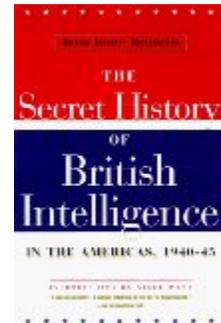


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William S. Stephenson, ed. *British Security Coordination: The Secret History of British Intelligence in the Americas 1940-1945*. New York: Fromm International Publishing, 1998. xxxvi + 536 pp. \$35.00 (cloth), ISBN 978-0-88064-236-1.

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Sir William and the History of the BSC in the Western Hemisphere during World War II

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William Samuel Stephenson, who served as Britain's intelligence chief in the Western Hemisphere during World War II, was born 11 January 1896 at Point Douglas, Manitoba, Canada and died 31 January 1989 at Paget, Bermuda. The son of a lumber-mill owner, Stephenson left college to join the Royal Canadian Engineers (1914-1915) and fought with the British Royal Flying Corps in France (1915-1918). Stephenson's post-World War I business ventures in construction, real estate, and the steel industry, and inventions and manufacturing (radios, phonographs, automobiles, and airplanes) were highly successful. As a Canadian millionaire industrialist, his business contacts were valuable to the British war effort in the late 1930s. The new British Prime Minister, Winston Churchill, dispatched Stephenson to the neutral United States on 21 June 1940 to establish a secret spy network in the Western Hemisphere. His official title was in New York City was British Passport Control Officer (PCO), a rather transparent cover for the local representative of the British Secret Intelligence Service (SIS). The British Security Coordination (BSC) Office, headquartered in Rockefeller Center, became an umbrella organization that would, by the end of the conflict, represent MI5, SIS (Secret Intelligence Service), SOE (Special Operations Executive), and PWE (Political Warfare Executive) throughout North and South America and the Caribbean. In 1945 Stephenson received a knighthood in the New Year's Honours List for his service.

The information contained in this book was assembled under the direction of Stephenson in 1945 immediately after World War II, so that the volume constitutes an "after-action" report to the government of the BSC's wartime activities. Three of Stephenson's subordinates, Gilbert Highet, Tom Hill, and Roald Dahl, were engaged in preparing this official report of the network's activities. Because this document was circulated only among the very highest levels of the British government, fewer than ten copies of the report were believed to have survived. The history of how this report came to be published is a complex story that I shall outline below. Copyrighted and published in the United Kingdom in 1998 by St. Ermin's Press (in association with Little, Brown and Company) in the United Kingdom, this is the first time that the report has been made public in its complete unexpurgated form, although excerpts appeared in various scholarly publications (some of which are cited below). A disclaimer is included (p. viii): "This publication has not been officially endorsed by Her Majesty's Government."

Nigel West, an historian of security matters, author of three dozen books, and Member of Parliament, writes the "Introduction" to this 1998 publication. He is a most appropriate choice for this sometimes "ceremonial" action, but his astute essay does not constitute the ceremonial prefacing remarks one might expect. West contributes an essential context for the report and his excellent, insightful assessment is worthy historiography in and of itself. Among West's notable volumes relevant to this book and the subject matter being assessed currently are

MI5: British Security Operations, 1909-1945 (London: Bodley Head, 1981); *A Matter of Trust: MI5, 1945-72* (London: Weidenfeld and Nicholson, 1982); *MI6: British Secret Intelligence Service Operations, 1909-45* (London: Weidenfeld and Nicholson, 1983); and *Secret War: The Story of SOE, Britain's Wartime Sabotage Organization* (London: Hodder & Stoughton, 1992). More recently he wrote *The Secret War for the Falklands: The SAS, MI5, and the War Whitehall Nearly Lost* (London: Little, Brown, 1997).

West provides fascinating details in his introductory remarks. We learn that Gilbert Highet, who was commissioned by Stephenson to prepare the account of the BSC's wartime activities, was married to the American writer Helen MacInness (author of nearly fifty spy novels), and that he would eventually become an American citizen and Professor of Mathematics at Columbia University. Highet undertook the collation of files, and the writing and editing at the SOE's Special Training School at Oshawa, near Toronto, after all of the BSC files had been transported from New York City in 1945. Because Stephenson thought that Highet's initial draft was too dry and academic, Tom Hill, editor of the trade journal *Western Hemisphere Weekly Bulletin*, was selected to re-draft the report. Roald Dahl, a Royal Air Force assistant air attache assigned to Britain's Washington Embassy from 1942-1945, also served Stephenson as a liaison with the U.S. Office of Strategic Services, and worked for a short period on the report. From 1960 through 1994 Dahl was a successful writer of 35 children's stories, including *James and the Giant Peach* (New York: Knopf, 1961). According to West, Hill did most of the rewriting and editorial work on the manuscript, completing his task in the late summer of 1945. A local printer in Oshawa, Ontario printed twenty copies and a Toronto bookbinder covered them in leather and placed each individually in a separate locked box. Hill and his wife were then instructed to collect the entire BSC archive and burn it, which they did, thereby ensuring that the twenty printed copies were the only extant historical record of BSC. Up to ten copies were distributed to Churchill and the SIS and SOE, but, as West states "none of these has ever emerged" (p. xii). Stephenson retained two copies for himself and placed ten in a Montreal bank vault where they remained until Hill was directed to burn these in 1946.

