

KV.4/189

Liddell diary December 1941 – May 1942, CONTINUED

January 1, 1942: . . . I had a talk with Allan, GPO, about the advisability of sending experts in s+++++++ ++++++++ [*words blanked out*] and microphotography to the US. I said that they might possibly find that an exchange of views would be to their advantage and that they might also be able to give the Americans some useful hints. [*See Jan 6.*]

. . . ++++ [Alba?] has left his safe open and “DUCK” has discovered two rolls of re-cyphering tape which will be brought out and photographed. [Earlier entries show that Spain and Portugal were under close scrutiny at this time in view of possibility of a German invasion of the Iberian peninsula.]

January 4, 1942: [Long report on Eden’s talks with Stalin.]

January 6, 1942: Saffery came to see me about a proposal to send some Post Office officials to America in order to establish closer relations. . . . I explained to Saffery that as we were trying to re-

gard the Americans as one unit with ourselves, it might be that an exchange of views on telephones, ++++++ and micro-photography might be profitable to us both.

Victor [Rothschild] told me that Sir Frank Smith had asked him to look into the security of an important RDF development [*evidently H2S radar. Details follow. . .*]. This invention should be of immense importance and it is vitally important to us to devise means (a) to safeguard it in the production stage and (b) to ensure its destruction in the event of a bomber which carries it being brought down over enemy territory. [*First H2S radar fell into German hands February 1943 at Rotterdam*].

January 7, 1942: . . . We had a meeting this morning at Kinnaird House where the question of pioneering Jap isos was discussed, IT has apparently been decided to send Stratton out. . . [Major] Felix [Cowgill] was present at the meeting, having just returned from America. He gave a picture of the lack of co-ordination in wireless matters in the USA. It seems that the Army, Navy and FBI all have cryptographic depts. and virtually refuse to be amalgamated.

There was a long discussion about a telegram from Canada which had to be answered. Canada were anxious to know whether they were going to drop some of their [*cryptographical?*] work they were doing for the Admiralty and stated that if they were to do any Jap pioneering work they would have to drop the S American isos. [*A page of details follow*]. . . . BJs show that there is a powerful station at Bangkok and others at Hainan, Saigon and Singora [*Songhla*].

. . . Today's *Times* mentions that Canaris is intriguing with Gen. Marschner [*who he?*] for the overthrow of the Nazi regime. The

information comes from the Times Washington correspondent. The matter is of interest since "C" told me some little time ago that he had had reason to think that Canaris might possibly lead an army revolt or at any rate be a party to it. Apart from this there is Krivitski's information that Canaris was at one time working more for the Russians than [for] the Germans.

. . . [No SIS organisation able to function if Spain was invaded by Germans.] At present there is nothing. It is said that Sam Hoare is a serious obstacle to any SIS development in Spain.

U.35 came to see the DG today and to talk about Vera [Eriksson?]. He has I think satisfied the DG that his plan is a good one and we are now able to proceed.

[Investigation of Miss Lucy Joad, daughter of Professor [C M? – "Brains Trust"?] Joad, who has paid into her Lloyds and Barclays bank accounts large quantities of notes originating from Yokohama Specie Bank.]

January 9, 1942: U Saw, Burmese prime minister, who has been in America and is now returning to Burma, has made a short stop at Lisbon, where he has got into touch with the Jap Ambassador and offered his services. He alleges that he has 90% of the Burmese population behind him in a movement of independence and he proposes to escape from the country by plane and make a declaration of independence from Bangkok, provided the Japs will give him their support. It has been decided to arrest him before he reaches Burma.

January 14, 1942: I saw +++++ and Burt, who is going to provide some skeleton keys for use in Lisbon. [*handwritten*: "Weltzien, index." See Jan 17].

January 15, 1942: [*Lengthy report by Felix Cowgill about his visit to William Stephenson in America, and latter's complaints about people SIS and MI5 had sent out to him.*]

January 16, 1942: I had a talk with Curry about Vera Eriksson. He has seen U.35 who would prefer not to have the FSP man.

. . . I had a long discussion with VV. and Felix [Cowgill] about TAR's relations with [Claude] Dansey. . . . I said that I thoroughly appreciated the dangers of having anything to do with Dansey. . . . For two years Dansey's people had been communicating with their agents abroad concerning some of whom he may at least have had doubts. We on the other hand had been communicating with the German S.S. [Security Service] on XX [double cross] lines and endeavouring to answer their questions truthfully but evasively. It followed therefore that those who had daily experience of evading awkward questions should be best qualified to tell SIS whether their questions were being evaded in a suspicious manner thereby implying that their agent was under control.

In actual fact, though we had both been communicating daily on our own particular lines neither of us had seen the other's traffic until this had become imperative in the case of Stella Lonsdale. Though we agreed that nothing but good could come of such an exchange of information and I personally was convinced on this point, were we to accept the fact that because of Dansey's personality there should be a permanent hiatus and that both organisations should suffer in consequence. I pointed out that in the case of Stella [Lonsdale] , had we seen Gaessler's traffic we could have told S.I.S. 5 or 6 months ago that they were having their legs pulled. Felix said that the person who generally told them this was G-P. . . . Felix said that he had once got hold of some of the traffic but that when Dansey found out he had or-

dered Jempson to return it immediately. He said that CSS had given definite instructions to Dansey that when one of his agents was under control Section V should be immediately notified, but that Dansey had not carried out these instructions and was never likely to. . . . Felix is obviously still very sore about the TRICYCLE case. . . . I said that . . . in the case of TRICYCLE there was an additional reason [for continuity], namely that he was closely tied to BALLOON and GELATINE and that if he went they went also.

January 17, 1942: Dick [White] has returned full of gloom about the state of security in Gib. . . . C in C's other adviser is Quennel [Quennell? *See Jan 23*], the SO₂ man who was responsible for blowing up the German wireless mast at Tangier recently. Quennel is rather an undesirable person and has probably made a certain amount of mischief as between Grey, Medlan's assistant DSO, and the C in C.

. . . I was rung up at about 1030 by the NDO who had received via SIS a telegram from +++++ at Lisbon to the effect that W/C Lord Carlow was flying over from Lisbon with the wax impressions of two keys. He wanted us to send down an expert to cut the keys which were to go back by some passenger on the plane leaving on Monday night. The keys have been cut at Lisbon but as it was felt that this might not have been done very skilfully it was thought better to have duplicate keys done here. Unfortunately the wax impression of one key has been somewhat damaged and skeleton keys of the Yale type are also required. I got on to Burt who is going to do the necessary. The plane should arrive some time tomorrow afternoon.

January 18, 1942: Eddie Grant rang me up this morning. I had arranged that the office of Ibarrondo and his house and also Campos's house should be searched tomorrow morning, and any documents of interest removed. . . . Eddie Grant is very anxious

not to disturb any of his other telephone checks.

. . . The DG had a conference with Pilcher and myself about the Stella Lonsdale case. . . . SIS were firmly of opinion that they did not want her back in France, where she had probably already done their organization a good deal of harm. . . . Our experience of this woman after endless interrogation, and miked conversations, is that she is quite unequalled as a liar, and that she is either a dupe or an accomplice of the German S.S. [Security Service], more probably an accomplice.

January 19, 1942: The XX [double cross] account shows a balance in our favour of £7–8,000. We have netted about £26,000 odd and spent over £19,000. This figure does not include sums of money taken from spies who have been executed. If they were included the total receipts would be in the neighbourhood of £33,000.

January 22, 1942: Dick [White] and I had a long talk with Felix about the attempted raid on Weltzien's index. It seems that there must have been a traitor in the camp. To begin with there was a slight difficulty with the key, but when they managed to get inside they found the International Police waiting for them. An Austrian and his Swiss wife were arrested. It then became necessary to get rid of all the intermediaries to Gib. The SIS contact with the International Police stated they had been warned by somebody in Weltzien's office. Felix thinks that an extra chauffeur who was taken on at the last moment may have been the cause of the trouble.

Theo has been asked to go over to the HO to discuss the old question of a Home for Incurables, which has now become acute owing to a further petition by Semmelbauer and Maass. I agreed that their case was an exceptional one since they had been promised that they would be allowed to return [*after meeting with Rudolf*

Hess] to the Nazi camp. There would not seem to be any particular objection to this provided the Nazi camp could be cleared of people over the age of 55 or 60 who might be allowed to go back to Germany if an exchange could be arranged. For any other cases it would probably be satisfactory if Camp WX could be made really secure. As things were, anybody in Camp WX could probably without much difficulty communicate with the other camps. I also thought it was necessary to have a secure camp for women who would not be allowed to go back.

January 23, 1942: . . . Victor has been down to Swanage in order to look into the security of H₂S. . . . [etc]. There is no doubt that H₂S is extremely effective and should revolutionise night-bombing.

January 26, 1942: Dick has had a dream. He was walking through Trafalgar Square with Felix when to his horror and amazement he heard someone shouting, "isos! isos!" As he came round the corner he saw Herbert Hart selling copies at 1d. each. He expressed his regret for this incident and said he would look in to the matter as soon as he got home. Felix merely replied, "Oh, don't bother. I always knew that this sort of thing was doing on."

January 29, 1942: . . . I also talked to Maxwell and Semmelbauer and Maass and a Home for Incurables. He said he would explore the possibilities of establishing two Nazi camps, one for those over 50 or 55 and the other for those who would not normally form part of an [*sic*] repatriation scheme. If this could not be arranged it was tentatively agreed that we should take the risk of sending S and M to the Nazi camp. Maxwell also undertook to explore the position with regard to a camp for women incurables.

January 30, 1942: . . . I have discussed with JC the drawing up of a

memo on the execution of spies and the publicity that should be given to these matters. I am urging (1) that there should be no further publicity except where we consider it desirable and (2) that the execution of spies should be the exception rather than the rule, since we stand to lose much through not having them available for further interrogation.

February 2, 1942: Vera was told by Cookie about her proposed move [to Aylesbury and then to U.35's]. She asked what had happened to Drucker and Welti and was much concerned to hear that they had been executed.

February 5, 1942: We had a second meeting of the Planning Committee. It was decided that we should issue a 6-monthly report. . . In reply to my queries about Spanish BJs and Jap naval BJs I was told that the Spanish was unbreakable without the reciphering table, but that there were hopes about the Jap cipher.

