

...at the turn of the year, to review our original
...as to break it up so date, but this attempt
complete separation of communications in respect of secret
signals to agents in Western Europe. It is hoped that "C"
will agree to this but if he does not, I fear that we shall
have to ask you to take it up. I am myself entirely convinced

(a) that we can successfully run such communications by
ourselves,

(b) that there would not be the faintest danger to
"C"'s security in our doing so, and

(c) that such a divorce would, in practice, greatly
improve our relations with "C" in that we should not need
constantly to bother him with minor grievances based on
complaints that our own interests were being subordinated
to his.

With regard to the paragraph on transport, technically
we still share a Special Squadron with "C" but, in practice,
this is now being divided up into aeroplanes always at "C"'s
disposal and others always at ours. Sea transport is a separate
problem but progress in co-operation has recently been made,
and the N.I.D., who are responsible for such communications
are fully conscious of the needs of S.O.R. and of the necessity
for extending the existing facilities.

Finally you will observe that the method of financing
the "D" organisation was left over for further discussion.
It has been found best to continue the system whereby money
is handed over by the Treasury to the Foreign Office, who pass
it on to us, through "C". But this does not mean that either
the Foreign Office or "C" has any control over our expenditure.
Such control is exercised by Mr. Herbert Brittain, of the
Treasury, who examines every item very carefully with Wing
Commander Venner, and consults either Mr. Waley or Sir Horace
Wilson when necessary.

I should add that, at the instance of "C" an attempt

was/-

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Air Ministry, and who has a very wide and indeed professional knowledge of secret intelligence work. Several other members of his organisation also served in the past as members of the S.I.S. On the whole, therefore, I do not think there are any grounds for saying that we are, or ever have been, as a body, ignorant of the rules of the secret service game, or likely to do anything which would endanger the working of "C"'s machine.

With regard to present relationships I can only say that, so far as I am concerned, they have been excellent both with the C.S.S. and A.C.S.S., the only members of the S.I.S. machine with whom I really come into contact. Nevertheless, I have always had the impression that, whereas we keep nothing from the S.I.S., they keep a very great deal from us. Thus, we are only too delighted if any senior member of the S.I.S. wishes to come to see our War Room where the position of every agent we possess is indicated on maps and where all telegrams received from the agents are kept in special folders. Equally we welcome any interest shown by the S.I.S. in our establishments for the training of agents and wireless operators. These and our technical establishments are open for inspection by any qualified person, whether in the Service Departments, the Foreign Office or the S.I.S. Finally, we show the S.I.S. our Progress Reports, though they give us nothing in return. In spite of all this, we have never been told by the C.S.S., even in the strictest confidence, exactly where his agents and organisations are, how many W/T posts he has in any given area, the sort of difficulties his people are experiencing, or even how and where he trains his agents. A veil of mystery surrounds his doings, and this has given rise, rightly or wrongly, to the supposition that much is concealed for purposes other than security. This suggestion may be completely unjustified; but unless "C" can be as frank with us as we

are/-

are with him, it is impossible to prevent it being made.

To be entirely frank, I think there is too much of what I would call the "false beard" mentality among members of the S.I.S, more especially among those who have been in the show for a very long time. Times have changed, and 'secret' activities are now the rule rather than the exception. They are pursued by all Governments on an increasingly large scale and their existence has become, in consequence, much more widely known. It does not now really matter in the least if the enemy knows who is responsible for any particular secret service or, indeed, how it is run, provided he does not know what it is doing. The idea of a deeply mysterious "Master Spy", sitting in some unknown office and directing an array of anonymous agents is as out of date as it is romantic. What is wanted is intelligent and hard working organisers who can keep their mouths shut when necessary - but who can also talk with complete frankness when necessary, that is to say to anyone in authority who wants to know the real facts.

In saying all this I would not want to suggest that S.O.E. themselves are entirely free from the 'false beard' mentality; still less that they have not, as C.D. himself admits, probably, on occasions, done things which have earned the legitimate displeasure of "C". What I do maintain is that S.O.E. has consistently put all its cards on the table in its dealings with "C", while "C" has kept nearly all his in his hand - I will not say up his sleeve! It follows, therefore, to my mind at least, that if we are to have successful liaison with "C" it must be two-way, and not one-way as is at present unfortunately the case.

Before I approach such constructive suggestions for remedying this state of affairs as I have to offer, I would say that

there"-

(1) It might be possible for S.I.S. and S.O.E. to appoint high level Liaison Officers to sit in each other's buildings. This might work, supposing you got absolutely the right people who were entirely in the confidence of their respective chiefs, but at the same time it would be obviously difficult to define their respective spheres and to decide when some inter-tribal quarrel had to be referred to the one or the other.

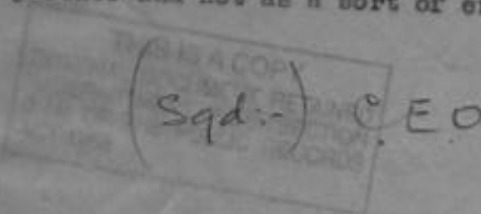
(2) A better suggestion might be the appointment of some impartial person of high standing to act as "Cociliator" and to preside over a weekly meeting between C.S.S. and C.D. The function of this person would be to give an advisory ruling on disputes which, however, would only be binding if accepted by both parties. (I do not myself think that this person should be appointed a "Co-ordinator" whose rulings would have the force of law, since this would mean that he would, in fact, direct both departments - and for the reasons expressed above, I do not consider this a desirable suggestion.)

(3) Some person in the confidence of both S.I.S. and S.O.E. should be appointed as a sixth member of "C"'s Council. This person should have a complete knowledge of the working of "C"'s department and would also have an office in S.O.E. He would attend meetings of the S.O. Council and, of course, be shown the S.O.E. Progress Report. S.O.E. should accept his ruling on any disputes within a field which might be closely defined, though it is evident that they would have to reserve their right of appeal on any major question affecting the whole of their activities (e.g. the control of communications). Provided the right man were found for this job, I think that a good many suspicions on both sides would disappear and it would be one of the functions of the person selected to knock together the heads of subordinate S.I.S. and S.O.E. personnel who may come into conflict, and induce them to co-operate in

the/-

303 F/134
CEO ✓
the general interests of the war.

200-107?
CLASS C
DIV
1003
All that I have said above is inspired by a desire to get a really good working co-operation between our two departments. I fully recognise that many of "C"'s personnel have done a wonderful job of work and indeed I know, from my experience of "C" while in the Foreign Office, how very good some of their work can be. I do not, for my part, resent criticism of S.O.E. by S.I.S. as such, provided only that the critics recognise the important part which S.O.E. has to play in the scheme of things, and are prepared to regard it as an equal partner and not as a sort of erring son.



319

F/134.
CEO ✓

Wh 4 1973?

LOCAL NR. 735

RECEIVED FROM CAIRO.

CLASS C

DIV

POB

DESP. 2306 17.2.42

RECD. 2350 17.2.42

cp. to Co.

I am told
he is a "relation"
to "our fertile"

This is
another of the
usual C.

"double-cross"

AD₁₁ fixed
it all up with
C.S.S. personally,
and as per
standard behavior
I expect C.S.S.
advisers have
persuaded him
to back out.

19/7/42

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319 F/134.
CEO ✓

Wh 4 6073?

LOCAL NR. 735
CIPHER TELEGRAM RECEIVED FROM CAIRO.
NO. 0021

CLASS C
DHV
R03

DESP.	2306	17.2.42
RECD.	2350	17.2.42

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CEO

LOCAL NR. 734

CIPHER TELEGRAM RECEIVED FROM CAIRO.

NO. 0022

CLASS C
HV
MB

DESP. 0130 10.2.42

RECD. 0300 18.2.42

M O S T I M M E D I A T E

FOLLOWING FOR C.O. FOR A.D.H.

PARA 1. MY PRECEDING CABLE REGARDING S.P.U.

PARA 2. I + THAT THE PROBLEM FACED BY C. AND OURSELVES
HERE WHICH IS COMPLICATED BY LACK OF RESOURCES AND IMPRACTICABILITY
OF DUPLICATING PLANT IS PART OF A WIDER ONE WHICH YOU HAVE FOR
SOMETIME BEEN CONSIDERING NAMELY CONTROL OF SPECIAL DOCUMENT.

PARA 3. UNDER THESE CIRCUMSTANCES SHALL OF COURSE WILLINGLY
ACCEPT ANY SOLUTION YOU THINK ADVISABLE.

+ GROUP OMITTED.

TP AT 0632 18.2.42 JL

I am sorry that you are being
I am sorry that you are being
I am sorry that you are being

MOST SECRET.

CD/TC/944

10th February 1942.

F/134/1

MOST SECRET

*10 FEB 1942
F/134/1
File*

From C.D.

CD/TC/398

To C.E.O.

10th February 1942.

1. I attach herewith for your files copy of the C.S.S.'s famous letter on Communication Plans of 5th February - as also copy of my acknowledgement to him of today's date.

2. Ozanne has now joined us and is, I believe, actually in the office at the present moment and as soon as he has taken stock of his surroundings his first task will be to brief himself sufficiently to argue on the technical side at the forthcoming Conference alluded to in my letter to C.S.S.

C. D.

MOST SECRET.

F/134/1

GD/TC/944

10th February 1942.

C.S.S.

I should have confirmed to you before now the receipt of your C/8696 of 5th February 1942 - which, as you will remember, you handed to me personally during our weekly conference on Friday last.

We decided, ^{I think} that a small Conference (not exceeding three on each side) should be held to discuss your observations, and that this should take place as soon as our Chief Signals Officer had taken up his duties and has had a little time to shake down.

Lieut. Colonel Ozanne has now been posted to S.O.E. and we hope to get him during this week.

I might perhaps add that a study of your letter and our inter-departmental communication DY/TC/187 of 22nd January 1942 leads me to think that your people have misunderstood the character of the document in question, which was a long term "appreciation" or forecast of what our needs in equipment might become; however this can all stand over for our Conference.

I am glad to be able to take this opportunity of gratefully acknowledging the help which I know you invariably give me when it lies in your power.