Stephenson's life story and the history of the BSC operations were the subjects of H. Montgomery Hyde's *The Quiet Canadian: The Secret Service Story of Sir William Stephenson* (London: Hamish Hamilton, 1962). Hyde, formerly with SIS Section D [Sabotage] during the war, is also the author of *Room 3603: The Study of the British In-*

telligence Center in New York During World War II (New York: Farrar, 1963) and an autobiographical account of his wartime activities is published as *Secret Intelligence Agent* (London: Constable, 1982). Stephenson lent Hyde one of his two copies of the printed and bound history in order to prepare the 1962 biography. Colonel Dick Ellis, Stephenson's BSC wartime deputy and another NSC officer, John Pepper, assisted Hyde in this effort. Apparently, a number of liberties were taken with the information included in the biography, and West details the lawsuits arising from Hyde's "embellishments and defamation" (pp. xiv-xvi).

Recently, a Canadian historian, Tim Naftali, had the opportunity to compare Hyde's biography of Stephenson with the "Report on British Security Coordination in the United States of America," a manuscript prepared by Tom Hill in March 1943, which was found in Hyde's personal archival collection now deposited at Cambridge University's Churchill College. Naftali wrote an article, "Intrepid's Last Deception," for the journal *Intelligence and National Security*, 8 (1993) in which he stated that *The Quiet Canadian* relied heavily upon the BSC document, copying verbatim, without attribution, many long passages and incorporating other materials as if they were direct quotations from Stephenson. Approximately 85 percent of the biography consisted of "direct reproductions or faithful executive summaries" derived from the original.

A more widely known biography entitled *A Man Called Intrepid: The Secret War*, authored by William Stevenson (New York and London: Macmillan, 1976) was originally touted to be factual, but West points out (p. xviii) that it is "largely a work of fiction." Indeed, the publisher was obliged to reclassify the book as fiction. Stevenson also wrote *Intrepid's Last Case* (London: M. Joseph, 1984).

At this point the reader may be confused sufficiently and should ask how did this 1998 volume, *British Security Coordination: The Secret History of British Intelligence in the Americas, 1940-1945*, come to be published? West has responded to this query with a statement that "whatever the different interpretations put by other authors on British Security Coordination since it was completed [in 1945], the document itself, in its complete and unexpurgated form, has been deliberately kept from the public. Some photocopied versions of Sir William's personal edition have circulated among a small circle of intelligence cognoscenti, but this present edition [1998] is the first time [that] the whole document has been published with-

out editorial comment” (pp. xviii-xix).

Your reviewer remains puzzled about one obscurity regarding the origin of the 1989 text. Is the original source or manuscript used to typeset the 1998 publication one of the two original copies possessed by Stephenson, or was it a photocopy of one of Stephenson’s copies, or is there another explanation? Nowhere in the introductory sections to the book, or in the volume’s dust jacket, or in the publisher’s sales flyers or press materials is the reader informed without doubt as to the actual origin of the manuscript that was used to typeset the 1989 “edition.” The ultimate origin is so vague that the reader might ask if we can be certain that this is the same, unmodified text that was prepared in 1945.

British Security Coordination also includes Stephenson’s own Foreword (dated 31 December 1945), an Editorial Note, a Glossary with 41 acronyms or other designations, and the original twelve-page Introduction (including one map). These precede nine Roman numeral parts comprising a total of 43 chapters – 507 pages in all. A very useful, detailed double-column Index (pp. 509-536) of conflated proper nouns and topics accompanies the volume. In a footnote (p. xix) we are informed that “typographical errors in the original have been corrected and, due to poor quality, some of the illustrations which appeared in the original have been omitted.” The volume has a dozen illustrations (barely readable reproductions of maps or documents). Curiously there is a mixture of British and American English spellings (cypher preferred to cipher, for example), reflecting the Anglo-British “Canadian” character and culture of the authors. Throughout the book, the Director of British Security Coordination is referred to as “WS” (William Stephenson).

I shall next list the contents for each part of the report, comment on the individual chapters within each of the parts, and conclude with a final assessment.