. . . The Spanish Consul from Liverpool had deposited some parcels at Liverpool St station. We should like to have a look at them but unfortunately there does not seem to be much time. A wild suggestion has been made that a small explosion should take place in the Liverpool St Station luggage office. A police cordon would then be placed around the office and we should have time to examine the parcels at our leisure. I need hardly say that this suggestion was heavily sat on by me.

Gunner Jackson [*who had made in appropriate remarks about the war: see several earlier entries*] has been condemned to death. The decision of the court was based entirely upon the letter which he addressed to the Spanish embassy and which he admitted was in his own handwriting. Personally am rather appalled at the disparity of justice between a case of this sort and for example that

of Gerald Hamilton [*see also earlier in this volume*] who was interned under 18B and has subsequently been released under 18A.

February 6, 1942: [H Freeman (“Doc”)] Mathews, the Councillor at the American Embassy who has just arrived from Vichy, called with a Mr Coe of the American Embassy who is to be in charge of security matters affecting Americans in this country. . . . I asked him what effect he thought that the bombing of factories which were working for the Germans would have on the population in France. He said that he was inclined to think it would have a bad effect, particularly if the bombing took place in the vicinity of ports and a number of innocent civilians were killed.

Very strange conversations between Von Ravenstein and Schmitt, two German Generals captured in Libya. Both of them seem to dislike Rommel intensively. They regard him as an arriviste, who by pressing his troops to do what is impossible hopes to make a name for himself. . . . in every way an unsympathetic character.

It seems that the Vera case is going on well. The lady is doing her best to help though it seems likely that she has not got a very intimate knowledge of the organization.

Several weeks still need to be transcribed

Liddell diary May 26 – Nov 3, 1942

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Liddell diary May 26 – November 23, 1942

May 28, 1942: [Liddell visits New York]. I rang up Stephenson's office. Stephenson was away but Pepper came down to the Hotel and took me up to 630 5th Avenue, where the SIS and SOE offices are situated on the 35th and 36th floors. I saw Stephenson later in the day and was introduced to Wren [*deputy director of Stephenson's organisation, the DSC*] and others. I spent the next few days talking with Wren and looking at various files. Wren has in his section Gavin Young, a Canadian who is more or less new to the game, Ronnie Sinclair, Mrs Silverston (Sylvanus Vivian's daughter), Mrs Montagu, the wife of Ewen Montagu of NID, and one other lady whose name I forget. Bavin of the RCMP who has a seat in the downtown office is by way of effecting liaison with the FBI and with the RCMP but his work sees to be concerned more with security matters than with counter-espionage. It was quite clear to me that Wren was very much in the dark about what we were all trying to do and what we knew about the German Intelligence services, and that this made his position vis-à-vis the FBI very difficult. [...]

May 31, 1942: I went down to Long Island... I met there two British naval officers, one who had been on the *Prince of Wales* when she was sunk and had afterwards got away to Singapore. [*details of sinking...*] He gave a frightful account of Singapore and the behavior of the Australians. The English and Scottish regiments fought magnificently, but the Australians just packed up. There were many deserters in large number from the rank of Captain

downwards, and they fought their way onto any ships they could find. Some of them are said to have been shot in Java for cowardice.

The other N.O. was trying to give some assistance to the naval authorities on the question of anti-submarine warfare. The sinkings in the Caribbean have been appalling. He said that he had given all the necessary advice two years before and had warned the Americans on the Caribbean. They had regarded such a thing as impossible and had taken no precautions. [...]

June 2, 1942: I visited the down-town office. [*Details, tasks, personalities.*]

... Communist activities are handled by J P Evans ... He showed me some correspondence between Marcel Pivert in S American [sic] or Mexico, and Fenner Brockway and John McNeil of Glasgow. These letters had been obtained in Censorship, and Evans wondered whether we had seen them, [...]

Babette Gross, Willi Münzenberg's mistress, is apparently now in Mexico and a certain amount of her correspondence has been intercepted. ...

[...] I had a talk with Madement, RSS representative at the up-town office. He told me that there had recently been a conference known as the Wilkinson Conference, at which certain vague principles had been laid down on the subject of monitoring and cryptography. Monitoring must be done by the Federal Communications Committee, Army and Navy including Coastguards, cryptography there only being done by the Army, Navy and FBI. No very definite decision was arrived at about distribution except that all deciphered material was to go to the State Dept. In the matter of cryptography there is a complete barrier between the

services and the FBI. The Personnel employed by the FBI is not of a very high grade and they have no experience, They are however trying to build up a huge organisation. The navy refuse to give them the benefit of any of their experience. They are therefore trying to crack up the Jap Cypher which is already dealt with by the Navy.

Our policy in the past has been to keep in touch with all organizations on the understanding that we do not pass anything from one to the other. The FBI are apparently setting up some organisation on the Pacific coast both for monitoring and deciphering. No diplomatic traffic is apparently sent to Security Co-ordination from England. Stephenson it is believed got a certain amount of Jap BJs [*Blue Jackets, Black Jumbos: intercepted Japanese communications*] from the Americans. Madement said that as far as he knew there was no illicit traffic from the Argentine to Europe, but there was of course cable communication which was used freely by the Germans; he thought that there was a cable which formerly ran to Gib and then to N Africa but that it had been cut at Gib. Unfortunately SIS were extremely weak in the Argentine. Up to a week or so ago they had no one. It was obviously highly desirable that somebody should go into the Post Office at BA [Buenos Aires] in order to collect all diplomatic cables to Europe, particularly since it is the policy of the FBI to get American states to close down all illicit wireless.

June 3, 1942: I went to Washington on the night train and saw Tamm, who is Hoover's second in command. [*Long sarcastic description of Tamm's office, maps, etc.*]

He told me about all his difficulties in dealing with the internment question, etc. The numbers of enemy aliens interned were on the whole small. I think only roughly between 2 and 3,000. Germans,

a similar number of Italians and perhaps 4,000 Japs. The Japs have been pushed back from the Pacific Coast and are to some extent being employed on land work in large camps. [*Tamm amazed that no enemy sabotage acts yet in USA.*]

June 4, 1942: ... I then went to see Kramer and Kimbell, two of Ladd's subordinates, ... I explained to them both the workings of the Twenty Committee and the XX agent system. They were enthusiastic, particularly Kimbell who was very quick to see all the implications and the necessity for getting the co-operation of the Service Depts. They intend to put the idea to higher authority. They said that a careful search of NIKOLAUS's belongings had revealed microfilms contained in the toe of his boot. These films were of the latest American submarine escape device. NIKOLAUS did not know at the moment that this had been found. The FBI were particularly pleased as they thought it would strengthen their hand in dealing with the State Dept in the matter of the detention of enemy aliens from S American who had been connected with the German intelligence system.

I lunched with Asst. Commissioner Bruce who is the RCMP liaison officer with the FBI, I asked him to tell me quite frankly what the FBI thought about us. He said, 'If you really want to know, they think you are too cagey and that you are hiding up on them.' [...]

June 5, 1942: ... I lunched with Bill Donovan and Barty Bouverie. I gave Donovan a general view of our experiences here. He told me that he now had a mandate from the Chiefs of Staff to start up an organisation covering the activities of SIS, SOE, PWE and ourselves in Europe, Middle east and Far East. He wanted to know whether in his outstations he should make one person head of all four organisations or whether they should communicate separately to headquarters in Washington. I said that from our expe-

rience I was quite certain that he ought to place the four departments under one head, otherwise they would undoubtedly run across each other's tracks and the world of one might well be damaging to the others. This had been our experience, but it seems impossible under present circumstances to get any change.

... Donovan is a very likeable personality. He was apparently a great figure in the last war, when he got the equivalent of the VC as commander of a battalion on the western front. I am told that his great trouble is that he has no first class Chief of Staff to keep him on the proper organisational rails. He is full of ideas but bad at organisation.

I went back to New York on the four o'clock train and dined with [Edwin] Herbert [British Censorship] at the Plaza. He told me that he was still struggling to get the S. American mails brought up for censorship to Trinidad or Bermuda.

June 6, 1942: I lunched with Ingram Frazer. He does not appear to have any clearly defined job in the office and I cannot find anyone who has a really good word for him. He was I believe at one time employed in SOE and it is probable therefore that from that organisation he drifted into security Co-ordination. He and Pepper seem to be running a certain number of agents whom they employed before American came into the war. An undertaking was given some time ago by Stephenson to Hoover that he would no longer employ agents in his area. These agents were therefore handed over to Donovan. Donovan has however asked Frazer and Pepper to continue to run them and let him have the information. They are certain to be found out before very long and the damage will be considerable, since Hoover hates Donovan's guts. I was told that Frazer had been running a mistress in Washington who was supposed to be acting as an agent for the Finns. She was

getting \$500 a month for her flat and another \$500 for her services, all paid out office funds. Stephenson heard about this and had it stopped. Another unsavoury incident was when Frazer and Pepper bought sterling on the Black Market which they spent on their visit to this country, On return they claimed their expenses at the full rates..

June 7, 1942: I wrote to the DG and to Dick [White] giving them my first impressions about relations with the FBI and urging that we should be as free and frank in our exchange of information as possible.

June 9, 1942: I went with +++++ [Wren?] by the night train to Toronto. SPRINGBOK came to our hotel and we had a long conversation with him about his position. He had made various attempts to establish contact with the south, but these had not been entirely successful. He had however carried on a considerable correspondence in code with São Paulo. He was also trying to get into touch with BA by letter in order to acquaint Berlin of his position.

I had a long discussion with him about the *Abwehr* training he had had. He had been three months with *Abteilung II* and eight months with *Abt. III*. A number of interesting facts emerged which I subsequently recorded in the form of a report. Perhaps the most interesting facts related to Frank Ryan [of the IRA] who had been working with von Brandenstein in *Abt. II*. Ryan was apparently assisting the formation of a Casement Brigade. ... SPRINGBOK had received instruction in secret inks, microphotography, etc.; he had seen the duff machine, and has given as a drawing and description of its working. SPRINGBOK is a mine of information and one could probably go on talking to him for a month and still obtain from him further facts. [...] I spent the evening with

Drew Brook, who is Wren's representative in Canada, He is more or less in charge of SPRINGBOK. I was very impressed by his keenness.