The above might entail slight changes in the way in which we handle our traffic, and, as you are ^{C.S.D.} aware, this is a dangerous matter, as it should be handled secretly, and the day-dream of a Radio Interception Service. Existing the very large number of agents who are being trained and infiltrated, the fact that we will have to handle several hundred persons, and that this number extends with the regularity of a lower standard of vigilance with the least amount of security will result. It is possible that we may have a small conference.

I do not know what provision is made for traffic from this vast net-work to be handled, I simply cannot understand it at present, and I am sure that you will be able to do so at an early date. I am sure that you will be able to do so at an early date.

- Copy -

MOST SECRET

C/8686.

LONDON,

5th February 1942.

C/D

I must let you know at once that I view with dismay a document on Communication Plans, DY/TC/187, issued on 22nd January, 1942, to your Country Sections.

The document generally covers only places where I had agreed to the setting up of S.O.E. communications provided security requirements were met.

As a peace-time overt communication plan, it has certain recommendations, but as a system of war-time clandestine communications, it appears to me to be extravagant, impracticable and very dangerous.

So far as the fixed stations are concerned, any intention to operate secretly is thrown to the winds. Transmitters having an average of eight times the power and many times the numbers which we would, and do, use to cover similar areas and distances, are proposed.

I cannot possibly undertake the responsibility for allocating frequencies on the scale suggested, in accordance with the functions which G.P. discharges on my behalf for the W/T Board.

There can be no question but that S.I.S. systems will be gravely deranged, and that there will be serious risk of interference with Service communications, especially the R.A.F.

A minimum of 350 channels will have to be employed, nearly all in wave-bands already congested and used by the Services.

The scheme might entail placing several agent operators on one wave-length and, as you are doubtless aware, this is a dangerous method, as it cannot be operated securely, and constitutes the day-dream of a Radio Interception Service.

Excluding the very large number of agent operators who must be found, trained and infiltrated, the fixed station operating staff will have to comprise several hundred persons. It is unlikely that this number exists with the requisite qualifications. Consequently, a lower standard of signalling, with an equivalent lower grade of security will result. (I will not enlarge upon the man-power problem.)

I do not know what provision is made for clearing the resultant traffic from this vast net-work to home, but, as far as I am concerned, I simply cannot undertake it and, in order to avoid any possible misunderstanding, I consider that the whole question must be discussed at an early date. Perhaps the best step would be to have a small conference to decide principles.

I can only end by saying that you are fully aware that I am prepared, as always, to give you any reasonable help that lies within my power.

(Init.)

C.

SECRET & PERSONAL.

F 1314/1
0/3211/25/2

C.D.

(Special Secret File)

File

I return herewith AD/P's admirable memorandum on the subject of the forthcoming changes in C's organisation.

In the light of what you told me on the telephone this-evening, and of my subsequent discussion with the Minister, I think that we should certainly push the idea that a fourth officer should be added to the "Watch" Committee in order to represent the interests of M.E.W and of S.O.E.

It is true that, qua M.E.W., this officer would in a sense be representing the interests of what is principally an "information collecting" rather than an "operative" department but, nevertheless, there is a considerable operative side to M.E.W., and S.O.E is, of course, all operations. The Minister, therefore, would be very grateful if Medhurst could make the suggestion you mentioned on the telephone and, in addition, he (S.O) proposes to talk to Vickers and to get the latter to push the suggestion in any way which seems best to him.

There is another aspect to his problem. If C comes to this extent into the melting pot and if one of the excuses for not having done better which he will undoubtedly make (and which, it seems, has already made) is that the necessity for handling S.O.E communications is one of the reasons why he has not collected better information, this surely is a 'pull' point for us. We have merely to say that, if that is so, we can not understand why it is that C attaches such importance to the handling of our communications and why he has consistently resisted any proposal that we should handle them ourselves. It is true that, if we put forward this suggestion in any way officially, it would rather cut across our present line of policy, which is to wait until we get a favourable report from our new expert (who will now, I imagine, be Colonel Henderson) before putting in any official demand for our own communications: but this consideration would not prejudice the desirability of our talking on the lines suggested above. AD/P and M, I should have thought, could do a good deal of work in this direction.

(Sgd.) C.F.O.

24th January, 1943.

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F/134/1

ADP/XX/530

TO: C.D.

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23.1.42

FROM: AD/P

I have been thinking over the forthcoming changes in C's organisation about which I learnt yesterday and the possibility of which I reported to you several weeks ago and as I told you somewhat hurriedly last night I feel that there is an opportunity now presented to us to profit from the reorganisation. The details of the change are not yet known to us but rather take the line, I think, of recommendations which I put up in November 1939 when C's predecessor died. Roughly speaking, I would say that the lay-out consists of a

and for showing dividends.

It is clear that in the process of reorganisation there will be much dead wood to cut away and probably the interregnum will be rather an anxious time from the point of view of incoming information though the most secret methods, on which C. has largely relied for so long, will remain. These, however, are not pure intelligence, though a pure intelligence picture can be built up from them, luckily for us. It is during the interregnum that we may be able to help by saying that although we are not an Intelligence organisation, we have intelligent persons and operators in the field whose services can be temporarily put at C's disposal.

The line, I think, that we should adopt with C. and with his future is, roughly, the following:-

- (a) Offer to help as mentioned above while the house is being cleaned and afterwards if necessary and desired.
- (b) Stress at the same time the fact that we are an operational organisation primarily and require no less than the Intelligence Service, good communications. In fact it can be justifiably pointed out that an operational unit requires better communications than an Intelligence unit when operations are taking place.
- (c) We should endeavour to establish in the minds of all concerned the comparable idea which exists in the fighting Services of Intelligence and Operations working alongside each other, but not amalgamated, each being the handmaiden of the other, since without Intelligence operations are dangerous and without operations Intelligence is more difficult to obtain.
- (d) With regard to communications I feel that with the new change, if not in control most certainly of technique and that instead of C's communications remaining mysterious and secluded they will, as they should, become a service common to all persons needing their service, improved by the technical facilities provided by the Armed Forces, by Research Stations and so forth.

-2-

It is even more important, therefore, I feel that before we insist on our separation and individual development in respect of communications we should have the whole matter examined very carefully. As you know, I have always played for time and never wished to throw our cap into the ring until one had seen how long the Augean stables of Broadway would remain uncleansed. Incidentally you may like to be reminded that it is very nearly a year ago since the Chiefs of Staff convened a special meeting with the object of finding out how best to improve C's organisation. It was at that meeting, when both the present D.N.I. and D.M.I. extolled the existing C. and said that it was unthinkable that he should be changed though they admitted that Intelligence was not coming in as it should and they pleaded for more and better communications by air, and, like myself, at that time were doubtful as to the wisdom of separating D. from C. for fear that D's activities in the search for Intelligence might compromise C's activities.

- (e) I am not certain at present whether M.E.W. has any special representative on C's staff but it might be a very sound move to suggest to C. that when the reorganisation starts, a combined M.E.W. and S.O.E. representative should be added to the

in the same way that the Secretary of the M.E.W. is a member of the J.I.C. This will not of course ensure a hundred per cent S.O.E. representation, but is a step towards it - so many of M.E.W. and S.O.E. activities being related. In any case, I think we should not fail to take the chance to improve our representation through some way or another and we can quite clearly interest a new who will be more in the picture than the existing organisation which regrettably is so non-cooperative or jealous.

There are probably many other points which will occur to you and to me also but I should like to have a word with you before I see Medhurst tomorrow as I feel it is of inestimable value to keep in with him and try and work out with him not necessarily a more attractive S.O.E. picture, though that will follow, but an improved national lay out for the Secret Services which at last is being tackled with something approaching though not with full realism. Above all let us be cooperative.

A.B.

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MINUTE SHEET.

F/ /1311/1
Reference C/3195/25/2

C.D.

There are, as I see it, three points now at issue in our relations with "C":

(a) the question of the revision of the famous Agreement of September, 1940.

(b) the proposal to reconstitute some kind of Board, and

(c) communications.

(Of course, these three are inter-related, but nevertheless, to my mind, separate problems.)

Regarding (a), I think it would be best to take it, in view of the obvious divergence of opinion (b) and (c), it would be wiser not to discuss the document concerned at the moment until we have, in fact, reached agreement (c). Once that has been done, the revision should be a comparatively simple matter. Might convey something to this effect in a letter to "C"?

Regarding (b), I suggest that it might be wise not to have any correspondence on the subject at all. ~~As far as~~ has only been made, as it were, incidentally: in present circumstances, we are not to go on with the Agreement, there is no point in pursuing this line. How would it be, however, for you to refer orally to "C" next Friday, and tell him that no such suggestion would now be agreeable to us. All, we do not have a "Projects Board Meeting" in Office, or the Service Departments who are more vitally concerned with our projects than we are might also make the point that the C.C.O. is far more "disturb the ground" than we are; that there is no direct liaison between the heads of "C"'s projects, and that, ~~as far as~~ we do show C.S.S. and C.S.S. progress Report, whereas they show us no similar report. You might even go so far (I should have said) to ask the C.S.S. ~~if~~ if we go on showing him this kind of report would be prepared to let us see some similar report referring to the activities of his own agents?

Regarding (c), I remain of the opinion that we are in a much stronger position formally to put forward our proposals for the establishment of our own operational committee than we had in our possession a favourable report from a competent and acknowledged expert. I also continue to believe that the operational signals are the things that we should be settling at the "main line" side had better be settled

interdepartmentally: in any case, the operational side is obviously the more urgent.

Generally speaking, I think that the time is shortly approaching when we ought to say quite clearly that we are now, so to speak, grown up, and that the mere fact that we are paid on the secret vote does not by itself imply that we have any connection with "C" at all. The fact that we work through agents, on the other hand, does imply a certain connection, if only to make sure that lines do not cross. There must also,

of course /-

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(REGIMENT)
CODE 3-344

Cv. to C.C.O.

I am in complete agreement

21/1/42

So am I.

A revived Projects

Board is quite out

of the question.

Under (c) we might begin with a report by Colonel Henderson, which take the proposed conference in Cadogan's room.

S.O. 24/1

SECRET and PERSONAL.
MINUTE SHEET.

F/ /134/1
Reference 0/3195/25/12

C.D.

There are, as I see it, three points now at issue in our relations with "C":

- (a) the question of the revision of the famous Agreement of September, 1940.
- (b) the proposal to reconstitute some kind of Projects Board, and
- (c) communications.