“Introduction: Origin, Development, and Functions” (pp. xxv-xxxvi) recounts WS’s trip to the United States in the spring of 1940, his meeting with the FBI’s J. Edgar Hoover, and the enthusiastic endorsement by President Roosevelt of the FBI-British Intelligence liaison. Upon his return to England, WS reported his findings to CSS (the Head of Secret Intelligence Services) and was empowered to undertake the liaison and “assure sufficient aid for Britain and eventually to bring America into the war” (p. xxvii). His initial primary concerns were: 1) to investigate enemy activities, 2) institute security measures against the threat of sabotage to British property, and 3) organize American public opinion in favor of

aid to Britain. Therefore, enemy or enemy-controlled businesses, propaganda groups, and diplomatic and consular missions became targets for investigation. Consular Security Officers were posted to U.S. ports where British ships called for the purpose of loading war materiel. The third objective involved Political Warfare or covert propaganda, collecting foreign and domestic intelligence, the penetration of unfriendly and enemy diplomatic and consular missions, the organization of “free” movements among foreign exiles and minorities in the Western Hemisphere, directing subversive propaganda. This objective also entailed preventing the enemy from smuggling supplies to and from the Western Hemisphere, instituting security measures, recruiting and training agents for Special Operations and Special Intelligence activities, and procuring special supplies for the underground in occupied countries.

The anticipation of America’s eventual entry into the war represented a move from the defensive to the offensive. To quote from the introductory remarks: “The climax of that offensive was reached some six months before Pearl Harbor when BSC secured, through the establishment of the organization which eventually came to be known as the Office of Strategic Services, an assurance of full American participation and collaboration with the British in secret activities directed against the enemy throughout the world” (p. xxxiii) Therefore, BSC was already positioned to act within the Western Hemisphere well before the Japanese attack on Pearl Harbor, 7 December 1941. The narrative also considers BSC activities in the United States and in Latin America, activities directed against the enemy outside the Western Hemisphere, and the addition of a Communications Division late in 1941 whose work developed primarily after 7 December. In sum, the initial remarks indicate that there were really four purposes – the three defensive ones noted above (establishing the BSC, procuring essential supplies, and fostering American intervention) –plus the fourth, offensive in nature: “The assurance of American participation in secret activities throughout the world in the closest possible collaboration with the British” (p. xxxvi).

“Part I: Groundwork of Liaison with the Americans,” includes five chapters: Chapter 1: “Liaison with Hoover” (pp. 3-7); Chapter 2: “Liaison with Donovan” (pp. 8-15); Chapter 3: “Contacts for Political Warfare” (pp. 16-23); Chapter 4: “Donovan’s Organization” (pp. 24-46); and Chapter 5: “Collaboration with the FBI after Pearl Harbor” (pp. 47-50). Some of the major events considered are a recounting of the U.S. Navy’s assistance to

the Royal Navy during the autumn of 1940 (with State Department approval) in locating sixteen Axis (German and Italian) merchant vessels in Mexican territorial waters and preventing them from running a naval blockade. The Axis vessels remained at Veracruz and Tampico and were expropriated by the Mexican Government in April 1941. Stephenson and the US Coordinator of Information (COI), William Donovan, were involved in the development of the Lend-Lease Policy (US destroyers in exchange for naval bases), providing other material aid to Britain (particularly Flying Fortresses), and a coup d'état in Yugoslavia prior to America's entry into the conflict. High-level political contacts between Stephenson and playwright Robert Sherwood, FDR confidant Vincent Astor, politician Wendell Willkie, private citizens, and the press and radio (publishers such as Hearst and Sulzberger, and major columnists including Walter Lippman and William Shirer) were facilitated through Hoover. The BSC's role in helping to establish the Office of Strategic Services (OSS) is reviewed, particularly the transition from COI to OSS, and the relationships between OSS, SIS, and SOE. Although OSS was abolished by the Presidential Executive Order of 20 September 1945, the BSC report states that "whatever new arrangements may eventually be made, it is clear that the United States Government is now fully convinced of the need for preserving a coordinated Foreign Intelligence Service which must be built on the foundations laid by OSS" (p. 32). A lengthy article from Life magazine (no date is cited) written by John Chamberlain, extolling the OSS's contribution to the war effort, is reprinted verbatim (pp. 34-46). The Pearl Harbor attack changed the nature of American-British intelligence cooperation, in effect, "bringing it out of the closet." Concerns about Communism were voiced early in 1942 and led to a "careful and exhaustive survey of Communist material" by BSC and OSS (p. 50).