June 12, 1942: I had a further talk with Drysdale of the RCMP ... Drysdale told me that Mrs Krivitsky had left Canada some time ago and was now in the USA. As far as he knew she was not in financial difficulties.

June 15, 1942: I dined with [H Montgomery] Hyde and his wife. She was formerly employed on +++ work in London, then at Bermuda and now in the New York Office where she had a little lab. She and her female assistance [*sic.* assistants?] are apparently quite efficient at their job. They gave a course of instruction to the FBI whose methods in these matters are somewhat crude.

June 16, 1942: I had a talk with Coughy, who is the FBI representative in charge of crypto-analysis, laboratory work, cameras and technical appliances. He had seen the code 111/333 which had been in the possession of Westerlink. He said that it appeared in a book entitled *Elementary Crypto-Analysis*, by Helene Fouché Baines, published by the American Photographic Publishing Co. of Boston in October 1939. ... I asked Coughy whether he had any apparatus for taking a movie photograph of an individual in a room without his knowledge. he said that the only apparatus that he knew of was an X-ray mirror. This could be fixed to the wall, it looks exactly like a mirror from the inside and could not be detected unless a light was placed behind it. He had used this quite successfully on one occasion. [*Also discussed a voice-activated recording device.*]

June 17, 1942: I saw Tamm who took me into [J Edgar] Hoover. Hoover is obviously the prima donna type. He was very cordial

and held forth at great length about his organisation and his difficulties. I gave him some picture of our experiences in England, whenever he showed signs of drawing breath, which was not often. It was obviously no good discussing with him such matters as XX agents. His mind is working more on political relations with other departments. [...]

June 18, 1942: ++++++++ and I had a meeting [in Washington DC] with Tamm who called in Ladd [of the FBI]. We obtained agreement on the following five points:

1. exchange of confidential information on the basis that it will be exclusive to ourselves and the FBI and that no action will be taken on it without reference to the other party. Such information will be stamped accordingly.
2. exchange of information not the significance of names and references in all intercepted material in DUFF or S/W [secret writing]. Tamm emphasizes that this information should also be exclusive, since if it went to one of Donovan's boys they would be holding 4th July celebrations in the suspect's back garden. There had apparently been an instance of this in some case based on intercepted material. The name and address of the suspect had got on to the censorship list which had been seen by one of Donovan's people with disastrous results.
3. exchange of traffic in the cases of all XX agents where there is a mutual interest.
4. collaboration in running such agents.
5. right to interrogate persons where there is mutual interest, Tamm explained that this would generally be feasible but that there might

be cases where nit would be difficult. In such an eventuality he undertook to allow us to have direct access to the FBI officer concerned.

This agreement seems satisfactory provided it can be lived up to by both parties.

[...] [Captain Eddie] Hastings, the DNI representative in Washington, says that the Navy have cards for all doubtful seamen but no typed list.

June 18, 1942: I had a talk with Brookbank on office security, of which he is in charge in New York. I explained to him the various ramifications of SIS and the Security Service, also the relations with the Home Defence Security Executive. He had never been told about these matters. He called in Bailey who is in charge of SOE security. He said that Fairly who was away for 3 weeks would be taking over this matter on return.

... Originally SOE had covered all British overseas ventures. This was found to be unsuitable and was abandoned. They now work under Security Co-ordination, which is in a sense an open title since it is a registered telegraphic address. It is not however posted on the door. Passport Control which is on the 35th Floor is probably the best cover. For financial reasons the Treasury Dept are also acquainted with the title of Security Co-ordination. The question of having grills on the doors is being considered, but it is thought that this might attract too much attention. Confidential waste paper is shredded and then burned at the down-town office every two or three days. Shredding turns paper into confetti. There is a pass system for outsiders but the staff which consists of 140 to 160 persons do not carry passes as they are all personally known to the door-keeper.

As regards recruiting, SOE take a room at an hotel or boarding house which is changed weekly. [...]

July 3, 1942: [...] +++++ [*this is almost certainly 'Wren', as the name occasionally is left unblanked*] and I saw McSwane at the FBI headquarters in New York. We had intended to see Foxworth but he was tied up with the generals trying to make arrangements for a Court Martial of the eight [German] saboteurs who had just been arrested. Apparently the two parties, one [landed from U-boat] at Long Island and the other in Florida, were operating independently although they each knew of the other's existence. They deposited their material on shore and after burying it went to reconnoitre or make contact with certain people who were thought likely to be sympathetic. Six of these people have also been arrested. The eight spies were caught on their return to collect their explosives. The whole project has been in preparation since last April. There is a great deal of confusion about the Court Martial procedures to be adopted since no case of the kind involving the death penalty has been known since the days of Abraham Lincoln.

July 4, 1942: I saw TRICYCLE in company with McSwayne and +++++. He seemed to be rather full of complains as regards his treatment since he arrived in N America. It was quite embarrassing for me as he was so full of praise for the way he had been handled in England. He maintained since he arrived in America his case had never been given careful consideration. He had been obliged to spend a good deal of money because otherwise the Germans could not have expected him to move in the circles in which he was to collect information. Had they wished him to do otherwise they should have arranged a suitable cover. He was not in financial difficulties and the Americans were refusing to support him. [...] In order to meet his immediate needs +++++ paid him \$2,000. I

doubt however whether he will get anything out of the Americans. Wren offered to pay half his liabilities which run into something like \$15,000. I asked TRICYCLE about his visit to Lisbon. [... *Details follow*].

Later Wren and I went on to see Foxworth [of the FBI] with whom we discussed the position of TRICYCLE. I gave Foxworth our views about the XX agent system and impressed upon him that it was impossible to run a man like TRICYCLE the way they were doing. We had found it necessary to have as many as 8 or 9 people who devoted themselves entirely to XX work. Foxworth implied that it was impossible for his organisation to detail so many men for this work. He did not seem to comprehend the importance of it. He was thinking all the time in terms of a balance sheet. TRICYCLE had been there for so many months, he had cost the FBI so much, he'd given the enemy certain good if not vital information. All this was on the debit side, but there was nothing on the credit side. I tried to explain to Foxworth that there was a great deal on the credit side. He had had a man who for six to eight months had been in the confidence of the enemy and who was therefore something in the nature of an insurance against penetration. If he could reach a stage where he had the majority of the Germans agents in the USA under his control, his problem in dealing with counter-espionage would be largely solved. Having heard that Foxworth was by far and away the ablest and most intelligent representative of the FBI I was little disappointed by the interview. He struck me as being singularly narrow in his outlook. It may have been that he was too harassed by the sabotage case to enter into serious conversation on the question of double-agents.

He had just returned from a long visit to S America. He said that his policy there was to get all the illicit wireless stations closed down. I rather gathered that he had been responsible for closing

the station at Valparaiso. His idea was that by getting Chilean and Argentinian authorities to take action, public feeling would be aroused against Germany and that ultimately both these countries would be driven off their neutrality. If there were any chance of his being successful in this regard the price might be worth paying, otherwise he was obviously doing himself and us harm, since he would drive communications into other channels which it might be difficult to discern.

[...] I had a long talk with Madement who gave me a list of the isos [*Abwehr* cypher] groups in which the Americans had expressed interest. It was clear that they must already be reading a number of these services, owing to the information they had gained from Rio and Valparaiso. This being so, they would probably take action if any of the material seemed to concern them. I thought therefore, and in this Madement agreed, that it would be much better to come clean on the European [isos] material and give an undertaking to the Americans that we would watch their interests. If they guarantee not to take action on European material without prior references to ourselves, we could give a similar guarantee with regard to material obtained in the Western Hemisphere.

July 5, 1942: I had a talk with Bailey, the Canadian Professor who is in charge of Stephenson's communications. He showed me his adaptation of the telecrypton, which is a tape punched with holes in such a way as to put any message into a one-time table. This is then transmitted and comes out automatically at the other end. This is used for communication both with Ottawa and Washington. Some adaptation is being suggested for communication with Europe. Bailey is very worried by the restrictions being placed upon a frank talk with the Americans on the subject of isos. He said that our present reluctance to tell them what we were doing was creating a very uncomfortable atmosphere. Madement had

recent [*sic.* received] a list of the stations that we were monitoring with strict instructions that there [*sic.* they] were for his information only. Bailey on his own initiative had passed these to the Americans in strict confidence. If he were challenged he was quite ready to stand the racket and had the support of Stephenson. [...] He asked me to let him know if we had any records in England of Coit [*not his real name; a Jewish refugee*] since it had been suggested to him that Coit had a bad history dating from the last war. He explained to me that Coit had told him before being taken on that he had been accused of having been connected with some peace move in 1916, but he produced a letter from the then Under Secretary of State, Foreign Affairs, exonerating him from all blame. At the time in question he was in Switzerland. I promised to look up the records and let him know.

I left for Montréal on the night train with +++++, en route for England.

July 7, 1942: +++++ and I paid a visit to Supt. Gagnon, the head of the RCMP in Montréal. We discussed with him the question of action against the Spanish Consulate in Montréal. He said that the telephone so far revealed nothing of interest. I gather however that he was going to try and insert a mike and also to get an agent inside. He talked a lot about the French Canadians.

[... *Problems of getting them to enlist, one page*].

Gagnon struck me as being a very fine fellow, and I should imagine that he would probably be Commissioner before he is finished. I gather that he come next but one on the list. We discussed the [Wing Commander] Kleczynski case. I said that we were quite convinced that the whole incident of the bomb being placed in Sikorski's plane was phoney. [*A rudimentary bomb device had been*

discovered on the plane in which Sikorski flew to Montreal in 1942. Kleczynski "discovered" it in mid-air and was the hero of the day. See David Irving, Accident, The Death of General Sikorski, London 1967.] Gagnon entirely agreed. The officer on the case had come definitely to this conclusion after his interview with the Polish ambassador in Washington [Adam Ciechanowski]. Obviously there had been an attempt to hush the whole thing up.

[Wren and Liddell flew back to London, arriving there July 9, 1942]

... during my absence. A diary had been kept of the more important items which seemed to be as follows: [...]

May 27th: One Prince of Weltzien's organisation discovered by one of SIS XX agents. He has said that Weltzien told him that he would give him the names of five German agents in this country. He is being sent here for interrogation.