(To some extent, of course, these three are inter-related, but they are, nevertheless, to my mind, separate problems.)

As regards (a), I think it would be best to take up the line that, in view of the obvious divergence of opinion regarding (b) and (c), it would be wiser not to attempt any revision of the document concerned at the moment, but to wait until we have, in fact, reached agreement on (b) and (c). Once that has been done, the revision of the document should be a comparatively simple matter. Possibly you might convey something to this effect in a personal letter to "C"?

As for (b), I suggest that it might be wise not to have any correspondence on the subject at all. ~~As a result~~ The suggestion has only been made, as it were, incidentally; and if, in present circumstances, we are not to go on with the revision of the Agreement, there is no point in pursuing this question by itself. How would it be, however, for you to mention the matter orally to "C" next Friday, and tell him quite frankly that no such suggestion would now be agreeable to us? After all, we do not have a "Projects Board Meeting" with the Foreign Office, or the Service Departments who are usually much more vitally concerned with our projects than "C" is. You might also make the point that the C.C.O. is far more likely to "disturb the ground" than we are; that there is supposed to be direct liaison between the heads of "C"'s department and ours, and that, ~~as a result~~ we do show C.S.S and A.C.S.S our Progress Report, whereas they show us no similar document in return. You might even go so far (I should have thought) as to ask the C.S.S ~~if~~ if we go on showing him this document, he would be prepared to let us see some similar document or chart referring to the activities of his own agents?

With regard to (c), I remain of the opinion that we should be in a much stronger position formally to put forward our ~~proposal~~ ~~for~~ for the establishment of our own operational communications if we had in our possession a favourable report by some independent and acknowledged expert. I also continue to believe that the operational signals are the things that matter, and that the "main line" side had better be settled interdepartmentally; in any case, the operational side is obviously the more urgent.


Generally speaking, I think that the time is shortly approaching when we ought to say quite clearly that we are now, so to speak, grown up, and that the mere fact that we are paid on the secret vote does not by itself imply that we have any connection with "C" at all. The fact that we work through agents, on the other hand, does imply a certain connection, if only to make sure that lines do not cross. There must also,

of course /-

of course, be co-operation vis-à-vis the Allied Governments to ensure that we do not pursue opposite lines.

The place for the ventilation of such ideas - elementary to us, but no doubt revolutionary to "C" and, I daresay, to other people in Whitehall - might well be Alec Cadogan's room; the time, I suggest, might well coincide with our formal demand for separate operational communications.

If you are in general agreement with the above, I will put up your memorandum and this minute to S.O for his approval.


20th January, 1942.

F/134/1

MOST SECRET.

From C.D.

To C.E.O.
(no copies made)

20th January 1942.

S.I.S. and S.O.E.

1. This may be a long Paper - but I am writing it because I am convinced we are now reaching a stage in the association of S.I.S. and S.O.E. where the negotiations between us in regard to future relationship must be dealt with (to use a hackneyed phrase) on a statesmanlike basis.

2. I attach herewith a memorandum from M. on C's amended Annex, which very roughly represents the view held by practically all the Directors - that is to say I think we all feel that the whole tone of this document savours of the impertinent.

3. I have however been giving very deep thought for some considerable time to what I have recognised (and I know that you have recognised it as well) is inevitable, namely that we are moving fast towards a crisis in our relationship with S.I.S.

4. I think probably that I differ from my colleagues as to how best we ought to handle this and I shall be very grateful if you will wade through this Paper, and if possible ask S.O. to read it, so that we may perhaps consult together on the line that I think we ought to adopt; not only on detail matters such as Communications, but the general attitude of obstruction and deceit, which I am afraid there can be no gainsaying we experience every day and every week from various members of C. organisation

5. I approach this whole matter firstly from the standpoint which I believe to be correct; namely that the stock of S.O.E. is moving slowly but surely upwards, whereas the market quotation of S.I.S. is stationary and some critics would even say that it is moving downwards. Incidentally this is a view expressed by Lord Cherwell to AD/P the other day and I mention it here only because from such a critic it carries a certain amount of weight; but it is a view that I have had expressed indirectly to me from very many quarters.

6. I think there is probably little doubt that if we were to "fight" our point of view with the assistance of various Directors of Intelligence, C.I.G.S. and others - whether it is on the subject of Communications or generally - we should probably prevail; but I have come to the conclusion that a schism of this sort would be unstatesmanlike and in the long run do us more harm than good.

7. I ought to say at this juncture (what I have already said to S.O. and to you) that I view with the greatest possible gravity the position into which we are drifting in regard to Communications - to say nothing of the many low level attempts on the part of C.'s employees to get us in wrong with the various authorities, and generally to

/belittle

belittle our organisation and the work we are doing. I am absolutely convinced that we should not lose any time in attempting to put this situation right, if such a situation can ever be put 100% right in these days of war nerves which breed jealousies, intrigues and so on.

8. My view is that we should approach this whole problem from the highest possible level, i.e. that such rearrangements as we wish to have vis a vis S.I.S. are not primarily for the benefit of S.O.E., but in the National interest; For we should never lose sight of the fact that we are a National Operational Unit in the same way that S.I.S. is a National Intelligence Unit, and that we should proceed in a manner which I will suggest to you hereafter on the basis that our suggestions are designed primarily in the National interest and for the general good of the country.

9. I believe that the first step should be for you to see the C.S.S. and suggest that you and he, Alec Cadogan and (if you will so permit) I myself, should discuss round a table the changing situation which has now arisen; not only by reason of the fact that S.O.E. is a completely independent organisation, but has grown far beyond what it was possible for us to visualise when the above mentioned people met on 15th September 1940 at the Foreign Office (as you will no doubt recollect).

10. I firmly believe that the C.S.S. himself has never really managed to get away from the idea that S.O.E., whilst he pays lip service to its independence and to the completely Ministerial control of S.O., is really nothing more or less than a child of his own "put out to nurse". You will perceive from his draft Amended Annex that there is not one sign of reciprocity all the way through; that every suggestion is something that S.O.E. must do for S.I.S.; and had it not been for the most admirable way in which AD/P has handled matters since he joined our staff, we should not now even be getting the requisite intelligence from S.I.S. which is so necessary to our routine work.

11. The gravest item in this programme is to my mind this eternal subject of Communications and I do not think I am over-painting the picture if I put myself on record by saying that at any moment our communications with our branches and our secret agents might break down completely under our present system, under which we are dependent not only upon S.I.S. and their volume of traffic and their very nearly complete authority in regard to what they deem security, but upon the fact that the whole of their system might at any moment be requisitioned by H.M.G. if enemy action became such as to make their lines of communication the only ones available on what I call, for want of a better term, the Secret Band.

In regard to ordinary day to day routine communications, at the risk of nauseating repetition, you know my view; that these might go at any time if the submarine cables are cut and if the consequent burden of communications

/thrown on

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thrown on Cables and Wireless by other Government Departments, who now use them in much the same way as we do, became such as

- (a) to render the delays quite hopeless, or
- (b) that such Communications would be carried by the Cable Company's wireless, which might perhaps necessitate changing our present private cypher code;

in such circumstances it is perfectly certain that S.I.S. could not carry our ever increasing load of routine communications day by day and at a time when they would be needed more than ever.

12. I believe that we should have the backing of all Service Departments if we based our plea for separate Communications, both Secret and Main Line, on the ground that this is in the National interest; namely that whether Secret or Main Line the more channels of Communication there are, the better it may be for Great Britain in the event of certain possibilities, if not probabilities, of enemy action.

Certainly this was a view expressed to me by General Rawson, the Army Director of Signals, the other day.

13. At all costs I have come to the conclusion that we should endeavour to avoid a subsidiary, but none the less cogent, argument, so far as we personally are concerned, that the personalities involved with the direction of S.I.S. wireless are such that make day to day co-operation impossible.

14. At this juncture it becomes a most important matter for us to know what truth, if any, there may be in what I believe to be pending arrangements for a reorganisation of S.I.S., for if my information is correct (and I think you have more or less checked it and found it reasonably accurate) there is a proposal, which now only awaits Cadogan's approval

S.I.S. organisation to
clean up and put on a proper basis what Medhurst describes
as the "deplorable chaos" alleged to exist at present.

15. It may be that if you can get confirmation from Cadogan that this is imminent, we should await this development before inviting C.S.S. to a round table conference - and in fact, arising out of this, perhaps the best procedure would be for you to suggest to Cadogan that you would like such a conference, in which case he may volunteer to you what the projected reorganisation arrangements, if any, are in S.I.S., and when they are likely to come into force.

16. Amongst the matters which I think we ought to discuss with Cadogan and C.S.S. - if and when such a conference takes place - would be my suggestion that a high Officer of S.I.S. should sit in S.O.E. offices and a high S.O.E. Officer should sit in S.I.S. offices; for whilst the Dansey liaison is working reasonably well owing to the pleasant personal relationship which he has with so many of us here, it only touches the surface of things and he is far too busy to get down to the bedrock root of this constant daily friction.

17. Returning for a moment to this eternal subject of Communications, I am inclined to think that the best way to deal with it would be to ask C.S.S. to agree to one or two Service Signal Chiefs or Deputy Chiefs examining the whole question of Communications as between S.I.S. and S.O.E. and to give their recommendations. I cannot say at all certainly whether we should be able to get agreement from the Service Chiefs for this to be done; but I have reason to believe, after discussing it with AD/P, that this could be arranged.

Of course if the C.S.S. were to agree to separate without this, it is pertinent for you to ask why we require a Commission to advise us and especially if by that time we have succeeded in obtaining a Signals Officer of good standing - and to this I would reply that it is an important and probably irrevocable step and that we should benefit by such an impartial and expert examination.

18. In conclusion I assume that S.O. need not be burdened with this matter at this juncture if he and you accept my suggestion that we should endeavour to reach agreement on what I may call you and the Alec Cadogan level - but assuming that this fails and no improvement in the general situation makes itself apparent, we shall I fear have to call upon his services to take the matter up upon whatever level may be necessary to ensure that the progress of S.O.E. is not impeded.

C. D.

To: C.E.O.

AD/OR/323.

From: A/D.

19th January 1942.