"Part II: Political Warfare for SO.1," includes five chapters and a postscript: Chapter 1: "Political Warfare Against the European Enemy" (pp. 55-65); Chapter 2: "Campaign Against Axis Propaganda in the United States" (pp. 66-87); Chapter 3: "Political Warfare Against Japan" (pp. 88-101); Chapter 4: "Disguised Channels of Propaganda and Rumour Spreading" (pp. 102-114); Chapter 5: "After Pearl Harbor" (pp. 115-122); and "Postscript: Intelligence and Propaganda" (pp. 123-132). In 1940 separate SO.1 (Political Warfare) and SO.2 (Special Operations) organizations were created from SO, and the former fell within the jurisdiction of BSC. There were two sections within SO.1; the first, established in March 1941, conducted political warfare against the European

enemies, and the second, established in May 1941, conducted political warfare against Japan. The objective and methods used by SO.1 were detailed, including the use of internal propaganda through BSC undercover contacts with selected American newspapers and radio commentators. The case of Third Reich agent Doctor Gerhard Westrick in New York is employed as an example of BSC's internal propaganda effort. The BSC's sophisticated use of foreign-language newspapers printed in the U.S. and radio station WRUL, which produced broadcasts in 22 languages, were influential in directing British propaganda in occupied Europe and in the Middle East. Anti-Axis propaganda efforts involved stimulating pro-British groups, influencing the isolationist America First Committee, countering advanced German mail propaganda, working with the American labor unions (AFL and CIO), and elaborating the BSC's role in organizing the American Irish Defence Association. Political warfare against Japan, in the main, involved attempts to break German-Japanese friendship as early as August 1940 by planting evidence of German Fifth Column subversive activities in Japan, the duping of Japanese Diet member Juiji Kasai in an anti-German propaganda effort, and influencing San Francisco radio station KGEI to broadcast anti-German reports to Pacific Rim listeners. The BSC concluded that their efforts began too late to achieve the objective of disrupting the German-Japanese alliance, but that the effort ultimately advanced American plans for Far Eastern political warfare (pp. 99-100). "Disguised" propaganda channels included the use of astrology and horoscope manipulation; "Station M," a Canadian (RCMP laboratory for fabricating documents using the "correct" inks, papers, stamps, etc.; influencing American columnist Walter Winchell; and creating and disseminating an incredible variety of rumors throughout the Western Hemisphere. Therefore, the foundation for cooperation and the coordination of British and American propaganda effort existed well before the Pearl Harbor attack, and this was enhanced dramatically after 7 December 1941. To quote from the BSC report: "it can be said - without exaggeration - that the working relations between COI and BSC in Political Warfare were an example of Anglo-American cooperation at its best" (p. 116). BSC produced the first propaganda leaflets dropped by American aircraft over Japan and provided much of the material for Donovan's political warfare effort early in the war. Japanese atrocities against prisoners of war (including U.S. Navy personnel from the USS Houston) were documented and used to propaganda advantage, and the BSC trained American propagandists from the American Office of War Information from 1941-1944 in Canada. The

postscript documents how the BSC exploited newspapermen Walter Winchell and Drew Pearson for both American and British purposes.

Part III: Economic Warfare, has three chapters: Chapter 1: "The Campaign Against German Business" (pp. 135-155); Chapter 2: "German-American Indebtedness" (pp. 156-160); and Chapter 3: "The Prevention of Smuggling" (pp. 161-184). BSC targeted German industrial organizations, particularly chemical companies that were German-owned and often camouflaged by neutral ownership in Sweden or Switzerland. Among these were Schering A.G. and its associates, Schering/Bloomfield in the United States and Canada; I.G. Farbenindustrie and its affiliate, General Aniline and Film Corporation (GAF) in America; Standard Oil Company of New Jersey, whose Panamanian-registered tankers were supplying Axis shipping; and Pioneer Import Corporation which illegally imported Belgian and Dutch diamonds. German agents who were sent to the Americas are also profiled. German-American indebtedness to the U.S. was also exploited when Germany, after many years of default, suddenly began paying off its debt in the summer of 1940 by financially manipulating discounted bonds. The prevention of smuggling through Argentina, Brazil, and Spain; and coordinated countermeasures, as well as counter-espionage involving diamonds, platinum, essential oils, opium, radium, and foreign postage stamps are recounted.

"Part IV: Secret Intelligence," contains four chapters: Chapter 1: "The Vichy French" (pp. 188-213); Chapter 2: "The Italians, the Spaniards, and the Japanese" (pp. 214-218); Chapter 3: "Western Hemisphere Intelligence" (pp. 219-230); and Chapter 4: "External Intelligence" (pp. 231-235). These chapters deal, in the main, with three activities in which the BSC engaged as a representative of SIS: 1) Western Hemisphere Intelligence (e.g., United States and Latin American affairs), 2) External Intelligence (intelligence derived from sources within the Western Hemisphere but related to areas outside of the BSC's sphere of operations), and 3) intelligence concerning enemy activities in the Western Hemisphere. Among these activities were the collection of 28 foreign cyphers prior to Pearl Harbor. The essay on the Vichy French provides insights into the French Gestapo and its activities in the Americas against adherents to the former French government (e.g., the Free French) and de Gaulle, and radio and cable communication. Other major BSC activities portrayed are the penetration of the Vichy French Consulate by agent "Cynthia" to obtain documents and French and Italian naval and French diplomatic cyphers,