MARSCHNER has admitted that he is Gunter Schutz. [...]

May 29th: Three Germans, Fleischner, Schomberg and Baebenroth, alleged to be German refugees from Gib, now at RPS [Royal Patriotic Schools]. Baebenroth's escape from concentration camp was mentioned on ISOS but all three tell such a tissue of lies that it is difficult to know what not make of their story. I gather Milmo is most suspicious of Fleischner. [...]

June 1st: One JUDE, a Belgian, who came here in March from Canada as a pilot, and was supposed to have been vetted over there, was denounced by FATHER as an agent of the Germans trained by the same man who trained FATHER. He was interrogated by the Belgian and confessed that this was so, but that he had not intended to work for the Germans once he got there. He is to be sent to

[Latchmere Prison at] Ham.

Price, the Portuguese aircraft technician who was said to be one of Weltzien's people, has now been discovered to have been provoked by an agent provocateur in the pay of SIS into saying he would work for the Germans. He is coming here on the *Inaki* and will go to the RPS.

Stopford is returning to Iceland for a fortnight tomorrow.

Witt wishes to move into another flat as he suspects that his present one is miked.

June 2nd: A cover address from the Valparaiso service was put on the IB list, as a result of which a letter was seen going from a firm in Switzerland to a firm in the City [of London] written in the same stype [*sic. type?*] as the "Joe K" letters. Only a Photostat copy was taken and the letter was allowed to go on, but a further letter, going from London to Switzerland, has now been intercepted written in the same style, on which certain brown marks were found which are being tested for DUFF [*secret writing?*] Although the second letter was written after the first must have been received, it is not in any way a reply to the first, which it does not even mention. It does however deal with the subject of coffee, as did the first. [...]

June 4th: Gambier-Parry attended today's RSS meeting, and has undertaken (1) to intervene diplomatically with Travis [Commander, of GC&CS?] in order to secure that better attention is paid to Group 8, and (2) to represent to the Y Committee, of which he is a member, that RSS should have a representative on the Inter-Services Wireless Board... He further reported as an "off the record" confidence that it was proposed to set up a met. station in

Spitzbergen and that he thought it possible that RSS might avail themselves of this position to attempt to intercept the northern Norwegian services. [...]

The Irish reported that when Luke Jr was arrested and searched, a piece of paper was found on him containing the names of TAR [Robertson] and [John] Marriott, the address "Room 055" and the WO telephone number with our extension, and note to get in touch with them in any emergency. He had not told us before that he had this on him, and it is a bit of luck that the Germans did not get hold of it when he visited the Legation in Dublin. He is being questioned by Mair in Glasgow on this point.

June 5th: U.35 says that the Czechs have got hold of a story that reprisals were going to be taken for the death of Heydrich by an attempt on the life of Benes. The Czechs were anxious that special steps should be taken to guard him. [...]

"C" rang up to draw our attention to recent SM [Special Messages] which seemed to indicate that Plugge has been instrumental in supplying the Egyptian ambassador with some means of direct communication with Cairo. C seemed anxious that G-P should be brought into the matter. Dick had a discussion with Kellar and Hughes, and it was arranged with Frost over the phone that a conference should be held at Barnet tomorrow to which G-P should be invited. C informed that we were taking necessary action.

June 6th: The ISOS character ARMANDO has been identified as Dr Cunha a Costa, a relative of Salazar. He has been arrested at Bathurst and FO agreed to this action on condition that concrete evidence of his guilt could be produced. Unfortunately a search has revealed no such evidence, in any form, although it is made

perfectly clear on isos. [...]

U.353 and Harmer have seen a Frenchman named Adam, and a Pole named Maurice, members of the Walenti organisation, whose stories throw further doubt on VICTOIRE.

June 9th: [Lord] Swinton has been appointed Minister Resident, with Cabinet Rank, in Western Africa. Duff Cooper is to take his place here.

VV has gone to bed with a nervous breakdown.

It was decided to intern VICTOIRE.

Witt was sent to [Camp] 020 today.

June 11th: Dick's [White's] OBE became known to the Office and he was the embarrassed recipient of numerous congratulations.

Morton-Evans attended the 12 o'clock meeting today. The possible use by German agents of VHF was discussed. M-E considered that it was improbable that any VHF sets were being used by long-terms agents, as the technique was so new that sets as they were manufactured were almost certain to be sent to the Forces for operation al use. VHF was still in the stage where it was a matter for the radio engineers and not for Intelligence.

A letter has been intercepted on the Spanish Embassy check, written by someone in the Aylesbury district asking if they can provide him with a means of earning £100. He states that his unit is shortly going abroad. Skardon is trying to trace the writer. Permission has been asked to impose checks on the Swedish and Portuguese Legations so that any similar letters can be picked up.

[The writer was Driver R G Nicholson of the RE, see June 24th].

June 12th: [...] The Poles have a large organisation in Scandinavia through which they obtain information from the Japs, known for the purpose as “Eggs”. This material appears on ++++ and the information is graded according to the size of the “Egg”.

June 13th: [...] Kellar has written an excellent account of the Pasha’s Intelligence service. It is clear that the Pasha has such an organisation and that he has direct means of communication with Cairo and probably also to other centres. [...]

June 16th: The Czech XX agent Max, who is shown on ISBA to have betrayed us to the Germans, is to be brought back to this country if possible. The present suggestion is that he should be delivered over to the Czechs for court-martial and further interrogation.

[...] Dick discussed with Stephens what assistance could be given by him [Stephens] to SIME [Security Intelligence, Middle East] in the creation of a camp on the same lines as his own in the Middle East. It was pointed out that it would probably be located in Palestine, where consideration must be given to location building materials and limitations of soldiers for guard duties. As a result of this conversation Stephens is working on a blue-print for a Palestine [Camp] 020 but is adamant that he cannot lend one of his officers as he is already short staffed and Huntercombe will soon be coming into being. He suggested however that a suitable candidate could be trained at 020.

Dick went round camp 020 with Stephens and says that it is at last finished article. Its resemblance to Dachau is somewhat pronounced, since there are long pathways commanded by search-lights, while even the allotments are neatly partitioned by barbed

wire fences of considerable height.

June 24th: Skardon has identified the writer of the letter to the Spanish Embassy mentioned on June 11th as Driver R G Nicholson of the RE [Royal Engineers]. [...]

It is becoming apparent that the latest cover story for German agents arriving here is that they have been indulging in Black Market activities and are making their getaway before they are caught.

Doran of the Admiralty Central Registry has been sentenced to six months each on two counts.

The AM Air Ministry] have brought up the question of possible leakage by wireless from the east Coast of the departure of our planes from that area.

June 26th: John Maude returned from USA. He has got a job with the War Cabinet. [...]

Stilwell has arrived, and Hale and Hart are at Brixton [prison] interviewing him.

Duff Cooper toured RPS on Saturday.

The appeals of Estella and Timmermann have been refused.

Group 8 is increasing in volume and is now almost as great as Group 2. C has said that the section dealing with Group 8 at GC&CS is being strengthened.

One of the German wireless expeditions in the desert, known as the *Schildkröte* Expedition, was captured at Bir Hakeim and is

now in Cairo, complete with W/T sets and codes.

The results of the Stilwell interrogation go to confirm our view that these people were decoys of Weltzien's meant to engage the energies of the SUS people in Lisbon with false scents and clues. If nothing further emerges from cross examination tomorrow, Stilwell will be released.

June 30th: Another letter has turned up on the Spanish Embassy check, this time from a George Stenforth, electrical engineer, saying he wishes to see someone on a matter important to Spain. He lives at Margate. Driver Nicholson, the previous writer, has now gone with his unit to Renfrew.

July 1st: VICTOIRE is being sent to Aylesbury this afternoon in company with My Ericssen, Stella Lonsdale, and Mrs Kraft.

July 3rd: SIS have received a cable to say that all records have now been removed from Cairo [*threatened by Rommel's dramatic advance*] to Jerusalem. No information as to whether [Brigadier] Maunsell [CO, SIME] and his staff have gone too.

July 8th: ISOS shows there is a plan to sabotage the s.s. *Hartington* at Las Palmas by means of a bomb fixed to the hull by a diver. The ship is to sail tomorrow. We have done all SIS will let us [do] to warn the authorities.

July 13, 1942: I had a long talk with C. and gave him my impressions of America. He asked me my views about the new organisation to be known as DOCE (Directorate of Counter-Espionage), I said that I had not really had time to consider the matter, which involved a reinforcement of Section V. with certain personnel from B Division under Dick [White]. [...]

I gave C my views about the attitude of the FBI. I said that the main trouble was the dearth of information about what was going on in Europe and the feeling among the Americans that we did not trust them; I did not put forward the suggestion that Stephenson should be given a mandate from the Security Service.

July 14, 1942: Field-Robinson and Thornley of SOE came to see me, firstly about Kurtz, who they want to send to Switzerland in the capacity of a Legation official. I said that although I had thought that he was thoroughly trustworthy, I should rather hesitate on security grounds to recommend to the FO that he be employed within the Legation where he would be bound to have access to a good deal of information. He still had relations in Germany and pressure might be brought to bear on him. I doubted whether he was a very strong character. It was eventually decided to send Kurtz to S America, and to try Edward Bloomfield for the post in Switzerland.

Thornley was anxious to know about Witt. I got down Aiken-Sneath who explained the position. Sneath, contrary to the view held by 0020, believes that Witt, though anti-Hitler, is a National-Socialist and a German agent. There is however no satisfactory proof.

July 15, 1942: Attend Dick's [White's] Wednesday meeting. Later I had an hour's interview with Duff-Cooper. I gave him an outline of B Divn. And a brief history of our activities since the period preceding the war. I also told him of my experiences in America. He was not very responsive, but I day say he was feeling somewhat bewildered. I got the impression that he imagined himself in the position of a Secretary of State running a department but without any papers or red boxes which would show him what the department was doing. He was anxious to see as many members of the Security Service as possible, in order that he might become

better acquainted with our work.