0/2
F/134/1
19 JAN 1942

I set out hereunder my comments on the draft of "S.I.S. Proposals for an amended Annex II to be attached to the paper entitled 'Subversion' ". I am commenting only upon those paragraphs in which the S.I.S. draft differs from that dated 24.12.41 submitted by C.D. to C.S.S. on the 26.12.41.

1. (a) Projects

Ref: DCD/710

To C.E.O.

19.1.42.
From D/CD

0/2
F/134/1

Views on S.I.S. amendments for Annex II.

- 1) Para: II (a). We do not want any more boards. The present liaison works very well.
- 2) Para: II (c) (i),(ii). Takes us back to where we started and must be unacceptable if we are ever to function efficiently.
- 3) I recommend we try and stick to our original amendments which were constructive and broad-minded. We could, however, agree to the amendments of Para II (a) provided we get our own draft of Para II (c).

There is no objection to the paragraph which C.S.S. has added to our draft under this heading.

3. (c) Communications. (i) Main Line Communications

We could not agree to the inclusion in Annex II of the paragraph added by C.S.S., laying down that ciphers should be approved by the G.C. & C.S. department of the Foreign Office and that copies of all communications should be passed to S.I.S.

As regards the former, this is of course quite a sensible suggestion, but it is none of C.S.S.'s business and its inclusion in this draft is an impertinence. Similarly, while we do in fact pass some of the communications received and transmitted in our own ciphers to S.I.S., this is an act of courtesy on our part and is not a right which can be claimed by S.I.S.

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From: A/D.

19th January 1942.

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1. (a) Projects

I do not think we could possibly accept the proposal to create, expressly to replace the defunct Projects Board, a fortnightly meeting to discuss future plans of S.O.E. This is wrong principle as it would clearly imply that S.I.S. had some sort of right to know everything that S.O.E. was doing and, if desired, to raise objections to it. It would not work in practice

- a) because there would be quite a number of things which we ought not to tell S.I.S., and
- b) it would certainly result in delays and obstructions to practically all our projects.

The whole proposal would, in effect, mean reversion to the position under the old "D" Board which, it will be remembered, was rapidly found unworkable.

I think we might well agree to some form of liaison with C as regards our projects, but it certainly should not form part of Annex II but should be some machinery set up by mutual agreement which could be modified or abolished at any time according to circumstances.

2. (b) Transport

I see no objection to the paragraph which C.S.S. has added to our draft under this heading.

3. (c) Communications. (i) Main Line Communications

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4. (c) Communications. (ii) Operational Communications

The proposals set out in these paragraphs would amount in practice to something rather worse than the status quo (with which, of course, we are already completely dissatisfied) and are, in my view, so entirely unacceptable as not even to provide any basis for discussion.

I recommend that C.S.S. should be told this bluntly. It would, in my opinion, be disastrous for us to waver in the slightest from our determination to secure control of our own communications.

G.F.S.

M/OR/170

19.1.42.

To: C.D.

From: M

0/2
F/134/1

1. I have read the attached draft Annex 2.

The general tone of the whole Annex is that we are a junior partner of the S.I.S. and it is therefore, in its present form, quite unacceptable. The root of the matter seems to be that, because the old 'D' Section was a small part of the S.I.S., its successor (S.O.E.) is still considered to be in some way under the general authority of 'C'. The real basis now is that we are in point of fact an equal partner with S.I.S., although this, I admit, is not yet generally realised or appreciated.

2. I do not know who drafted this paper, but obviously it is someone who is completely ignorant of our activities; there are a mass of petty restrictions and governessy "rules" for our behaviour which, if they were written seriously and considered seriously by 'C' are an insult in themselves.

3. A few general words. The whole basis of the attitude which 'C' openly adopts (though honestly cannot believe) is that our subversive activities may interfere with the collection of information. But we are all aware that the information which 'C' gets from his own direct agents in foreign countries represents what I would call an almost negligible proportion of the total information which he receives from wireless intercepts (Order of Battle) from the G.C.-in-C.S., from Missions abroad, etc. I am excluding from the agents above those directly employed by the Poles and the Czechs. In France, in Belgium, in Holland, in Denmark and in Norway, we know that he has very few men who are sending any information. I cannot see therefore how, in actual reality, subversive operations can possibly seriously affect "information". Therefore I hold that there is no solid foundation for this reiteration that subversive activities adversely affect intelligence. Nowhere does 'C' claim that the C.C.O.'s operations should also be co-ordinated with his alleged intelligence service, yet the raid on Vaagso is much more likely than any of our efforts to prejudice his service, if it exists.

4. Both on our side, however, and on that of S.I.S. individual 'gaffes' will be committed which will affect each of us adversely and these we must guard against as best we can, e.g. Belgium (S.I.S. at fault), Denmark (S.I.S.), Stockholm (S.O.E.), West Africa (S.I.S.).

5. As regards detailed criticisms of the text and substance, I have the following:-

- (a) Projects: I could not feel more strongly the danger of the resumption of any board of this nature. It serves no useful purpose as most of what would transpire would be Greek to the S.I.S. but would give them just the opportunity they require for throwing spanners in the works. We might just as well ourselves claim the necessity of a board of this nature to discuss 'C's' future plans and ask him to render a weekly progress report. I am against our weekly Progress Report going to 'C' unless we receive a quid pro quo. I do not remember a single case in which a project of ours directed

against/

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against the enemy has ever been queried by 'C'. I remember plenty of projects not directly aiming at the enemy but at increasing our possibilities of action, i.e. communications, posting of our representatives abroad, etc., which have been hotly contested by 'C', obviously for reasons of prestige and personal self-defence, and to keep us in our place.

- (b) Transport: I am very glad to see that 'C' claims no priority, although his Air representative always stresses this aspect.

I cannot, however, visualise the Chiefs of Staff sitting in solemn conclave as to whether PERIWIG should get four containers or NEBULOUS be dropped at Saumur.

- (c) Communications

(i) Main Line.

The first paragraph contains a proviso which seems to me to provide the strongest argument for our having our own main line communications. I did not know before that we were limited to the use of 'C's' facilities, only "as the requirements of security of S.I.S. permit". In the final sub-paragraph I am entirely opposed to passing copies of all our communications to S.I.S.

(ii) Operational

This paragraph opens with a complete misstatement. I cannot see how security is more hazarded if two organisations are carrying out separately their operational communications. In my opinion, security is immeasurably improved, taking into consideration the fact that there is always one controlling authority in the shape of the Wireless Board which allots frequencies, etc.

The suggestion that all projects involving the use of wireless in any form should be co-ordinated under one control is not acceptable. Practically every project we have involves wireless in some part or other. There are other items in this Communications paragraph which are equally unacceptable, but there is no need to specify them at the moment.

- (d) Spheres of Interest: The words "even within the S.O.E. organisation itself" seem to be just calculated rudeness.

6. Conclusion

I see no point in trying to amend this draft, but would much prefer that we make our own draft and send it to 'C' for his approval. We at least know something of their work; they appear to know nothing of ours or of our responsibilities.

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~~A.D.~~

10a

42.

IS OF THE BOARD
RECTORS

MOST SECRET

F/134/1

NOTES FOR WAR DIARY

Dear Gardner.

SIS proposals for amended
Annex.

I have gone thro' this most
carefully a number of times
and my personal view is that
it is utterly unacceptable, even
as a basis for discussion.

It has an undertone
of condescending patronage
bordering on the impertinent.

The two main proposals
that (a) Communications should
be unified (i.e. Secret Comm^s) under
the control of Gambier Parry
and (b) the revival of a sort
of Projects Board are not at all
outside our serious contemplation
i.e. from my point of view.

sent to me by
called "Annex
Local Rules"

iminary dis-
ing on Monday
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of which we

omments at
unity so far
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G.

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~~A.D.~~

10a

MOST SECRET

S OF THE BOARD
RECTORS

2
~~NOTES FOR WAR DIARY~~

sent to me by
alled "Annex
ocal Rules"

I am circulating a
copy of the proposals
to all members of the
"Board" - and have
asked them to be
ready to give their
first impressions to you
at W. Warren's evening
meetings.

liminary dis-
ing on Monday
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of which we

oments at
unity so far
dly.

I have not broadcast
my own views! as yet.

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CD/OR/674

File

17th January 1942.

~~A.D.~~

10a

FROM: C.D.

TO: ALL MEMBERS OF THE BOARD
OF DIRECTORS

1. Attached are draft proposals sent to me by C.S.S. and designed to replace the so-called "Annex No. I" of September 1940, setting out "Local Rules" as between S.I.S. and S.O.S.
2. I suggest that we have a preliminary discussion on these at the Directors' Meeting on Monday next, January 19th and thereafter decide what parts, if any, we cannot accept, or in respect of which we must propose alterations.
3. I cannot add my preliminary comments at the moment as I have only had an opportunity so far of reading this document through hurriedly.

C.D.

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MOST SECRET.

DRAFT OF S.I.S. PROPOSALS FOR AN AMENDED
ANNEX 11 TO BE ATTACHED TO THE PAPER
ENTITLED 'SUBVERSION'

January, 1942.

S.I.S. and S.O.E. have agreed as follows:-

1. S.O.E. is a separate, secret organisation under the control of Dr. Dalton. The function of this organisation is the promotion of Subversion and the carrying on of subversive activities in all parts of the world outside this country. For the general purposes of administration and discipline the S.O.E. organisation comes under Dr. Dalton and not under the Foreign Secretary. The function of S.I.S., who operate under the control of the Foreign Secretary, is the collection, collation and distribution of secret information and intelligence.

11. At the same time S.O.E. and S.I.S. are intimately associated one with the other, and to function efficiently there must be friendly co-operation between both parties concerned. There are several respects in which the interests of S.I.S. and S.O.E. must clash. In order to obviate such clashes and to preserve harmony, arrangements have been agreed in terms of the various headings which follow.

(a) Projects.