an anti-Vichy press campaign in the American press; and activities in the Caribbean (Martinique and St. Pierre and Miquelon). Martinique was especially important because it had \$2,883,000,000 of the Vichy gold reserve as well as elements of the French Navy (an aircraft carrier, cruisers, etc.). In Washington, the Italian naval and Spanish diplomatic cyphers were also obtained and British contacts inside the Japanese Embassy in Washington and in the Japanese Consulates in New York and San Francisco are also noted. There is a rather brief survey of U.S. and Latin American intelligence operations that includes discussions of the American political scene (FDR and Dewey, for example), isolationists, Fifth Column propaganda, and Axis sympathizers. The section on Latin America is very brief (four pages), but much more is found in other sections of the book. Free French and Basque intelligence services, and individual informants, notably Captain Fritz Wiedemann (German Consul General in San Francisco), are also considered. Readers interested in "Cynthia" (Amy Elizabeth Thorpe) can read about her exploits in *Sisterhood of Spies: The Women of the OSS* (Annapolis, MD: Naval Institute Press, 1998) written by former OSS field operative Elizabeth P. McIntosh. Your reviewer recommends this fascinating, well-researched volume to anyone interested in World War II espionage and the OSS.

There are four chapters in "Part V: Security of Property and Personnel": Chapter 1: "The Security Division before Pearl Harbor" (pp. 237-252); Chapter 2: "Industrial Security Officers" (pp. 253-263); Chapter 3: "The Security of Personnel" (pp. 264-268); and Chapter 4: "Security in the Final Phase" (pp. 269-262). Six documents are reproduced in this section. The BSC was concerned about the loyalty of six million German-speaking Americans and four million Italian-speaking Americans, many of whom were employed in factories producing British war materiel. The strength of the German Bund, the potential of sabotage, and the protection of American factories (investigations of slow-ups, subversive activities, and labor conditions, among others) are recounted. The stationing of British Consular Security Officers in sixteen American seaport cities (these ports accounted for 95 percent of all British shipping serving the U.S.) and in 26 ports in nine South American countries (covering 90 percent of British-controlled shipping in that hemisphere) are also documented. Vital industries of Latin America are also reviewed, including petroleum, bauxite, tin, vanadium, tungsten, mercury, copper, balsa wood, quinine, and sisal. We learn, for example, that 80 percent of the fuel oil used by the Royal Navy and a substantial

quantity of "aviation petrol" came from the Dutch West Indies. Sources of materiel, processing plants, stocks of materials, means of transport, services, skilled staff, and basic labor were concerns of the ISO (Industrial Security Officer). Latin America was divided into six Security Zones each overseen by a Chief ISO. The book provides great detail on these activities, including recruiting and training. The work of the Security Division diminished greatly after D-Day and the unit disbanded after V-J Day.

In "Part VI: Special Operations in Latin America" the BSC report documents the work performed in Latin America, particular activities in five countries, and concludes with a consideration of minor operations. There are seven chapters: Chapter 1: "Three Phases" (pp. 275-287); Chapter 2: "Brazil and Argentina" (pp. 288-300); Chapter 3: "Chile" (pp. 301-309); Chapter 4: "Colombia" (pp. 310-322); Chapter 5: "Ecuador" (pp. 323-329); Chapter 6: "Miscellaneous Operations" (pp. 330-334); Chapter 7: "The Belmonte Letter" (pp. 335-342); and "Conclusion" (pp. 343-344). One map and four documents accompany the text. The three phases of Latin American operations include BSC activities before Pearl Harbor, after the Rio Conference, and after the invasion of North Africa. The importance of a map of the Axis plans for South America obtained from a German courier's dispatch case, intelligence on Central American countries, American intervention in the post-Pearl Harbor months, and declarations of war against the Axis by all but two Western Hemisphere nations are documented. Brazil, one of the main Axis communications channels, was a BSC prime target. Countering German espionage in Latin America, fostering anti-Axis activities in Argentina, coercing Chilean politicians, countering German influence in Colombia (and neutralizing Spanish Falange and Japanese activities as well), and the BSC's involvement in the expulsion of Germans from Ecuador are detailed. Among the lesser operations are SOE activities in Mexico, Cuba, the Central American Republics, Venezuela, Peru, Bolivia, and Paraguay. Interning Germans and expropriating Axis properties, and fostering anti-Axis propaganda, movements, and political parties were significant. In the spring of 1941, Major Elias Belmonte (Bolivia's Military Attache in Berlin and an ardent pro-Nazi) became involved in a German plan for a coup d'etat in Bolivia, but BSC was able to intercept Belmonte's letter to Bolivia's German Minister Wendler and warn the Bolivian government. This was a joint FBI-BSC effort that averted a revolution and demonstrated Nazi plans for world domination. Mexican and American military, diplomatic, and intelligence agency activities are

recounted in detail by Maria Emilia Paz in *Strategy, Security, and Spies: Mexico and the U.S. as Allies During World War II* (University Park: The Pennsylvania State University Press, 1997) reviewed for H-LatAm and H-NET Reviews, HYPERLINK: <http://www.h-net.msu.edu/reviews/showrev.cgi?~path=2332898548452>