I went on to the W Board meeting. We first discussed methods of getting approval for answers to questions about American troops in this country. Such questions were beginning to come in and it was impossible to say that we did not know about them, as they were beginning to swarm about the country. I said that we could not possibly give these answers without American approval since sooner or later we should be found out and the consequences would be serious. It was finally decided that DMI should approach Gen. [Dwight D] Eisenhower and the DNI Admiral [Harold 'Betty'] Stark. ... It was agreed that [John] Bevan should join the W Board and be placed *au fait* with the Twenty Committee's affairs.

After the meeting I discussed with C the question of putting out cards on the table about European isos. He was inclined to agree that something of the kind should be done, and asked me to put my views in writing. C told me that according to his information the German General Staff wanted to get the German offensive over in order to transfer troops to the West. They were apprehensive about the Second Front. Hitler thought on the other hand that there would not be a Second Front this year.

July 16, 1942: We had RSS meeting. The question was raised of giving priority to certain isos messages of operational importance. It was decided to co-opt the Services for the next meeting. Groups VIII and XIV are beginning to get on their feet. VIII is the Italian network centred on Rome, reporting German network centred on Istanbul.

July 17, 1942: Driver Nicholson has been arrested. He has hopelessly compromised himself not only by admitting that he wrote the

letter to the Spanish Embassy but that he had been in communication with Ribbentrop in 1938 when he had offered his services to Germany. He had received an invitation to go to the continent, and funds to pay for the journey. He says that he returned the funds and never went. In giving this story he has by implication made his approach to the Spanish Embassy far more significant. It is a moot point however as to whether he is or is not liable to the Death Penalty.

We have a report that 4 ships have been sabotaged at Gib.

July 18, 1942: I lunched with Brooksbank, the security man in DSC [Directorate of Security Co-ordination], New York, A/C [Air Commodore] Paine @ [alias] 'Lousy' who is going with Evelyn Baring to look into SIS matters in [*deleted: Spain, pencilled in:*] S America, Hoare who is also I think an SIS man, and the DG [Director General, Petrie].

Guelis of SOE and Senter came to see me about the case of a man called Dufour [*sic.* Dufours] who was held by the French as a Vichy agent but had escaped. The Free French had asked us to look for him and he had been traced to the house of a Mlle. Borrel, his mistress, who is to proceed on a very secret mission for SOE in a few days' time. SOE were afraid that if Dufour[s] was handed back to the French the story of Borrel's visit might be extracted from him. Our point of view is that we jeopardise our relations with the French 2ème Bureau if we try and conceal Dufour[s]'s whereabouts which are probably already known to the French, since they have suggested that we should keep a watch of Mlle. Borrel. It was agreed that we should temporise with the French and that in the meantime SOE should ascertain whether Borrel had said anything to Dufour[s] about her mission. [*For the real low-down on the Dufours case see the diary entry for June 5, 1944*].

Borrel is apparently a woman of great courage, and the only female parachutist that SOE have at the moment.

July 20, 1942: De Guelis and Senter called again. They have found out that nothing had been said by Borrel to Dufour[s]. It was finally agreed to tell the French that for a special reason we wished to retain Dufour for a few weeks before handing him back. This would cover the period of Borrel's visit.

[...] Kleczynski formerly referred to as Placzynski, which is not his name, has confessed, but we are not entirely satisfied with his confession. He says that the incendiary bomb [found on Sikorski's plane] was given to him in the course of a visit to an SOE establishment. He wanted to use it in emergency if he had to make a forced landing in enemy territory. He had put it in his gasmask and thinking that it was likely to go off had gone along to the lavatory at the tail of the plane. He had invented the story about finding it because he thought that otherwise he might get into trouble. Sharkovitch of the Polish 2ème Bureau is by no means satisfied with this explanation.

July 21, 1942: Lunched with Maltby and told him about America. He said that he shared my views about coming clean with the ISOs and would give the matter his support when it came his way.

E[velyn] Baring came in the afternoon. He was just off to S America. He seemed rather diffident about his job and was entirely without instructions as to how he was to proceed when he arrived in BA [Buenos Aires]. He had of course business contacts of his own but not other starting points. I suggested to him that he should attempt first of all to get a suitable introduction to someone in the police who was concerned with counter-espionage matters. Dick and I also gave him a number of other hints. [...]

July 22, 1942: I attended Dick's meeting, at which I presided for the first time. We discussed the case of Manezes, a Portuguese ISOS character who has taken up a minor post in the Portuguese Legation. He is an agent of the *Sicherheitsdienst*. We have got another agent in the Legation who is watching him and we are keeping him under observation ourselves.

The famous DOCE meeting took place today. Present were DG [Petrie], CSS [Menziess], DB [Dick Butler?], Felix [Cowgill of SIS], Harker, Dick [White], and myself. [*Lengthy organisation and location details...*]

Felix made one rather fantastic claim that 80 percent of the agents caught were due to SIS information. It was subsequently shown by Milmo that SIS had been responsible for the capture of sixteen agents out of 87, that only in one case has a capture been attributable to an SIS agent, and in nine of the cases for which SIS had been given credit the original information had been derived from ISOS. Further, that in five of the sixteen cases in which SIS had made contact abroad with persons anxious to XX [double-cross] the Germans and that in one of the sixteen we had discovered that a woman employed by SIS was in fact XXing them with the enemy. Out of the grand total of 87, twenty of the agents have ISOS to thank for their captivity. Unfortunately we were not in a position to produce these figures at the time. It was quite clear that Felix had set his face against any move of his organisation from Glenalmond. [...]

C then tabled a plan for a directorate to be known as ACE (Axis Counter-Espionage), which would have a dual responsibility to CSS and DG. Vivian was to be the head of it, and to remain Security Adviser to CSS, while Felix and Dick were to be assistant directors. As we had had no opportunity to study this document, it

was decided to postpone the discussion. [...]

Frost came to see me about RSS ... His main complaints are that RSS who are the technical tool are dictating to Intelligence, instead of vice versa, and that the mobile units are unsatisfactory both on the technical and personnel side.

July 23, 1942: I dined with Wren who is leaving tomorrow. He has I think seen everybody in the dept. who can be of use to him and he is taking back [to Washington] information on XX matters which he will hand to the FBI. He is very anxious to obtain the services of [Cyril] Mills and Miss Sherer.

July 24, 1942: I had a talk with Marriott about the possible use of JUDE and Grobben as XX agents. JUDE is the Belgian who came here from Canada and joined the Belgian Air Force. He knew FATHER and had been approached in Belgium by Hacke. Although he knew that FATHER had also been approached by Hacke he never reported the fact. We therefore came to the conclusion that he could not be allowed to leave this country and would probably have to remain in internment for the duration. [*More details...*]

I had a discussion with Victor [Rothschild], Curry, Miss Clay and Dick [White] on Fifth Column. Victor's case was considered and we all agreed that it must go on. In the meantime Curry is writing a memo on the Fifth Column generally.

July 25, 1942: Colonel Allan came to see me about certain [*ink*: USA] diplomatic correspondence which was clearly being opened. This fact had been detected by the special examiners [*at Postal Censorship*], owing to the crude way in which the work was being done. I thought at first it might be one of B.2 agents but this proved not to be the case. Allan is inclined to suspect somebody in the Post

Office.

July 27, 1942: Frost tells me that there is still no [codebreaking] solution of the met. reports. I gather that the cypher has again been broken and that the same thing is going on.

The Iturralde enquiry came to nothing.

As regards [carrier] pigeons, birds have been sighted over the Scilly Isles, but there have been delays in getting the hawking party as the birds have had to be trained. It is hoped to get this thing going in the course of the next week of ten days.

A message put through by PEPPERMINT via the bag in secret ink has been traced on a BJ [MAGIC intercept] to Tokyo, where it has been the subject of discussion between the Germans and Japs.

Jock Whyte came to see me about the arrival of British subjects from the [Iberian] Peninsula. A large number of these people can hardly speak English. [*Resulting security problems, need to screen arrivals.*]

July 28, 1942: Warschauer, an internee who was a director of a company called WAF, has confessed under interrogation by the Czechs that he was recruited by a member of the German Intelligence named Sauer. He came to notice through investigations into his company which was trying to exploit a microphone apparatus called Telfi. The Ministry of Supply had wished to employ this company, but we had objected on account of Warschauer, Berg, and the dubious Hungarian financier Svarvazy being connected with the firm. [*see pages 670-1 for more*] ... the OKW and not through the Embassy. Alcazar de Velasco is the principal figure in this organisation which in our view is a poor one, mainly because

it depends on Alcazar's mythical informants. We are fairly satisfied that he fabricates a good deal of the information which he palms off on the Germans and Japs for considerable sums. He is a low-class ex-bullfighter who has been put in by [Serrano] Suñer as head of the Falange Political Press Bureau.

July 30, 1942: [*Considerable further discussion on ACE and reorganization of the Security Service and Section V of SIS ...*]. We had a meeting today of RSS with the service representatives present. It was agreed that if a rush priority could be put on certain services this would meet their demands. T-R [Hugh Trevor-Roper] made a short speech about the particular services which seemed to have more operational content and were therefore important from the Service point of view. Felix arrived late, looking black as thunder. We told him that T-R had given this information to the committee, to which he replied, "I hope somebody took a stenographic minute, other than T-R himself." I did not reply to this but asked T-R to repeat what he had said at the beginning of the meeting.; Dick tells me that Maltby and Felix had worked themselves into a frightful state on seeing on the Agenda that the secretary [Trevor-Roper] was to state the problem to the meeting. [*More details ...*]

August 1, 1942: I have discussed ACE with Gibbs, Curry, TAR [Robertson], and JC [Masterman]. They all seemed to be emphatically of my opinion.

Ernesto Simoes, the isos character [i.e. *suspected enemy agent*] has arrived at the RPS. It is intended that he should join the Percival aircraft factory at Luston [*sic.* Luton]. The RPS were not told about him, in order to test the examiners. They reported that they were not satisfied with his story. At this stage they were let into the secret. Simoes will be kept under observation at the factory for a time in order to see if he makes any contacts. We are also anxious

to find out his cover address, and a strict censorship has been laid on.

Five limpets [mines] have been removed from a cork ship in Gib which had come from Seville.

Springbok had mentioned a man named Rudolfo Buente, cork merchant of Seville, whom he had met at the *Abwehr* HQ in Berlin. He was connected with *Abteilung II* [counter-espionage, sabotage]. It seems quite likely that he may have been a party to the attempted sabotage.