A project may quite possibly be good for purposes of Subversion, but bad for purposes of Intelligence. S.I.S. is in a position to know of the general nature of S.O.E. projects as a result of the direct liaison between the various sections of the two organisations, but to replace the defunct project board there should be a fortnightly meeting of not more than three senior officers

from either organisation to discuss future plans in addition to the rendering by S.O.E. of the weekly progress report. In the event of a conflict of interest arising the issue will, if possible, be settled by agreement between the two organisations; if C.S.S. and C.D. are unable to reach such an agreement the question must be referred to higher authority. If such a conflict arises between representatives abroad, in circumstances in which it would not be convenient for the issue to be referred home, the question may be referred to the appropriate local authority, such as the senior representative of H.M. Government in neutral countries, the Governor or Governor-General of Dominions and Colonies, the Commander-in-Chief or resident Cabinet Minister in those areas which are part of the war zone. The S.I.S. and S.O.E. representatives, however, would still reserve the right to refer any question of principle to London.

(Note: Foreign Office (Balso) telegram No _____ of the 6th January, 1942, to Ambassadors and Ministers in South America, is particularly relevant to the above, particularly paragraph 6.)

(b) Transport.

A special flight and a special fleet have been created to meet the joint requirements of S.I.S. and S.O.E. in the matter of air and sea transport. If there is a clash of interests regarding the use of these facilities, which it is impossible to solve by friendly agreement, the matter must be submitted by both sides to higher authority.

Should the clash of interests be entirely one of Priority for use of these facilities, the matter should be referred to the Chiefs of the Staff Committee who alone can decide on which requirement is most urgent i.e. intelligence or subversion.

(c) Communications.

(1) Main Line Communications.

The original arrangement, by which S.I.S. affords to S.O.E. such facilities for the use of S.I.S. ciphers and communications as the requirements of security of S.I.S. permit, continues to operate, but it is agreed that S.O.E. shall, whenever it is found convenient, use their own ciphers for communications which will be transmitted between their representatives abroad to their headquarters and between the offices of their representatives abroad by approved commercial cable or wireless services instead of by S.I.S. main-line stations. (The word "representatives" does not include secret agents in neutral or occupied territories).

Ciphers should be approved by the G.C. & C.S. department of the Foreign Office, and copies of all communications will continue to be passed to S.I.S.

No S.I.S. symbols must be used by S.O.E.

(11) Operational Communications.

Why? | In view of the grave hazards to security which may arise from two organisations endeavouring to carry out separately Secret Operational Communications, and in view of the acute shortage of skilled man power, materials and facilities, it is agreed that all projects involving the use of W/T in any form should be co-ordinated under one control responsible jointly

for the requirements of S.I.S. and S.O.E.

It is agreed that S.O.E. should continue to conduct the recruitment and training of agents in the use of W/T for their special requirements, but that in every other respect the operational use of W/T and the development and production of W/T equipment should be pooled under the unified control of the Controller, Special Communications.

Mid East, West and East Africa have already been agreed on as areas where S.O.E. may establish their own transmitting and receiving stations, but their responsibilities in these particular areas should also be regarded as within the broad limits of the general rules set out in the two preceding paragraphs.

(d) Spheres of Interest.

These have already been defined in paragraph 1.

It follows that if S.O.E.'s agents collect intelligence other than that on specifically S.O.E. affairs, it must be passed on to S.I.S. before being circulated ~~anywhere~~ ^{outside [S.O.E.]} even within the S.O.E. organisation itself. Conversely, if any of S.I.S.'s men is in a position to perform or to recommend some act of subversion, S.I.S. will only take action after a specific request by S.O.E.

(e) Recruitment of Agents.

S.O.E. shall recruit its own agents, but it is agreed:-

- (i) That before any person is taken on by S.O.E. in London he will be put through "the cards";
- (ii) That before anyone is taken on by an S.O.E. representative abroad the name will be submitted to the local S.I.S. representative to ensure that such person is not already employed by S.I.S. and where desired to obtain from S.I.S., H.Q. any dossier which they may have about him.

(f) Finance.

Until such time as the Treasury or other higher authority otherwise directs, S.O.E. will continue to draw its funds from the

Treasury through the medium of S.I.S. For this purpose S.O.E., whose financial month ends on the 20th of each month, will furnish S.I.S. on or before the last day of each month with an estimate of its cash requirements during the then current month and also a summary of its receipts and expenditure, detailing the various Treasury Sanctions and Grants, for the previous month.

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11. At the same time S.O.E. and S.I.S. are intimately associated one with the other, and to function efficiently there must be friendly co-operation between both parties concerned. There are several respects in which the interests of S.I.S. and S.O.E. must clash. In order to obviate such clashes and to preserve harmony, arrangements have been agreed in terms of the various headings which follow.

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D.C.D.

from either organisation to discuss future plans in addition to the rendering by S.O.E. of the weekly progress report. In the event of a conflict of interest arising the issue will, if possible, be settled by agreement between the two organisations; if C.S.S. and C.D. are unable to reach such an agreement the question must be referred to higher authority. If such a conflict arises between representatives abroad, in circumstances in which it would not be convenient for the issue to be referred home, the question may be referred to the appropriate local authority, such as the senior representative of H.M. Government in neutral countries, the Governor or Governor-General of Dominions and Colonies, the Commander-in-Chief or resident Cabinet Minister in those areas which are part of the war zone. The S.I.S. and S.O.E. representatives, however, would still reserve the right to refer any question of principle to London.

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D/C/D

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Don't get this

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R/C/D

Treasury through the medium of S.I.S. For this purpose S.O.E., whose financial month ends on the 20th of each month, will furnish S.I.S. on or before the last day of each month with an estimate of its cash requirements during the then current month and also a summary of its receipts and expenditure, detailing the various Treasury Sanctions and Grants, for the previous month.

MOST SECRET.

D/C/D

10

From C.D.

CD/OR/286

To C.E.O.
Copy to Board of
Directors.

7th January 1942.

20

S.I.S. and S.O.E.

1. I attach herewith copy of a letter from C.S.S. dated 5th January (which incidentally reached me at 2.50 p.m. on 7th January).
2. You have I think in your possession copy of my letter and enclosures to C.S.S. of 26th December (written in your absence on leave) and I will not therefore send you these up for your reference.
3. In considering our attitude to this communication, we must remember first of all that it was written before the interview which C.S.S. had with S.O. and you yesterday - although I do not think this is a point of any importance.
4. In regard to my own views on this, I feel very strongly that in no circumstances should we admit that the September 1940 Agreement or Annex has become, or could in any sense become, part of the Cabinet Charter of July 1940.

It is quite a clever manoeuvre on the part of C.S.S. to say that for "practical purposes" the September 1940 Annex should be regarded as a detailed portion of the Cabinet Charter to S.O., but I cannot myself see that this is a tenable position.
5. In regard to the practical suggestion put forward that S.I.S. and S.O.E. shall each separately make a Draft in concise form showing the points they wish covered etc. - this has all been done by the proposed New Annex to be dated January 1942 which C.S.S. has had in his possession since 26th December.
6. I do not understand what is meant by the C.S.S.'s concluding sentence that an agreed document can then be submitted to "higher authority" for approval.

I cannot imagine that he wishes the Cabinet to be bothered with a purely domestic agreement between the two Secret Services as to points of routine and detail; and if this is so the only other higher authority to which he presumably alludes is the Foreign Office in the person of Sir Alec Cadogan on the one side and S.O. on the other; he knows, incidentally, that you yourself are in agreement with our proposed new Annex and he also knows that for all practical purposes you represent S.O., so that presumably the higher authority with which he threatens us is the Foreign Office or Sir Alec Cadogan!
7. My view at the present stage is that a reply should be sent in which we must politely but categorically decline to accept his contention on any grounds whatsoever that the September 1940 Annex was anything but a convenient

/clarification

SECRET 2

clarification of routine details arising between the two Services - and to go on to state that our view as to how this Annex should be brought up to date is already in his possession and we merely await his views as to what parts, if any, of our proposed new Annex he finds himself unable to accept; and which parts of the variations from the September 1940 Agreement, to which he has already agreed, he wishes more closely defined.

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confidence

8. This is, I think, a question of policy and the correspondence in its present stage is between the C.S.S. and me only by reason of the fact that you were away at the time we wished the various documents to be sent to him - but as to who continues the correspondence we can discuss when you have had time to think over the whole question.

1.
and S.I.S.
with
partly

9. Although this letter from C.S.S. is dated before his interview with S.O. and you yesterday, I feel certain that the fons et origo of it all is this question of Communications which for reasons of his own (whatever they may be) he will, I am sure, fight to the last ditch against allowing us to become independent.

is far less known.

2. Personal relations between the Principals C.D. are cordial and between staff and file perfectly correct; yet there are numerous complaints where the officials have completely failed with the other principal about the facts of any particular case, difficulties could have been avoided and operations efficiently managed.

3. The services are fully conscious of this, and on several occasions have explained in most definite terms the urgent need for amalgamation of the help and confidence of these Services as is set forth in the following.

4. Since Sir G. White has been under his hat, the Department outlined above has been explained and brought into rather clearer perspective; examples of inefficiency resulting from an officer of both organisations not being equipped with necessary information or credit have come to light. There has been a considerable amount of overlap between the two services and it is at least one possibility that the various has been the result of this. It is a matter of some importance that approval has been given to the following. In fact, the only example of inefficiency which has been noted is that the two services have not shared in the same way the information.

G.

INTRODUCTION.

Secret organisations by their very nature induce suspicions in the minds of the principal Services, who are naturally ignorant of many of their activities. This suspicion, if unchecked, leads rapidly to hostility. Unfortunately, secrecy between secret organisations leads to a similar state of conditions. Hostility may be and usually is avoided but it is replaced by only a conventional degree of mutual confidence.

1. The principal secret organisations in the Mid East are S.O.E and S.I.S. The former owing to its recent amalgamations and its definite strategic rôle, is far more powerful and widespread. The latter, partly by its intelligence rôle and its relative continuity of form is far less known.

2. Personal relations between the Principals are cordial and between rank and file perfectly correct; yet there are numerous occasions where, had the officials been completely candid with the other organisation about the facts of any particular case, difficulties could have been avoided and operations efficiently increased.

3. The Services are fully conscious of this, and on several occasions have emphasised in most definite terms the urgent need for amalgamation if the help and confidence of these Services are to be forthcoming.

4. Since S.O.E Malta has come under Mid East, the impressions outlined above have been emphasised and brought into rather clearer perspective; examples of inefficiency resulting from an officer of both organisations having received contradictory information or orders have come to light. There has been a lamentable lack of candour between the separate sections on at least one occasion; one section has been instructed to delay assistance to the other until specific approval has been given from London. In fact many of the symptoms of inefficiency and over-centralisation have been thrown up from the recent short inspection of the Malta office.