Part VII: Counter-Espionage, contains five chapters: Chapter 1: "Purposes and Methods" (pp. 347-352); Chapter 2: "Sources of Information" (pp. 353-359); Chapter 3: "Some Illustrations of Espionage in the Western Hemisphere" (pp. 360-384); Chapter 4: "Double Agents" (pp. 385-398); and Chapter 5: "Far Eastern Counter-Espionage" (pp. 399-403). Two documents supplement the narrative. One of the major collaborations between the BSC and FBI was in the field of counter-espionage. The cases of German courier Herbert Hoehne and that of double agent William Sebold, a naturalized American citizen of German birth who informed for the FBI, are recounted. Among the other topics considered was establishing a counter-espionage system involved the BSC, FBI, and Royal Canadian Mounted Police. Information was derived, in the main, from hypermicrophotographs, the analysis of the written correspondence of known Axis agents and monitoring clandestine wireless traffic. Seven examples of espionage - for the most part involving secret writing - are presented, including the cases of Joe K./Kurt Friedrich Ludwig (New York City), Fred Lewis (Bermuda), Rogers/Wilhelm Albrecht Von Pressentin (Bermuda and Mexico), Fernando Kobbe y Chinchilla (Vancouver), Angelo Pozzi (Puerto Rico), Apfel/Alberto Julio von Appen (Chile), and George Nicolaus and Werner Barke (Mexico). The problems and advantages of double agents are recounted, and five cases are presented. Among these are a Yugoslav student code-named "Tricycle." The narrative does not indicate that "Tricycle," whose name was Dusko Popov, was code-named "Ivan" by the Nazis, and that he provided important information about the German microdot production process to the OSS. The "Tricycle" designation was a tongue-in-cheek reference to his proclivity to entertain two female sexual partners at a time. "Springbok" was a German agent who provided important information on Nazi activities in Brazil, South Africa, and Canada, on the workings of the German Intelligence Service and on codes and ciphers. Other case studies are those of "Lodge" who worked in Montevideo and provided U-boat and ship information; "Pat J.," a Dutchman who was still active at the end of the war; and "Minaret," an Argentine national who attempted to blackmail the FBI. Japanese espionage presented special difficulties be-

cause of the particular need for language and cultural skills. The story of Velvalee Dickinson, an employee of Japanese Naval Intelligence in New York City; the BSC's interrogations of Japanese agents in Trinidad; and BSC counter-espionage activities are reviewed. The report states that "the Japanese planned, in the event of war with the United States, to transfer their center of espionage in the Western Hemisphere [from New York City] to Mexico and eventually to Argentina" (p. 400).

The BSC report also indicates that "Anglo-American cooperation on Far Eastern counter-espionage intelligence, for which the BSC had made plans immediately after Pearl Harbor, was not finally effected until five months before the capitulation of Japan" (p. 403). Your reviewer notes that former U.S. naval intelligence officer Alan Harris Bath in his book entitled *Tracking the Axis Enemy: The Triumph of Anglo-American Naval Intelligence* (Lawrence: University Press of Kansas, 1998), reviewed for H-Diplo and H-NET Reviews, HYPERLINK: <http://www.h-net.msu.edu/reviews/showrev.cgi?~path=30826932407858> points out that Anglo-American naval cooperation flourished in the Atlantic but not in the Pacific, where MacArthur and Nimitz maintained separate intelligence organizations, and the Royal Navy returned to the Pacific as an ally in 1945 having been absent since the loss of HMS Prince of Wales and Repulse in 1941. The Americans perceived the war in the Pacific as an American conflict with Japan, and regarded Australian, British, Dutch, and New Zealand navies as subsidiary to the U.S. Navy in that theater of operations. Hence, one may conclude that Anglo-American counter-intelligence in the Far East was subsumed for political and personality reasons. Another related essay is the initial chapter by D. Clayton James (pp. 1-14) in Gunther Bischof and Robert L. Dupont's edited volume, *The Pacific War Revisited* (Baton Rouge and London: Louisiana State University Press, 1997), reviewed for H-US-Japan and H-NET Reviews, HYPERLINK: <http://www.h-net.msu.edu/reviews/showrev.cgi?~path=22107935000457>.