August 2, 1942: There has been a long OSTRO message about the Middle East, giving our dispositions in detail. The service view is that it is 90 percent accurate and denotes a serious leakage.

Jones's organisation has put up quite a good performance during the last six months. Over 300 agents were recruited. Out of this number, twelve are possible XXs, two have been taken on by the German Intelligence and are reflected in ISOS and one has got £70 out of the Japs in Lisbon with a promise of £150 a month and instructions to recruit a regular courier.

There has been a long telegram from [Brigadier] Maunsell [head of Security Intelligence, Middle East] about the arrest of two German agents, Eppler and Sanstede. Count Almassy started on an *Abwehr* Kommando expedition to southern Egypt in May last with the intention of dropping two agents at Assiut with W/T sets. This information, which was obtained originally on ISOS, is confirmed by the capture of two I Heer members of the *Abwehr*. Jenkins had been looking for them until the end of July when he discovered that two mysterious strangers were in touch with an Austrian employed at the Swedish Legation in Cairo. These two were ar-

rested on July 25th and were found to be Eppler and Sanstede. Twenty other local residents were arrested at the same time. Eppler is an Arabic speaker and has been resident in Egypt. The Austrian employee of the Swiss Legation had to be kidnapped. Up to now there have been 50 arrested in connection with this case, 24 of whom have subsequently been released. Eppler and Sanstede are proving communicative and providing useful information. Maunsell says that Stellmacher, an escapee from *Z.b.V* 800, is on his way from Turkey to Egypt.

August 3, 1942: Manazes has sent a letter to his sister by +++++. The letter shows signs of secret ink under violet ray.

August 4, 1942: There indications that the *Sicherheitsdienst* are proposing to kidnap ++++++, ++++++, who is regarded by them as a traitor owing to his attempts to escape from Lisbon to England.

[...] The eight saboteurs who landed by submarine on the coast of USA in June were, according to ISOS, trained and despatched from N France. They spent some time in Paris shortly before their departure.

It has now been established that FRITZCHEN, the British agent being trained by the Germans at Nantes for a parachute drop over this country, is going under the name of Chapman. He does not appear to be identical with Chapman of SOE, who was captured some time ago. [...]

The PM [Churchill] has left for the Middle East or Moscow [*in fact, both*]. Fleet St is buzzing. [*See too August 5*].

I had a discussion with the DG about W Africa. ... DG has agreed to take on Stopford, who will be in charge of Jones's section, plac-

ing seamen agents on board ships running to the peninsular [*sic*] and Eire ands America.

The ink on Manezes' letter cannot be brought up. An impression has been taken and further experiments are being made. [...]

I lunched with Vickery. He told me that [Colonel] Hill, the SOE man in Moscow, had had a curious approach on the subject of two Russian agents who had been operating in Afghanistan. They had been kicked out, and the Russians were seeking our assistance. In fact we knew all about these agents. They had been working for Subhas [Chandra] Bose [*an Indian agitator*], who wanted them to facilitate his journey to see Stalin in Moscow. Later however he decided that he liked Hitler better. The agents, who received quite a lot of money from Germany, helped him as far as possible and then reported the facts to Stalin. Subsequently they had fallen foul of the Afghanistan authorities. This is the first indication that the Russians desire any form of cooperation on intelligence lines. It followed a formal request by our minister in Kuibyshev to notify us of any attempt by Subhas Bose who was then in Berlin to get back to India, but whether there is anything to connect the two incidents is not certain.

Vickery is anxious to send as much information as possible about the German *Abwehr* to India. So far it has not shown its hand there. ...

C is sending out Herepath to control his various units in W Africa. Swinton has apparently objected. C proposes to ignore his objections. I do not hear very good accounts of Herepath and possibly Swinton is right.

I spoke to C about a plan which John Senter had put to me for

testing out the reliability of the Fighting French Forces at headquarters, which SOE believe are unreliable in certain quarters. C agreed provided he knew exactly what it is proposed to do.

There are 190 German Divisions, seven Hungarian, eleven Romanian and four Italian on the Russian front. The Russians have removed large stocks of oil from central Russia from the Caucasus and the development of new oil wells is being rushed. The loss of the Caucasus is only likely to be felt in May 1942 [*sic*].

August 5, 1942: Harker has seen [Will] Codrington [of Foreign Office security] about the leakage of information connected with the PM's visit to Moscow. It seems that the PM had a telephone conversation with the President before leaving. ...

Sneath came to see me about Aron and Ritter, who both need looking into. Ritter was formerly German assistant MA [military attaché] in Paris and was brought over here with his mistress Althius from Switzerland at the beginning of the war. He had been one of Vansittart's informants, but as many of these were notoriously unreliable it is not altogether impossible that Ritter was double-crossing him. I told Sneath that I thought we should make a real effort to sift the case to the bottom and that the first step should be to obtain copies of all the reports that he had written to Van. We should then review these in the light of subsequent events. ...

I went over to see Codrington about the PM leakage. He seemed to think that he was in charge of the whole case and that he should call upon us to clear up certain points which were not within his jurisdiction. I told him it was difficult for us to operate unless we knew the full facts of the case. Did he know exactly what the PM had said to the President in his telephone conversation? He said

that he did not but that he had been assured by one of the secretaries at Downing St that no details were disclosed. I said that either the PM had intimated to the President that he was going to Moscow or the conversation would not have taken place. He might have said nothing which would have aroused the suspicion of the ordinary telephonist but he might just have said something which would disclose his movements to the informed listener. This coupled with a certain amount of W/T intelligence, i.e. telegrams going in *Chef de Mission* cypher from here to Moscow, Middle East or Washington would be quite sufficient. It was obvious that at this time, if the PM was moving, he would probably be going either to the Middle East or Moscow. I asked Codrington to let me have a copy of his report. ..

The Afghans are starting to collaborate with the Axis. They appear to be afraid of a coup d'état by Amanullah supported by the Italians.

August 6, 1942: There is a considerably stir in the Irish world owing to 29 priests and three nuns having been stripped at the port. The action had apparently been taken in accordance with the rule that anyone coming from enemy territory should be thoroughly searched. The priests and nuns had come from Rome. Joe Walsh [Irish foreign minister] and Dulanty appear to be up in arms. [Desmond] Orr has not made things better by severely cross-examining some of these priests at Room 055, and asking them if they were loyal to this country, etc. He is within his rights but the incident is unfortunate.

August 7, 1942: I have been asked to review the work of the Press section. I have been through Tangye's reports. He seems to cover the ground required, but he is spending a good deal of money. ... Tangye has nothing to offer the Press except drinks, lunches and

dinners. It must therefore be accepted that in terms of a balance sheet we cannot really get value for money.

August 8, 1942: SIS reports show that the Germans are trying to establish a line Leningrad–Moscow–Astrakhan. They will then divert forces to the Balkan area for an attack on Syria and probably the rear of our front in Egypt. This is to be combined with an attack by Rommel on the Suez canal.

The Twenty Committee have devised a plan known as ASSASSIN. The transmitter which we got some time ago on the “Arctic” and which we intended to use for strategic deception in bringing out the *Tirpitz* is now blown. We therefore intend to use the Iceland transmitter to inform the Germans that the “Arctic” was given away through the indiscretions of Tome, the Danish Consul in Vigo, who was in fact responsible for the whole expedition. It is hoped that this will throw a spanner in the works in Spain.

August 10, 1942: Curry has written a memo on the Fifth Column, putting the whole question in its proper perspective. I feel that he should really co-ordinate all sections in the office which take a hand in the Fifth Column cases. These sections would be Aiken-Sneath, and Robson-Scott, Jock Whyte, Denniston, Miss Weeks and indeed the Fascist section. The work of all these people is someone [*sic.* somewhat] moribund and needs stimulating by someone with a full knowledge of the *Abwehr* and its functions.

We must I think regard the whole situation in the light of a collapse on the Russian front, ourselves driven out of the Mediterranean and two hundred German divisions brought back to the West. In such an eventuality how should we be feeling about the sixty thousand enemy aliens at large in this country, and other subversive bodies?

August 11, 1942: The traffic of enemy agents to the western hemisphere is growing, according to ISOS. ...

The German observation service in the Straits [of Gibraltar] now seems to be in full working order and records the movements of ships at all times of the day and night. During the hours of darkness the detection apparatus records the speed, size and number of passing vessels and whenever possible more exact details are filled in later by visual observation.

The Germans are continuing to make efforts to get a detailed photographic survey of Gib.

FRITZCHEN is to carry a captured British W/T set. ...

The Belgian spy Wintner has been caught by the RPS [Royal Patriotic Schools] unaided. They were suspicious about his story and eventually broke him down. He has now confessed. He was not carrying secret ink but was to purchase his materials at a chemist shop. It seems that owing to the publication of details in the case of Timmermann the Germans have now realised that the carrying of secret ink material even though disguised as medicine is likely to be highly compromising. They are therefore being forced back on to simpler methods. ...

Victor [Rothschild] wants to send someone to USA in order to discuss the case of the eight saboteurs, six of whom have been condemned to death and two reprieved. I think he could do this with considerable advantage, and the DG has finally agreed, provided SIS are also in agreement.

DG has written a letter to Codrington about the PM leakage, asking for the fullest possible details and pointing out that matters

of this sort come within his jurisdiction. It is impossible for him to conduct enquiries unless he knows the full facts and Codrington in any case has now powers. DG has also written to Sir Edward Bridges [secretary of the Cabinet.]

[Brigadier] Maunsell [SIME] writes that the SOE representative in Palestine has just been sacked for arming the Hagana. The Hagana is the secret military organisation of the Zionist movement. They were formed to deal with the Arabs but I suppose that SOE imagine that they can be effectively used against the Germans.

A man called Oliver Green was arrested in May for forging petrol coupons. When his premises were searched it was found that he had a dark room, and an exposed film of MI [Military Intelligence] documents. These documents related to information that we had obtained regarding the German military machine, its weapons etc. Green has been interrogated by Shillito [sic. Percy Sillitoe?] in prison. At first he contended that this was a film which had been sold to him as unexposed and which he had subsequently found was used. He denied ever taking the photographs himself. Enquiries with local chemists shops had shown that this statement was probably untrue and, on the face of it, it seemed extremely unlikely.