5. It has become the habit in certain quarters to say that, because S.O.E is charged with Operations and S.I.S with Intelligence, it would be unreasonable to amalgamate them. While this argument may have some weight if it relates only to branches in the field, the argument loses its validity rapidly if an amalgamation of the whole organisation is contemplated. The difficulty of serving two masters is thereby obviated and there is the close analogy of all the other Services where Operations and Intelligence are co-ordinated under senior commanders.

6. The advantages of such amalgamation would be shown :-

- (a) in the increase of confidence of the Services.
- (b) in the improved co-ordination between the two organisations.
- (c) in the economy of their staff and equipment, which should allow a sufficient increase to make their scope appropriate to the required war effort.
- (d) finally, in the fact that the long-term decision to keep secret activities as a part of our post-war defence scheme can far more readily be achieved if amalgamation takes place now, and one, and not two, organisations have to justify a permanent existence.

In conclusion, the two organisations have already become increasingly connected, whether in the provision of their plant and stations, the choice of their officers and agents or the provision of their intelligence, the great majority of which in many areas comes from S.O.E. If large-scale results are to be achieved, amalgamation must take place first.

MOST SECRET

11.

80

C/B457.

5th January, 1941.

SECRET AND
PERSONAL

Dear C/D,

I am afraid you may think I have been slow in answering your CD/OR/459 of 26th December with its 4 enclosures, one of which was a Draft of a proposed new Annex in substitution of the agreement made between S.I.S. and S.O.E. dated September, 1940.

I have given this a good deal of thought and have come to the following conclusion - it is my view that matters of principle are involved in that the agreement of September, 1940, became part of the original document which laid down the respective functions of S.O.E. and S.I.S. I understand you hold a different opinion on this point and consider that it was only printed and issued with the Charter, but is not part of the same. I do not think we need argue this point in any legal sense but should take it that for practical purposes and in view of the scope of that Annex, it should be regarded as a detailed portion of the Charter too.

Since I hold this view, you will understand that I do not feel inclined to make further and far-reaching amendments without referring them to the authorities concerned with the original Charter. S.O.E. wish certain amendments made, I wish certain points confirmed and also that certain adjustments shall be made. Some points of departure from the original amendments I have agreed with you since September, 1940. I wish those more closely defined. Therefore I suggest that we shall each separately make a Draft in concise form, showing the points we wish covered, exchange these and then meet together to produce one agreed document which can then be submitted to higher authority for approval.

Yours ever,

C

C/D,
S.O.E.

From C.D.

CD/OR/553

To A.D.

3rd January 1942

Copy to C.E.O., and all
Members of the
Board of Directors.

8/2
70
A.D.

~~A.D.A.~~

S.I.S. and S.O.E.

1. My yesterday's meeting with C.S.S. was transferred to the A.C.S.S. as the former had important meetings elsewhere.
2. The A.C.S.S. asked me to try and clarify his mind on a number of matters, including West Africa, and what we will now allude to as the Proposed Amended Annex which was discussed before Christmas by C.E.O., C.S.S. and A.D.
3. I took the A.C.S.S. right away through the West African affair document by document and point by point and got his mind, I think, quite clear on it; and incidentally got his agreement to D/CD's proposed letter from the Colonial Office to Bourdillon, which should settle this matter. (Copy attached for ready reference).
4. It was arranged between us that, with the A.C.S.S.'s mind duly clarified, he should later in the evening talk the whole matter over with C.S.S. and let me know the result.
5. The result, so far as I can gather from a long telephone conversation which I have this morning had with A.C.S.S., is that D/CD's proposed letter from the Colonial Office to Bourdillon is accepted by C.S.S. in its entirety; with the exception that he cannot accept the allusion to the Amended Annex to be dated December 1941 or January 1942, as there are several points in this with which he is in disagreement.
6. I gather that his account of the interview between himself, C.E.O. and A.D. is that they discussed very generally the proposal that the September 1940 Annex required alteration, but that the whole matter was left that A.D. should send him a draft of what he thought would meet the case. (Incidentally this draft was handed to him by me over nine days ago, but he did not study it until last night when he discussed it with the A.C.S.S.)
7. Despite the fact that I think I have got the A.C.S.S.'s mind clear - it still appears from the latter's conversation with me over the telephone this morning that the C.S.S. still considers the September 1940 Annex to be an integral part of the Cabinet Charter!
8. I have endeavoured to explain this both to C.S.S. and A.C.S.S. ad nauseam; but they have got it all mixed up by reason of the fact that this so-called Annex is contained in the "Print" of the Paper on Subversion written by C.E.O. of which the C.S.S. has a copy.

9. Coming back, however, to West Africa - in respect of which we are being pressed by the D.M.I. and the Colonial Office to get this incident settled - it is obviously the right moment to consider as soon as may be what points in the Amended Annex, as between S.I.S. and S.O.E., the C.S.S. will not agree to; and I have therefore left it with the A.C.S.S. that as soon as C.E.O. returns a meeting should be laid on according to his convenience with C.S.S., and whoever else had better attend in order that this document may be, if possible, agreed.

10. I have no doubts in my own mind that the points with which C.S.S. will not agree are the inevitable "Communications" points.

11. As the original talk on this matter took place between C.S.S., C.E.O. and A.D., I suggest that it had better be kept to these three (subject of course always to the agreement of C.E.O.); and will A.D. therefore get into touch with C.E.O., as soon as the latter has made some inroad on his papers, and arrange for the earliest possible rendezvous with C.S.S. at which I have strongly suggested to A.C.S.S. that he should be present.

12. It is clear that this Amended Annex is important from every point of view i.e., West Africa, South America, and the general conduct of associations between S.I.S. and S.O.E., not only in the U.K. but elsewhere.

C. D.

S 15/6

23.12.41.

4a

DRAFT OF AMENDED ANNEX II TO BE ATTACHED TO THE PAPER ENTITLED:
'SUBVERSION'

MOST SECRET

S.I.S. and S.O.E. have agreed as follows:

1. S.O.E. is a separate, secret organisation under the

on

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There is a revised (slightly) annex dated 24. 12. 41. of which there should be a copy on S.O. Files. It has the additional para regarding Finme., which para is exactly similar to the draft paper number in red 10A, dated January 1942

on

G.

organisations and also from the S.O.E., weekly progress report which is seen by C.S.S. In the event of a conflict of interest arising, the issue will, if possible, be settled by agreement between the two organisations, but if C.S.S. and C.D. are unable to reach such an agreement the question must be referred to higher authority. If such a conflict

S 15/6

23.12.41. 4a

DRAFT OF AMENDED ANNEX II TO BE ATTACHED TO THE PAPER ENTITLED:
'SUBVERSION'

MOST SECRET

S.I.S. and S.O.E. have agreed as follows:

1. S.O.E. is a separate, secret organisation under the control of Dr. Dalton. The function of this organisation is the promotion of Subversion and the carrying on of subversive activities in all parts of the world outside this country. For the general purposes of administration and discipline the S.O.E. organisation comes under Dr. Dalton and not under the Foreign Secretary. The function of S.I.S, who operate under the control of the Foreign Secretary, is the collection, collation and distribution of secret information and intelligence.

2. At the same time, S.O.E. is intimately associated with S.I.S, both on historical and on practical grounds, and if the former is to function efficiently, it must be with the friendly co-operation of S.I.S. There are several respects in which the interests of S.I.S. and S.O.E. may clash, and the following arrangements have been agreed upon in order to preserve harmony:

(a) Projects

A project may quite possibly be good for purposes of Subversion, but bad for purposes of Intelligence. S.I.S. is in a position to know of the general nature of S.O.E. projects as a result of the direct liaison between the various sections of the two organisations and also from the S.O.E. weekly progress report which is seen by C.S.S. In the event of a conflict of interest arising, the issue will, if possible, be settled by agreement between the two organisations, but if C.S.S. and C.D. are unable to reach such an agreement the question must be referred to higher authority. If such a conflict

arises between representatives abroad, in circumstances in which it would not be convenient for the issue to be referred home, the question should be settled by the appropriate local authority, such as M.N.R. in neutral countries, or the Commander in Chief or resident Cabinet Minister in those areas which are part of the war zone.

(b) Transport

A special flight and a special fleet have been created to meet the joint requirements of S.I.S. and S.O.E. in the matter of air and sea transport. If there is a clash of interests regarding the use of these facilities, which it is impossible to solve by friendly agreement, the matter must be submitted by both sides to higher authority.

(c) Communications

The original arrangement, by which S.I.S. affords to S.O.E. such facilities for the use of S.I.S. ciphers and communications as the requirements of security of S.I.S. permit, continues to operate, but subject to two major modifications:

- (i) S.I.S. have agreed that S.O.E. shall, whenever it is found convenient, use their own ciphers for communications which will be transmitted between their representatives abroad to their headquarters and between the offices of their representatives abroad by commercial cable or wireless instead of by S.I.S. main-line stations.
- (ii) S.I.S. have agreed that, in principle, S.O.E. shall have the right to erect their own stations abroad for communications between these stations and S.O.E. operational sets in the hands of their agents. These

stations will be under the administrative control of S.O.E. alone, but technical arrangements covering signal plans, etc., will have to be concerted with the local S.I.S. representative. Moreover, these stations will not be used as main-line stations for communicating with Great Britain. Each particular case in which S.O.E. wish to set up one of these stations, will be discussed by them with S.I.S.

In so far as S.O.E. continue to use S.I.S. facilities, it is agreed that if, for any reason, a telegram submitted by S.O.E. for transmission by S.I.S. be rejected by the latter, C.D. will be informed and will endeavour to make other arrangements.

(d) Spheres of Interest

These have already been defined in paragraph 1. It follows that, if S.O.E.'s agents collect intelligence other than that on specifically S.O.E. affairs, it must be passed on to S.I.S. before being circulated anywhere, even within the S.O.E. organisation itself. Conversely, if any of S.I.S.'s men is in a position to perform or to recommend some act of subversion, S.I.S. will get in touch with S.O.E. before taking any action.

