a war lord. This was true of the simple rustic as well as of the more politically conscious Hitler Youth type. The British were favourably regarded as fair fighters, good soldiers, and a few went so far as to say that they "enjoyed" fighting against us. The feeling about the USA fell into 2 or 3 classes. One sort tended to bracket them with the British as much the same people. Another group would speak somewhat disparagingly of US troops and military efficiency as compared with the British. The 3rd view regarded the USA as a ruthless imperialist power determined to oust Britain and rule the world and as the only nation to whom war was "good business".

Those expressing this view almost regretted so great a calamity for European and Nordic Britain.

June 30th

Stopford has returned. He will not be wanted again for some days. Meanwhile he has suggested that Major Dartford, the GSOTT I.B. should be allowed to do a course in this office. This apparently meets with the Force Commander's approval. The Field Security Officer who was to deal with port matters has been allowed by the Force Commander to do a course with the S.C.O. in Glasgow. All this goes to show how necessary it is for I.B. staffs to have some sort of training here. Stopford is making a note on his 10 days experience. Paul Mathews seems to have had fairly clear instructions about ploughing his own furrow. He was proposing to leave one of the known German agents at large for about 5 days. The Force Commander did not seem to think that this was a very good idea, since valuable information might have been sent back to the enemy. There would seem to be nothing against arresting the man immediately and turning him round for what he would be worth. It is doubtful whether he could be run successfully for more than a week or so.

At the Wednesday meeting Hart mentioned the case of an Austrian named Rudolf ENDER, who is being sent by the Germans on a mission to this country from Lisbon. This has a cover

address in the name of a British subject resident in Switzerland about whom enquiries are being made. Instead of money the agent is to carry jewelry which is being sent from Berlin for this purpose.

The Abwehr in Madrid have received a report from an agent in conjunction with another agent who has previously produced a number of inaccurate reports. The contents of this report are also inaccurate. The combined report from two agents of this organisation is a new departure and tends to confirm the suspicion aroused by the consistent inaccuracy of these reports that they are invented in Madrid.

A French Naval Officer named FEYGUIN has arrived in this country. He has admitted that at one time he recruited a small party to fight against Soviet Russia. Arrangements broke down owing to the scuttling of the French Fleet at Toulon and the occupation of the whole of France by the Germans. FEYGUIN was then recruited by the Germans for a mission for the Abwehr in this country. He was extremely badly trained. The French are anxious to use him as a XX but it is very doubtful whether he will be suitable for this purpose. He will probably go to 20.

Gwyer talked about the case of Ernest Frederick LEHMITZ concerning whom we have had reports from the A.B.I. This man's correspondence was picked up at Bermuda. It was detected because the contents of the letters seemed to be too trivial and purposeless.

There was a great deal of detail about domestic matters, cats, chickens, etc. It turned out ultimately that all these details were completely true and in fact were used to prove the identity of the writer. The letters disclosed that LEHMITZ had returned to the USA sometime during the first four months of 1941. With infinite pains the FBI searched through the baggage checks of all arrivals from Portugal during that period. It was in this way, by comparison of hand-writings, that they identified LEHMITZ. This is a good piece of police work which is absolutely up the FBI street. Incidentally the Germans seem to have a very high opinion of the FBI. They have issued a very severe warning to GARBO about any suggestion for notionally sending MOONBEAM to Canada or the USA. Whether this can be taken as an indication that the Germans have very few spies in the USA I don't know. It can of course only represent the views of one station of the Abwehr, perhaps only of one individual. The Germans evidently think that by comparison we are not much good.

I had lunch with Bill Stephenson at his request. He began by saying that he had no intention of asking me to lunch in order to discuss our affairs in the USA. He did not in fact open the ball. After a long discussion about the relations of OSS and G2 which I was anxious to get clear, I remarked that I was sorry that I had not come out to America again. Bill then rather let himself go about Denham. He regarded him as a silly old man who was messing about in something that he did not understand.

He was rather upset when he found that Denham had come to take over. He thought that he was going to look into the position and when he had reported there would be further discussion. He was also annoyed about the suggestions which had been made when he was last here that the Canadians were fed up with Security Co-Ordination. He asked me whether I had seen the letter from Robertson of External Affairs. I said I had. He then explained that all the trouble about the security situation in Halifax had started with us and not with Security Co-Ordination. He had merely given us such assistance as we required. I said that I was not aware of this. I thought it was really an extension of Connop Guthrie's activities and a joint affair between him and Stratton. Bill intends to see Wood when he goes back and explain to him that Security Co-Ordination cannot accept any responsibility for the way the whole thing was handled. I am inclined to think that there must have been a great deal which went on in Security Co-Ordination about which Bill was totally unaware. If Commissioner Wood is to be believed, there were a great many intrigues in Halifax to get Capt. Eames kicked out of his job. It may be of course that the Navy Dept and DMI in Canada were the responsible parties. Certainly the policy of Guthrie and Stratton was to bounce Wood into a scheme which he did not think was very practical and which he could not carry out owing to lack of man-power. He was clearly badly handled. Stephenson presumably would say that the whole idea was Stratton's and therefore ours, and that

Connop Guthrie was only there to help. I am inclined to think that Gurthrie was probably the moving spirit, since when I was in New York Stratton was clearly in his pocket.

As regards G.2 and OSS it seems that the position is much the same as the relations between S.I.(b) unit and the Force Commander. OSS consider themselves to be directly under the Force Commander and in no way subordinate to G.2. Really however it will be G.2. who will have to give effect to the information supplied to OSS.

There is a CX report on Gen. VLASOV's movement which has its headquarters near Smolensk. VLASOV is a renegade Russian who says he has recruited some 500,000 of his compatriots. It seems that he is given a fairly free hand although he is surrounded by German liaison officers. He says that he is working for an honourable peace with Germany and the defeat of Bolshevism. He is nationalist in outlook but has no use for communists, plutocrats or Jews. It is of course remotely possible that he is recruiting an army which at the appropriate moment will attack the Germans in the rear, although this is not suggested in the report.

Dick has had a letter from Maunsell in which he states that all his efforts to keep the peace between 5 and 6 in the Mid East look as if they were going to end in failure.

Catalogue Reference: KV/4/191
Arrival of impregnated with Cowgilliana, there has

been a distinct change in the friendly atmosphere that formerly existed. He is on very good terms with [redacted] but intends to do some plain speaking which will either kill or cure. The last straw has been the destruction by [redacted] of the documents taken from Joe Stephenson. A few notes apparently have been taken by [redacted] but nothing else remains. I do not know what the D.G. is going to say about this. C. may not know about the destruction of the documents in which case he will probably wire out to [redacted] telling him to give them back to Stephenson. [redacted] will then reply that they have been destroyed. C. will be more or less forced to support him, in a letter to the D.G. This will put the fat properly in the fire. I understand from Gilbert Ryle that Vw reports never go to Mid East, although they must be essential working tools for anybody trying to study ISOS and ISK material intelligently.

Victor seems to have gone down very well. He is now streaking for Abadan. A counter-sabotage section is to be set up in Mid East. The services of Miss Reed B. LC have been applied for.

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