Green finally admitted that he was a Soviet agent. He then said that he had been recruited in Spain and asked to spy against the fascists. He consented to do this but the suggestion was not followed up. Instead, he was taken to an hotel where he met a man whom he took to be Russian. This man asked him if he was prepared to do espionage work in England for the USSR. When Green accepted, he was given £40 in dollar bills and told to find his way back to this country. [*More lengthy details, one page...*] The main interest in his whole story is perhaps his statement that between

five and six months before the German attack on Russia he had instructions to turn over [i.e. *switch*] his organisation to the collection from British sources of information concerning German armaments and troop concentrations. His main source of information appears to have been Intelligence Summaries. He said that of course he would pass on anything regarding British armament which seemed of interest but that the Russians' prior interest was in German, not English military information. Most of his agents worked for ideological reasons, since those who worked for money were considered unreliable. Enquiries are being made about various names and addresses found in his notebook.

It is remarkable that the whole set up of this organisation is exactly similar to the one in the Miss X case. Green is of course a Communist and has been known to us for some considerable time. In 1938 M reported that he was employed in certain highly secret work, the nature of which was not then apparent. He has got 15 months for forging coupons and now tells us that he did so in order that he could use his car to make contact with his agents. Ideologically he is a curious character and not altogether unlikable.

August 12, 1942: [Superintendent] Burt [Scotland Yard] has told me about his visit with Cussen to see the PM's Swedish cook, who had clearly told a friend that the PM went on a journey. Codrington and [John] Bevir of the PM's office were both present and interfered to such a degree that both Burt and Cussen had to register a protest. They neither of them have the slightest experience in these matters and should keep out. They made Burt's task extremely difficult but he was eventually successful in getting at the true facts. Codrington had previously talked to the Cook very foolishly as a result of which she had blabbed to her contact and her contact to someone else and the whole ground was fouled. I am

rather glad in a way as it will teach Codrington a lesson in future.

August 13, 1942: MUTT and JEFF have prepared a new sabotage act. Home Forces have passed a plan to make a fire at a camp near Barton Mills in Suffolk. This operation is being carried out in conjunction with SOE.

PEPPERMINT is being summoned back to Madrid in September. Lucas who was connected with the VICTOIRE case is said to have been captured and sent to Berlin for interrogation.

SWEET WILLIAM has terminated his employment at the Spanish Embassy and has signed an undertaking that he will have no further contact with any member of the Spanish Embassy or colony in England.

We had an RSS meeting today. I asked Page of GC&CS for his comments on the recent ISOS message indicating that the Germans considered that certain *Abwehr* cyphers were being read. He agreed that the evidence pointed to the Germans possibly having got into our cyphers, in which we had been issuing instruction son ISOS material. The Germans had been instructed to change over on to some other basic book, but although these instructions had been given five days previously they were still continuing with the old books. It was agreed that we should reserve judgment until some change actually took place.

+++++++ revealed that Section V had sent certain instructions to Las Palmas based on ISOS, and that their cypher was not a one-time table. He said however that Section V messages were so worded as not to disclose the source.

August 14, 1942: [John] Senter [of SOE] came to see me and brought

with him an interesting document which had been extracted from the kit of one of the Russian parachutists sent over here who was to be dropped in Europe. These people had come over by arrangement between [Colonel] Hill of SOE in Moscow and the OGPU. It is a remarkable fact that Hill who formerly spied for us in Russia and wrote a book about it, was acceptable to the Soviet authorities [*For more on Hill, see entry for August 5, 1943*]. The people sent over here appear to us to be of a pretty low mentality and our efforts to get them dropped have on the whole been somewhat disastrous. An aeroplane carrying two had to return owing to bad weather conditions, and crashed on landing; all the occupants were killed. Another one was destined for Vienna which under any conditions was an extremely hazardous flight. One of our best Wing Commanders insisted on doing the job himself and has never been heard of again.

The document which Senter left with me contained the following addresses with which the agents we evidently to make contact: Mme Marie Jeanne Compere, 56 avenue Charles Quint, Ganshoren. The agent was to say that he was sent by Jacques and knew the son Pierre Gaston who was at one time in Spain. [*Four or five more such contact names....*]

Senter told me that Novikoff at the Soviet Embassy is [Ambassador Ivan] Maisky's master and Stalin's personal representative. There is also here a Colonel Tchitchayev [*also: Chichaev: see August 5, 1943*] who is in charge of the parachutists. He has got it into his head that General Lakin is head of the Secret Service, and arranged a luncheon party for him at Claridges. As they could not get a private room there they lunched alone in the middle of the ball room. ...

DG wants to send my American report to C and Duff [Cooper]

with a covering letter recommending that the proposal for representation by [William] Stephenson of our interests as well as those of SIS, not to speak of SOE should be put into force, and that we should correspond direct with Stephenson instead of through Felix and Broadway [*in London SW1, the SIS headquarters*].

August 16, 1942: Nash came in to see me. He is one of our SCOs and is to go as Security Officer to the Bahamas. I doubt whether the Duke of Windsor [British Governor there] will like the look of him. A nice fellow but not very exciting.

Curry has got an idea that we should endeavour through TAR's organisation and other channels to embroil the *Sicherheitsdienst* with the *Abwehr*. There are of course already signs that the two organisations have their differences from time to time.

August 17, 1942: I had a talk with Walker about [carrier] pigeons. There are endless disputes going on between the Army and Air Force as to the feeding of some two million pigeons in this country. I believe that it takes five ships a year coming from Tasmania to keep these pigeons alive and certain vested interests appear to be playing a part. It seems desirable that any of these birds not required for Service purposes should be destroyed.

August 18, 1942: The DG has today sent off a letter to C forwarding a copy of my report on America and suggested that we should have representation in the person of Stephenson or Wren or independently.

Cussen is seeing Duff-Cooper on the PM leakage. The DG has written a criticism of Codrington's note on certain lines which I have suggested. There is still much that is not clear. ...

Tangye says that Gordon West of "Inside Information" [column in the *Daily Sketch*] wishes to put in a para about the PM leakage. He wants to say that the whole question is occupying serious attention of the authorities and to ask all those who heard about the PM's visit prior to August 1st to write to the *Daily Sketch*. Tangye has told him that we have no objection to his saying that the matter was the subject of enquiry but that we did not wish anything said about the 1st August. The *Daily Sketch* is complying with our wishes.

August 19, 1942: Another letter from Maneses has been seen. It has been decided to let it go on after taking an impression, and to attempt to get a sample of the ink from his lodgings. There is no doubt that S/W [secret writing] is being used but unfortunately we cannot bring it up. It shows up very sketchily under violet ray, but it is not responsive to any reagent. ...

Jim Hale has succeeded in breaking down Scott-Ford, who confessed that he was known to the Germans as Rutherford. On his last voyage from this country he was interrogated on the basis of isos with other members of the crew. He volunteered the information that he had been approached by the Germans who had said that he had told them nothing. On this occasion he was again interrogated and admitted that he had told the Germans about certain ships which had been sunk in a convoy. He had also given them other information. He was stupid enough to carry on him documents giving full details of the course of the convoy and it was his intention to hand this document over to the Germans on his next visit to Lisbon. For some reason or other he thought that the worst that could happen to him would be internment. He little knows that there is a clear case against him under the Treachery Act, based on his own statement and on the documents found in his possession. He has talked vaguely about other people being

connected with the same game. He is clearly extremely conceited. His hobby seems to be women. He was contacted in Lisbon by the Germans at some care and got into the hands of prostitutes who were obviously being paid by the German IS [Intelligence Service] to pick up recruits.

Major Strangeways came to see me today. He is going for the Controller of Deception to Gib, where he will disclose TORCH [*Anglo-American landings in North Africa, November 8, 1942*] to the GOC and VACNA. He will also tell Medland [sic. Medlam, security chief at Gibraltar].

August 20, 1942: Special material [*i.e.* intercepts] indicates that the PASHA maybe transmitting from Luppitt [a village] over the weekend. Frost has rung up to say that G-P [Gambier Perry], plastered with red tabs is proposing to go down to Luppitt in a Packard car to see that all machinery is in working order. This will of course blow the whole gaff. I spoke to C, as a result of which it seems that G-P will make a somewhat less spectacular entrance into Luppitt, a village where anything unusual is immediately the subject of gossip. ...

I dined with DG [Petrie], Duff [Cooper], Lord Selborn[e], Keswick I think of SOE, and Sir William Wiseman [WW1 British intelligence chief in USA]. The latter had just arrived from the States. Conversation was of a general kind. Wiseman seemed to take quite sound views about America. He was obviously fully *au fait* with all Stephenson's work and difficulties. He said that the Americans were making a frightful bungle of their business relations with South America. Instead of buying up the enemy business in a quiet and unobtrusive way they were taking over firms and plastering the place with the Stars & Stripes. This was doing them a good deal of harm. Wiseman did not think that we were running any

risk of losing our business connections in S America after the war. He thought we would be welcomed back.

FATHER took part in the Dieppe raid on the 18th. As far as we know he is all right. The operation seems to have been somewhat costly but doubtless valuable experience has been gained.

MUTT and JEFF are to carry out an act of sabotage which is being carefully planned in conjunction with SOE.

August 21, 1942: We have just had a teleprinter message from SIS to say that Walter ++++ [Bell], Hince, and Kimball are arriving here “at the invitation of MI5.” We have been asked to make the necessary arrangements for their reception. I do not quite understand what this means, unless it is the result of a general invitation which I gave when I was in Washington.

An 18b order has been taken out against Scott-Ford. [...]

Lennox tells me that 400 Canadians surrendered at Dieppe. The exact circumstances are not known. It seems that they found themselves ambushed. We got fifty prisoners. Twenty-five of our tanks were destroyed and the remaining thirty did not land. The raid is regarded as having been fairly successful and a valuable experience. Our casualties were roughly 30–40%. There was a complete shambles at Portsmouth on the return of the Commandos.

August 23, 1942: Brazil declared war on Germany.