(e) Recruitment of Agents

S.O.E. shall recruit its own agents, but it is agreed:

- (i) that before any person is taken on by S.O.E. in London, he will be put through the cards;
- (ii) that before anyone is taken on by an S.O.E. representative abroad, the name will be submitted to the local S.I.S. representative to the local S.I.S. representative to ensure that such person is not already employed by S.I.S. and to obtain from S.I.S. any dossier which they may have about him.

(f) Finance

DRAFT.

15th December, 1941.

3a

The basis of S.O.E.'s relations with S.I.S. is contained in Annex II of the Most Secret paper entitled "SUBVERSION" issued by the Foreign Office in October 1941.

of agreement are relevant to the present case contained in paragraphs 2(a), 2(c),

ds:-

ject may quite possibly be good for subversion, but bad for purposes of

ch a project comes before the D Board the duty of the C representative on that the attention of his Chief to any in it which he may see. If C is then an agreement with D on the point, it to higher authority".

t was signed on September 15th, 1940, s been modified, the D Board has been e is a clash of views the procedure now discussed between S.I.S. and S.O.E. reached between them, the matter can of ither of their respective Ministers, with o the Prime Minister.

ds:-

C will continue to afford to D such r the use of S.I.S. cyphers and commu- be requirements and security of S.I.S. ese communications will remain under C. Should, for any reason, a telegram , for transmission by C, be rejected CD will, of course, be informed, in will endeavour to make other arrangements."

modified by agreement. It was agreed ear, that in view of the growing volume

of S.O.E. communications and the consequent strain imposed on the S.I.S. system of communication, that S.O.E. should establish its own cyphering department and should send its own messages in code to its representatives abroad where this was possible by the use of commercial channels. It was further agreed that S.O.E. should still have the right to ask S.I.S. to send messages through S.I.S. channels.

Later there was by agreement a further modification, S.I.S.

please see SC/3070/45
of about 13.12.41.
to D.C.D from C.E.O.

"C" letter referred to in this was returned
to C.S.O. 13.1.42.

15th December, 1941.

3a

The basis of S.O.E.'s relations with S.I.S. is contained in Annex II of the Most Secret paper entitled "SUBVERSION" issued by the Foreign Office in October 1941.

Four of the heads of agreement are relevant to the present discussion; they are those contained in paragraphs 2(a), 2(c), 2(d), and 2(e).

Paragraph 2(a) reads:-

"Projects. A project may quite possibly be good for purposes of Subversion, but bad for purposes of Intelligence."

"If such a project comes before the D Board it will be the duty of the C representative on that Board to draw the attention of his Chief to any disadvantage in it which he may see. If C is then unable to reach an agreement with D on the point, it must be submitted to higher authority".

Since the agreement was signed on September 15th, 1940, the machinery set up has been modified, the D Board has been abolished and when there is a clash of views the procedure now is for the matter to be discussed between S.I.S. and S.O.E. If agreement cannot be reached between them, the matter can of course be referred by either of their respective Ministers, with final right of appeal to the Prime Minister.

Paragraph 2(c) reads:-

"Communications. C will continue to afford to D such facilities for the use of S.I.S. cyphers and communications as the requirements and security of S.I.S. permit, but these communications will remain under the control of C. Should, for any reason, a telegram submitted by D, for transmission by C, be rejected by the latter, CD will, of course, be informed, in which case he will endeavour to make other arrangements."

This again has been modified by agreement. It was agreed with S.I.S. early this year, that in view of the growing volume of S.O.E. communications and the consequent strain imposed on the S.I.S. system of communication, that S.O.E. should establish its own cyphering department and should send its own messages in code to its representatives abroad where this was possible by the use of commercial channels. It was further agreed that S.O.E. should still have the right to ask S.I.S. to send messages through S.I.S. channels.

Later there was by agreement a further modification, S.I.S.

agreed that S.O.E. should set up its own war stations abroad with the purpose of receiving wireless messages from its agents in the field; these stations to be at Cairo, Singapore, Quetta, Gibraltar and West Africa.

It was at the same time agreed that all secret W/T transmissions to and from the British Isles should be operated through S.I.S. channels.

Paragraph 2(d) recites:- attached copy of a letter from Colonial Office. This is presumably

"Spheres of Interest. These have already been defined in paragraph 1. It follows that, if D's agents collect intelligence other than that on specifically D affairs, it must be passed on to C before being circulated anywhere, even within the D organisation itself. Conversely, if any of C's men is in a position to perform or to recommend some act of subversion, C will get in touch with D before taking any action".

This has not been subject to any modification and the system of S.O.E. representatives making available information which they receive in the course of their S.O.E. duties, to S.I.S. representatives, is in operation in a number of parts of the world.

Paragraph 2(e), this paragraph reads:-

"Recruitment of Agents. D is at liberty to take the initiative in recruiting agents but can only definitely engage them with the knowledge and (subject to appeal) the approval of C or of C's representative."

It will be noted that this paragraph has not been quoted verbatim by C.S.S. in his letter to A. J. Dawe of the Colonial Office. The strict enforcement of this clause has, by mutual arrangement, been allowed to lapse.

C. O. S.
29 NOV 1942

TO A C S S ONLY

236
0/25
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S 15/6

13th December, 1941.

Reference A.D/Reg
S 15/6
SC/3070/45.
1a

13 DEC 1941
38/7

D.C.D.

Returned to CCO on 13/1/42 38/7

Please see the attached copy of a letter from "C" to Dawe, of the Colonial Office. This is presumably the result of the A.C.S.S.'s suggestion with which we agreed in principle the other day.

I do not think, however, that the proposals contained in "C's" letter quite meet the case. What we want to do, surely, is to quote the crucial paragraphs in our own "Charter", that is to say, the Cabinet document of July 1940, and then to say that subsequently an agreement was come to with "C" in October 1940 which still remains the basis of our relations with "C's" organisation, although it has to a certain extent been modified in practice (we might here say how it has been modified) and notably, I think, in regard to the establishment of our own communications.

In any case, I think we want to get some revised draft out, and perhaps we could discuss the whole question at the Meeting of Directors on Monday next.

df. Gf.

13th December, 1941.

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SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

CRISIS IS NOT CONSIDERED OVER.

C. O. S.
29 NOV 1942

TO ACSS ONLY

236
0/25
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13th December, 1941.

S 15/6
2a

To: A.D.

From: A.D.4.

I attach papers given me by D.C.D., the important one of which in my view is C.D.C.'s minute to D.C.D. of December 13th. As you will see the C.D.C. suggests that we should quote from
(A) The Cabinet document of July 1940.
(B) The subsequent agreement reached with "C" in October 1940.
(C) Subsequent modifications of (B) above reached by agreement from time to time.

Reg

As to (A) I have not access to it, but D.C.D. thinks it is in C.D.'s safe.

As to (B) I have examined Annex 2 which sets out the agreement between "C" and "D" (as we then were) and think that D.C.S.S. in his letter to A. J. Dawe has quoted the relevant parts.

As to (C) I have no knowledge of what these modifications have been and do not know where to seek them.

D.C.D. asked me to hand you the papers and the message which I do, but I am sorry that I cannot be more helpful in suggesting a draft agreement to be discussed at Monday's Board Meeting.

G.

(9) XXXXXXXXXXXXXXXXXXXXXXXXXXXX
BXXRXX

CRISIS IS NOT CONSIDERED OVER.

SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

C. O. S.
29 NOV 1942
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TO ACSS ONLY

CIPHER TELEGRAM

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how...
acts.

REF: DCD/181

Good Day!

0/25

CO
AD
AD/Reg
RB

1st December 1941.

Dear A.C.S.S.,

Westmacott and Keswick have now got together with regard to France and Belgium and as a result Keswick has asked me to write and suggest to you the setting up of a... S.I.S. and

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F134

liaison of SOE rep
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South America -

See SC/80.
c/8334 of 15.12.41

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111) To establish a mutual understanding as regards the policy to be adopted with the various Allied Governments concerned.

(9) XA8XXXXXX...
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CRISIS IS NOT CONSIDERED OVER.

SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

C. O. S.
29 NOV 1942
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TO A C S S ONLY

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2/12

Good Day!

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CO
AD
AD/Reg
R/S
Ku

REF: DCD/161

1st December 1941.

Dear A.C.S.S.,

Westmacott and Keswick have now got together with regard to France and Belgium and as a result Keswick has asked me to write and suggest to you the setting up of a joint committee of S.I.S. and S.O.S. to cover France and Belgium.

We should very much welcome such a step and I suggest that the committee should have the following general terms of reference:

- 1) That the Committee should be under the Chairmanship of Colonel Westmacott with a representative from his French and Belgian sections respectively and a representative from our French and Belgian sections.
- 2) They could meet together or divided as to the French section and the Belgian section according to the problems arising for discussion.
- 3) The committee's duties should include the following:
 - i) To discuss the possibility of pooling information and resources.
 - ii) To prevent a possible crossing of wires, both in the matter of recruiting and of agents in the field.
 - iii) To establish a mutual understanding as regards the policy to be adopted with the various Allied Governments concerned.

G.

(9) XXBXXXXXXBXXXXXXBXX
XXRXBX

CRISIS IS NOT CONSIDERED OVER.

SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

iv) To discuss the possibility
of sharing land route communications.

v) To discuss a common policy as
regards the question of pay and
allowances of agents.

I believe it is particularly desirable that the
level of the committee should be the Country Sections
themselves and that they should make recommendations
to those above rather than that the committee should
be on a higher level of beings who must of necessity
not be so conversant with the daily problems.

In our case the findings of the committee
would be reported to Spörberg and Gubbins.

I would be very glad, if you are in agreement
with the above, if you would inform your people of
our views in order that the suggested committee
may meet with the least possible delay as there seem
to be a great many common problems that should be
discussed at the earliest possible moment.

Yours very sincerely,

A.C.S.S.,
Broadway.