"Part VIII: Organization for Secret Activity Outside the Western Hemisphere" has five chapters: Chapter 1: "Foreign Exiles and Minority Groups" (pp. 407-415); Chapter 2: "Recruiting Secret Agents" (pp. 416-422); Chapter 3: "Training" (pp. 423-425); Chapter 4: "Supplying the Underground" (pp. 426-430); Chapter 5: "Agents at Work" (pp. 431-441); and "Conclusion" (pp. 442-443). Organizing "free" groups among the various foreign nationalities in the Western Hemisphere involved much more than strengthening resistance movements

in the occupied countries, such as France and the Low Countries, but also involved enlisting the sympathies of resident minorities and collecting external intelligence (see Part IV). Exiles and refugees from Nazi tyranny were key targets of the BSC, which maintained contact with representatives of 21 different nationalities in eastern, central and western Europe. Creating pro-British movements where none existed, intervening in fratricidal disputes and harnessing opposing democratic groups to a common purpose, assisting groups which were best qualified to influence opinions in their own countries (such as in France and Yugoslavia), and discrediting the politically undesirable were the activities of the Political Warfare (PW) specialists in BSC. Austrian emigres, Italo-Americans, and Arabs (especially those from North Africa and Asia Minor) are discussed as examples of PW successes.

The recruiting and training of BSC agents is also considered, many of them came from Canada and Latin America. The story of Yugoslav-Canadian Michael Budak (an alias) is recounted as an example of recruitment. According to the report, the "best agents" were those emigrants (first generation citizens) from countries with a low standard of living (Yugoslavia, Hungary, and China are cited); liberal-minded Canadians; left-wing Yugoslavs, Spaniards, and Italians; and wealthy cosmopolitans of dual nationality – Americans and French – "several Yugoslav Communists proved the most valuable material of all" (p. 421). The report also documents the type of instruction that more than 500 recruits received, and lists eight categories of students (BSC, ISO, OSS, FBI, RCMP, U.S. Navy and Military Intelligence services, and Office of War Information, among others). Special devices, identity papers, clothing from enemy countries, and foreign currency were supplied to underground armies fighting the enemy in Europe and Asia. Graduates of the BSC training school at Oshawa, Ontario operated in Europe – especially in Spain, Portugal, Italy, and the Balkans; Africa; Australia; India; and the Pacific area. French-Canadian trainees worked in France and in French territories. Examples of "red tape" problems and failures are also noted.

The final part of the book, "Part IX: Communications Network," has five chapters: Chapter 1: "Developing Speed and Security" (pp. 447-459); Chapter 2: "Hydra and the South American Scheme" (pp. 460-466); Chapter 3: "Illicit Wireless Intelligence" (pp. 466-477); Chapter 4: "Complexities of Traffic Exchange" (pp. 478-497); Chapter 5: "Purchasing Secret Equipment" (pp. 498-506); and "Conclusion" (p. 507). The BSC was facing a seri-

ous problem in communications because SIS messages exchanged between London and New York had to pass through an FBI channel in Washington, DC and a British Communications Centre (Whaddon, Buckinghamshire). The number and length of the messages was becoming a serious issue and would reach 50,000 encrypted messages per day by 1943. The report documents the development of Telekrypton cyphering machines, Transatlantic lines, Rockex I encyphering and decyphering, and its replacement by Rockex II beginning in March 1944.

Concerns that U-boats might be able to tap submarine communications cables led to the development of "Hydra," the BSC's wireless (radio) communication system for SOE traffic between New York and London. Because the American military had priority, radio transmitters were nearly impossible to procure, but BSC arranged the purchase of a ten-kilowatt transmitter from radio station WCAU in Philadelphia and installed the transmitter after its overhaul in Oshawa, Ontario. By the summer of 1944, "Hydra" was transmitting 30,000 and receiving 9,000 message groups daily. The BSC's Radio Security Service (RSS) monitored enemy transmissions (military, naval, Gestapo, and SS) but in the United States, the FBI, the FCC (Federal Communications Commission), and the Coast Guard (under Navy control after 8 December 1941) all were intercepting and studying clandestine enemy transmissions. This did nothing to simplify the Anglo-American exchange of intelligence information. The RSS detailed the lax security at FCC and the problems resulting from "U.S. inter-departmental strife." The report also considers the communications listening posts that were established in Latin America beginning in October 1942, resulting in the "grave wounding" of German espionage in South America. The Buenos Aires to Berlin post was particularly active.