I had a talk with DB about the ACE plan. Felix [Cowgill], who has seen the DG’s letter wanted to see the reports by Dick [White], Gibbs and Horrocks. Spoke to the DG, who said that he could have Part I and Dick’s report but that Part II was personal to him-

self. I have had to make amendments in some passages of Gibbs' report as they contained personal references to [Claude] Dansey. I am however leaving all those parts which make it clear that sections working under Dansey give no help or assistance to section V.

The worst example is perhaps Switzerland. Most that Section V get is a request by bag from Switzerland for certain CE [counter-espionage] information to which they are allowed to reply by bag. It seems extraordinary that this country, which is by tradition and practice a centre of German espionage should be practically a *terra incognita* to Section V, and incidentally to ourselves. I wonder how long Dansey is going to be tolerated. He seems to be the Nigger in also every woodpile.

August 24, 1942: Gibbs tells me that [Malcolm] Muggeridge, SIS man at Lourenço Marques, has done an extremely good job of work. The real menace there is Campini the Italian Consul, who is communicating regularly the movements of ships to his government. He is not trying to get a wireless set with which to communicate direct to Tokyo. One of his principal agents was a Greek named Serafimides. An agent of Muggeridge succeeded in getting this man on to his ship on the grounds that they were both engaged in a plot to help German submarines. The skipper then placed Serafimides in irons, and handed him over to the police in Durban. We are trying to get this man back to England, as he may form the basis of a case against Campini. If he confesses we might induce the FO to press the Portuguese Govt, to close down the Italian Consulate or to declare Campini *persona non grata*. A telegram has been sent to Webster in this sense.

I saw Senter and Gillson about two SOE cases, one that of a man called O'Dwyer who has left SOE and is fulminating against them,

and the other about a Mrs Bosville, who is talking freely about SOE work and personnel. ...

It has been decided to send Scott-Ford to Camp 020.

August 25, 1942: Kimball [of FBI] came to see me. He told me that before leaving America he had spent two hours with [J Edgar] Hoover and [Hoover's deputy] Tamm, and was given a mandate to discuss the affairs of his department with me and to explain Mr Hoover's grievances.

The real cause of the trouble is this. When American [*sic*] came into the war, Stephenson handed over all the agents that he had been running with the connivance of the American authorities to [William B] Donovan, instead of to Hoover in whose areas they were operating. Worse than this, he had been running some of these agents since the outbreak of war on Donovan's behalf. Kimball said that the FBI knew all about this. In particular he mentioned an agent who had been trying to get information from the Spanish Embassy in Washington. This agent reported regularly to the FBI and told them exactly what Security Co-ordination [Stephenson] wanted.

Mr Hoover could not understand why this sort of thing still went on. If Stephenson wanted to know anything about what was going on in the Spanish Embassy, he had only to ask. [*Four lines blanked out:*]+++++++
+++++++
+++++++ The FBI had succeeded in obtaining a most interesting document. The nature of this document was not divulged to me. [*Two lines blanked out:*]+++++++
+++++++Security Co-ordination

have also been after this document. I was already aware that something of the kind was going on since Wren spoke to me about the activities of Pepper and Ingram Frazer in this connection.

Mr Hoover wanted to have a direct liaison with us, and if possible to cut out Security Co-ordination. I explained to Kimball that we were making certain moves in this direction, that we had nothing to hide and would be glad to have a complete exchange with the FBI. There were however certain sources of information to which we had access but which we were not at liberty to disclose without the concurrence of SIS. I undertook to see what could be done to improve the situation.

Kimball then told me that they had had an extremely interesting case in the USA, The Swedish MA [military attaché] and the Assist. MA had compiled a document which contained full particulars of all the American Forces throughout the world. These particulars were correct in every detail. They had handed these documents to a Swedish woman to take them back to Stockholm by air. The woman has been arrested.

Kimball sketched out his programme. He was anxious for information about XX agents, sabotage, the refugee problem, aliens, registration, call-up regulations etc. passports and visas, S.B. [Special branch] activities. I said that we would give him everything he wanted to have and I proposed that he should visit a port, a region, RPS and Camp 020 besides seeing all our specialists. . . .

FATHER has got back from Dieppe unscathed.

TRICYCLE has told the Germans that he is trying to make arrangements for a journey to Lisbon and London. The Germans still appear to be trying to pay him through the medium of a "vene-

real disease investigator without hair.”

GELATINE has at last heard from the Germans and has been given a questionnaire.

The WEASEL has received a communication from the Germans. He has told them that he cannot go to the Congo.

DRAGONFLY is protesting loudly about not receiving money. He has been given further promises that he will receive a remittance via Switzerland.

RAINBOW has worked himself into quite a good position and can give valuable production figures, It is proposed to use him for deception.

Plan NUISANCE has been devised for attacking the German Intelligence Service and diverting their energies into unproductive channels.

[Vice Admiral Wilhelm] Canaris [chief of *Abwehr*] is paying one of his periodical visits to the [Iberian] Peninsula. The German IS in Lisbon is preparing to send to England a Belgian agent said to have been in England for a long time and to be now working as a purser on an English ship. His assignments, secret ink, cover addresses and money have all been arranged. We are trying to identify this man who is known to the Germans as THORN.

The Second Officer on the Irish s.s. *Kyle Clare* has been reporting to the German IS in Lisbon on convoys.

The agent FRITZCHEN who is being trained in Nantes is to be provide with two identity cards, one for an Englishman and one for

an Irishman resident in England. It is thought that this latter will be of use to him as he is of military age. Ration cards and other papers are also being provided.

There is no evidence from ISOS that the Dieppe Raid was anticipated by the Germans.

August 26, 1942: Kimbal [sic] gave me an outline of the capture of the eight saboteurs. They had been recruited some time in 1940, having been called to the German embassy in the States and told that their services would be required by the fatherland. They were not told in what capacity they were to serve. They reported themselves on arrival in Germany, were given some money and told to go away to their homes and have a good time. They hung about for many weeks, until eventually an officer called Kappe made contact with them and sent them to a camp for *Z.b.V. 800* at Quintsee. There they were told to write out their whole ... [3 pages. *To be copied pages 725-728*] [also pages 670–1]

[continue reading original from here, page 725](#)

KV.4/191

Liddell diary December 1942 – June 1943

December 1, 1942: I dined with Victor [Rothschild?] and Walter [+++++]. There was a very frank and free discussion about Security Co-ordination. [+++++] thought that the position as regards DSC [Sir William Stephenson] was quite irretrievable and that the only thing for us to do was to have our own direct link with the FBI. Hoover had made this very plain to him before he left. He said moreover that if Stephenson did not discontinue his undesirable activities in Washington he would be run out of town.

December 2, 1942: Walter [+++++] came to see me. He asked me for advice about talking to C. he did not wish to say things behind Stephenson's back. On the other hand he thought the issues were so important that C ought to know. I told him that he should tell everything to C and that it was definitely his duty to do so.

. . . FATHER has been given a questionnaire on gas. This is of interest in the light of as report from a reliable SIS source that if really up against it the Germans intend to use gas and bacteria.

. . . The DG considers . . . the [Winant] letter a clear invitation for us to have direct representation in Washington. He proposed to notify Stephenson accordingly.

. . . transit camp for P/Ws. . . . Incidentally Jock Whyte is persona non grata with MI9 owing to his method of interrogation. In the course of JOYCE's interrogation he put all his cards on the table and gave away gratuitously a good deal of information.

December 7, 1942: [*Long report on interrogation of General Von Thoma, commander of Afrika Korps, captured (or deserted) at El Alamein; his feelings and views*].

December 8, 1942: . . . In the light of Thurston's remarks about DSC New York being persona non grata it was decided that a strongly worded telegrams should be dispatched to Stephenson, outlining the causes of the trouble and asking him for an explanation. In the meantime Duff [Cooper] was anxious to maintain the *status quo* and leave Stephenson as our representative in the western Hemisphere. C took the view that it was impossible for SIS to discontinue relations with the FBI. He thought hereof that their only course was to try and clear matters up.

. . . Herbert . . . begins by saying that the breaking of isos in Egypt has contributed to a better understanding of *Abwehr* problems.

December 9, 1942: Viv [Colonel Vivian] has sent a stinging telegram to Stephenson asking for guarantees that enquiries in Hoover's area will cease forthwith.

December 10, 1942: Certain passages in Viv's telegram to Stephenson indicating that we were going to appoint a separate representative to carry out liaison with the FBI in Washington have caused a protest from Duff.

December 11, 1942: [. . .] After seeing him [C] I had a talk with Viv. He was I think a little ashamed of the way in which the whole business of this committee [RSS] had been handled, and anxious to make amends. He asked me whether it was possible to get another secretary for the committee. I told him that if his idea was to get rid of T-R [Trevor-Roper] he was making a great mistake. I thoroughly realized that in some ways T-R was a trouble[some]

person. At the same time I liked him and had a high opinion of his ability. I thought that he had been badly mishandled. . . . To kick him off the Committee was no way out of the difficulty and would be highly detrimental to our discussions to which he contributed almost more than anyone.

December 17, 1942: Riley came to see me about a so-called Dr HAGEN, whose position he wishes to get regularized. This man came in on the recommendation of the Lord President [Sir John Anderson]. I gather that he is connected with experimental work on the Uranium Bomb.

[*Data on FRITZCHEN, alias CHAPMAN alias EDWARDS, the master spy*]. ‘*We are proposing to turn him round.*’

December 19, 1942: DUCK has been successful in getting the Spanish tape, [*There was an earlier reference to this in Dec 1942*]. A very good piece of work which should keep GC&CS going for about six months.

December 21, 1942: Chapman has got through to the Germans, who are convinced that he personally is operating the key.

December 22, 1942: The DG saw Thurston and myself. Thurston has made it very clear that the FBI will not resume relations with Stephenson and in fact that liaison with anybody in New York is likely to be entirely meaningless.

December 23, 1942: We had another meeting at Kinnaird House about America. No real decision was reached except that we were for the time being to continue to regard Stephenson as our representative in New York.

December 24, 1942: Canaris and La Hausen [*sic.* Colonel Erwin Lahousen], head of *Abt.* II, are shortly to visit Madrid. The SD is active in Spanish Morocco in the preparation of sabotage enterprises.

December 30, 1942: DG has seen [Harold] Macmillan who is leaving for N Africa to take up post as Resident Minister. It has been explained to Macmillan that he can if necessary provide officers with knowledge of security matters.