The latter chapters of the report document problems of traffic analysis, conferences on exchanging traffic, problems with diplomatic traffic, operational traffic, and the increased work of the BSC. Problems posed by the relay of naval operational intercepts and cryptographic intelligence are also reviewed. The U.S. Office of Naval Communications was responsible for the interception and study of Japanese naval codes, but the Atlantic Theater was different. Messages from BSC to OPG (Communications Intelligence Branch, U.S. Navy) were being delayed in the Navy mailroom, so that BSC suggested that a direct land-line be established. This was accomplished by July 1943. The Communications Division of BSC was the agency for the purchase of secret equipment for XW (the Head of His Majesty's Govern-

ment Communications Centre). Among these were radio transmitters. Aspidistra, a 700-kilowatt transmitter built by RCA, played a vital role in the RAF saturation bombing of Germany beginning in 1943. The size of this transmitter (fifteen tons) and its power deserve comment – most commercial radio transmitters of the era were fifty kilowatt. The U.S. War Production Board and the British Supply Council in North America worked in conjunction to provide essential war materiel to Britain, but the report also recounts examples of having to rely on friendships and emphasizing their "favoured position" in order to obtain equipment and export licenses.

British Security Coordination is a book worthy of study and analysis for what is reported and for what is not stated. The Japanese attack at Pearl Harbor serves as a major reference point for BSC activities and liaison. It was an undercover agency "winked at" by the U.S. State Department and protected by the FBI (p. 471) but became much more open after 7 December 1941. Readers wanting to know more about this period and the relationships between the BSC, FBI, and OSS may wish to consult Anthony Cave Brown's *The Last Hero: Wild Bill Donovan: The Biography and Political Experience of Major General William J. Donovan, Founder of the OSS and "Father" of the CIA, from His Personal and Secret Papers and the Diaries of Ruth Donovan* (New York: Times Books, 1982). Likewise, *Wild Bill and Intrepid: Donovan, Stephenson, and the Origin of the CIA* by Thomas F. Troy (New Haven: Yale University Press, 1996) provides a modern scholarly account of these men, and the BSC and OSS.

A related and quite fascinating study of British intelligence operations in the United States has recently been published by Thomas E. Mahl, author of *Desperate Deception: British Covert Operations in the United States, 1939-44* (Washington and London: Brassey's, 1998), and was reviewed for H-Diplo and H-NET Reviews, HYPERLINK: <http://www.h-net.msu.edu/reviews/showrev.cgi?~path=12637937609436> This treatise covers, in the main, the period 1940-1941, the establishment of the BSC and COI (OSS after June 1942). British manipulations of interventionist groups, the news media, newspaper columnists, and public opinion polls, and the campaign against Standard Oil Company of New Jersey are also recounted. There is a good deal more on American politicians such as Senator Arthur Vandenberg, Wendell Willkie, Robert Taft, and Thomas Dewey, among others. Nonetheless, Mahl argues that the British wanted the United States to enter the war and, therefore, engaged in actions that were devised to produce that result. The individual chapters and reports con-

tained in *British Security Coordination* lend credence to this argument and convey the position that British intelligence activities were both active and effective in reforming American public and political opinion. One may speculate endlessly on how America's entry into the war came about and the effect this would have ultimately on the postwar world. It is clear from the BSC report and Mahl's interpretations that the British mounted a sizeable propaganda campaign to gain American allegiance, and that the British had willing colleagues in the White House to effect the Lend Lease Act and to defeat isolationist politicians. There is nothing in the BSC report that suggests that the British manipulated or withheld information about the pending Japanese attack at Pearl Harbor. On the other hand, we have no idea what materials were in the BSC archives destroyed in 1945 and what these may have contained or if the present document is a "sanitized" version of the events or itself designed as a propaganda piece. The formal declaration of war on Japan by the United States following the "Day of Infamy" would soon be augmented by the declaration of war on the United States by Japan's allies – Nazi Germany and Italy. What might have been the result if these latter declarations had not occurred? This is "alternative" history in the manner of Harry Turtledove.

In sum, *British Security Coordination* is a primary document to be added to the materials now available on the British intelligence services, particularly the late Francis Harry Hinsley's masterful *British Intelligence in the Second World War*, 4 vols. (London: HMSO, 1979-1990); the

fifth volume is edited by Michael Howard (1990). The BSC is mentioned only briefly in Hinsley's compendia (Vol. 2, pp. 53-55, 1981; Vol. 4 with 18 scattered references, 1990). References to the BSC-OSS relationship may also be found in published American sources, notably the *War Report of the OSS*, Vol. 2 (New York: Walker, 1976) prepared by the U.S. War Department Strategic Services Unit, History Project (Office of the Assistant Secretary of War), with an introduction by Kermit Roosevelt. Therefore, *British Security Coordination* provides the reader with more than a glimpse into the BSC's activities in the Western Hemisphere and suggests that yet classified revealing documents may be found among the classified materials in the United States and, especially, the London Whitehall's wartime espionage and intelligence archives.

We cannot assess further the questions of the completeness or the accuracy of the 1998 publication in comparison with the 1945 report. Nonetheless, the current volume is the most comprehensive report extant on the BSC's organization, mission, and activities in the Western Hemisphere and it does shed light on U.S. and British prewar cooperation, British objectives in having the Americans join in the European conflict, and the resulting postwar world.

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