C. O. S.
29 NOV 1942
15/1

236 0/25

TO ACSS ONLY
CIPHER TELEGRAM RECEIVED FROM
STOCKHOLM

DESP. 1900 27/11/41
RECD. 0105 28/11/41

C.D. to C.E.O. 0/25
S.Y. is Barman
S.P.W.E.
The information was specially asked for by [unclear] - on the grounds that it came quicker and better thro' us.
- C. get it thro' [unclear], automatically take copy of the telegram [unclear] the ACSS.
I think in this case we are in order.
As to General

CD
This is all intelligence. CLASS E
Walden it has been
4351. more to have [unclear] S
it to the level of [unclear] Minister?
to the [unclear] Minister?
C. 28/11

Y. FROM 4351.
R 725TH
A. ONE REPORT ON ANTI-COHINTERN PACT
ED TEN MINUTES AGO. SOURCE IS ABSOLUTELY
TED MORNING OF TUESDAY NOVEMBER 25TH.
OF PACT STARTED AT CABINET MEETING
D AT THIS BOTH SCAVENIUS AND GUNNAR
RE BUT ALL OTHERS WERE AGAINST
BER 22ND RENTHE-FILCK GOT HOLD OF STAUNING
AT STAUNING AND KJAERBOL AND THUNE
ER.
AS TALK OF SPECIAL PROTOCOL TO PACT
BE DESCRIBED AS HAVING ONLY INTERNAL
NOT AFFECTING FOREIGN POLICY.
R 22ND THEREFORE FIVE REPEAT FIVE CABINET
FAVOUR SIGNING ARMISTICE (GPP. MUT) BUT
DEFINITELY OPPOSED.
TOUCH WITH BERLIN AND BETWEEN THREE AND FOUR
EMBER 23RD HE GOT DEFINITE ORDERS FROM
LIVERD TO SCAVENIUS ON SUNDAY MORNING FOLLOWING
TELY SIGN PACT. IF NOT THEN GERMANY WOULD
RIL 5TH 1940 AND WOULD REGARD DENMARK
AS ENEMY POWER AND TAKE UNEVITABLE STEPS.
(85) UNDER THIS TERRIFIC PRESSURE THE COUNCIL OF STATE STATSRAADET
UNDER KING CHRISTIAN'S LEADER-SHIP GAVE IN.
(9) XXXXXXXXXX
SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND
MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS
HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

iv) To discuss the
of sharing land rou

v) To discuss a con
regards the question
allowances of agents

I believe it is particula
level of the committee should
themselves and that they shoul
to those above rather than the
be on a higher level of beings
not be so conversant with the

In our case the findings
would be reported to Sporberg

I would be very glad, if
with the above, if you would
our views in order that the
may meet with the least possi
to be a great many common prob
discussed at the earliest poss

Yours very sincer

A.C.S.S.,
Broadway.

intelligence
telegrams of this
nature, the
situation is
particularly
complicated in
Stockholm just
at present (for
reasons of
which you are
aware) - but
we will po
it on a better
basis after
arrival of
Palleaen.

29/11/41

TO A C S S C
CIPHER TELEGRAM
STOCKHOLM

NO. 1754 NOS

FOLLOWING FOR
YOUR TELEGRAM

(1) FOLLOWING
SITUATION IN DE

7 AUTHENTIC AND

(2) DISCUSSION

7 ON MORNING OF

LARSEN PRESSED

7 (3) ON AFTERNO

AND PRESSED HIM

JACOBSEN WERE A

(4) AT THIS PO

IN WHICH SIGNAT

7 POLICY SIGNIFI

(5) ON EVENING

MEMBERS WERE IN

SEVEN REPEAT S

(6) RENTHE-FILO

ON MORNING OF

BEF... HE THE

VERBAL ULTIMATE

(7) DENMARK MUS

DENOUNCE AGREEM

AS ENEMY POWER

(8) UNDER THIS

UNDER KING CHRIST

(9) XXXXXXXXXXXXX

XXXXXXXXXX

SCAVENIUS IS EXPE

MAY BRING FURTHER

HAS DEFINITE ORDE

C. O. S.
29 NOV 1942
15/1

236 0/25

TO A C S S ONLY

CIPHER TELEGRAM RECEIVED FROM
STOCKHOLM

DESP. 1900 27/11/41

RECD. 0105 28/11/41

NO. 1754 MOST IMMEDIATE

Handwritten notes:
CD
This is all intelligence. CLASS E
Waldit it has been
4351 to have been
it to be local
or to the Minister?
C. 28/11

FOLLOWING FOR S.O.E. FOR S.Y. FROM 4351.
YOUR TELEGRAM 0835 NOVEMBER 225TH

- (1) FOLLOWING A.I. REPEAT A. ONE REPORT ON ANTI-CORINTERN PACT SITUATION IN DENMARK RECEIVED TEN MINUTES AGO. SOURCE IS ABSOLUTELY AUTHENTIC AND REPORT IS DATED MORNING OF TUESDAY NOVEMBER 25TH.
- (2) DISCUSSION OF SIGNATURE OF PACT STARTED AT CABINET MEETING ON MORNING OF NOVEMBER 22ND AT THIS BOTH SCAVENIUS AND GUNNAR LARSEN PRESSED FOR SIGNATURE BUT ALL OTHERS WERE AGAINST
- (3) ON AFTERNOON OF NOVEMBER 22ND RENTHE-FILCK GOT HOLD OF STAUNING AND PRESSED HIM SO HARD THAT STAUNING AND KJAERBOL AND THUNE JACOBSEN WERE ALL SWUNG OVER.
- (4) AT THIS POINT THERE WAS TALK OF SPECIAL PROTOCOL TO PACT, IN WHICH SIGNATURE WAS TO BE DESCRIBED AS HAVING ONLY INTERNAL POLICY SIGNIFICANCE BUT NOT AFFECTING FOREIGN POLICY.
- (5) ON EVENING OF NOVEMBER 22ND THEREFORE FIVE REPEAT FIVE CABINET MEMBERS WERE INCLINED TO FAVOUR SIGNING ARMISTICE (GRP. HUT) BUT SEVEN REPEAT SEVEN WERE DEFINITELY OPPOSED.
- (6) RENTHE-FILCK GOT IN TOUCH WITH BERLIN AND BETWEEN THREE AND FOUR ON MORNING OF SUNDAY NOVEMBER 23RD HE GOT DEFINITE ORDERS FROM BERLIN. HE THEREFORE DELIVERED TO SCAVENIUS ON SUNDAY MORNING FOLLOWING VISUAL ULTIMATUM:
- (7) DENMARK MUST IMMEDIATELY SIGN PACT. IF NOT THEN GERMANY WOULD DENOUNCE AGREEMENT OF APRIL 9TH 1940 AND WOULD REGARD DENMARK AS ENEMY POWER AND TAKE UNEVITABLE STEPS.
- (8) UNDER THIS TERRIFIC PRESSURE THE COUNCIL OF STATE STATSRAADET UNDER KING CHRISTIAN'S LEADER-SHIP GAVE IN.
- (9) ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ CRISIS IS NOT CONSIDERED OVER.
~~XXXXXXXXXXXX~~
SCAVENIUS IS EXPECTED TO ARRIVE FROM BERLIN TODAY OR TOMORROW AND MAY BRING FURTHER DEMANDS SUCH AS FOR ECONOMIC UNION ETC SCAVENIUS HAS DEFINITE ORDER NOT TO MAKE ANY CONCESSIONS.

0/25

343
URGENT CLASS E
S
SY

S.O.E. 61.

TO ACSS ONLY.

CIPHER TELEGRAM RECEIVED FROM STOCKHOLM.

DESPATCHED 2355 28/11/41.

RECEIVED 0500 29/11/41.

(10) COMPLETE BREACH BETWEEN GERMANY AND DENMARK IS CONSIDERED MORE THAN POSSIBLE IF DEMANDS TOO HIGH THEN KING MAY ABDICATE, AS GERMANS MAY TRY TO FORCE ?IN PLIABLY GOVERNMENT.

(11) NATIONAL MORALE IN DENMARK IS HIGH AND IS RISING. TENDENCY IS DEAD SET AGAINST FURTHER CONCESSIONS, ESPECIALLY IN OFFICIAL CIRCLES.

12. PLEASE GIVE THIS REPORT FULL PUBLICITY TO DANES SPECIALLY THROUGH B.B.C. YOU CAN ?INFLUENCE SITUATION STRONGLY BY BROADCASTING FACTS TOMORROW.

O R G.

TP 0710 28/11/41 WH.

S. ADVISED.

D

RESIGN IF GERMANY ...

4) DURING THE STATE COUNCIL KING AND 10 MINISTERS OPPOSED GERMAN DEMANDS BUT SCAVENIUS AND LARSEN WERE IN FAVOUR.

5) AT 14 HOURS THERE WAS ANOTHER CABINET ? MEETING AT WHICH STAUNING CONTRACT, JACOBSEN AND KJAERBOL EXPRESSED WISHES TO SIGN P A C T.

END PAGE 3

343

CEL

URGENT

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S.O.E. 61.

TO ACSS ONLY.

CIPHER TELEGRAM RECEIVED FROM STOCKHOLM.

DESPATCHED 2355 28/11/41.

RECEIVED 0500 29/11/41.

NO. 1766.

IMPORTANT.

FOLLOWING FOR SOE FOR S.Y. FROM 4351.

MY TELEGRAM NO. 1754 27TH NOVEMBER.

FOLLOWING IS AMPLIFICATION FACTS.

- 1) ON THURSDAY 20TH NOVEMBER THE GERMAN MINISTER MET S C A V E N I U S AND ? TOLD HIM THAT GERMANY WISHED PROMISE OF DENMARK TO SIGN P A C T. ACCESSIONS TO IT MUST TAKE PLACE BEFORE 25TH NOVEMBER.
- 2) DURING FRIDAY NOVEMBER 21ST NEGOTIATIONS WERE CARRIED ON ? AMONG CERTAIN MEMBERS OF GOVERNMENT.
- 3) ON NOVEMBER 22ND AT 10 HOURS THERE WAS CABINET MEETING AND IMMEDIATELY AFTER THIS STATE COUNCIL MET AT A M A L I E N B O R G. STATE COUNCIL WAS FIXED FOR 11 HOURS BUT WAS SOMEWHAT DELAYED SINCE R E N T H E - ~~KXIXXKXKXKX~~ F I N C K ? E AT A M A L I E N B O R G PAID VISIT TO S T A U N I N G DURING WHICH HE PRESSED LATTER HARD. R E N T H E - F I N C K ACTUALLY SAID HE WOULD S T A K E HIS POSITION ON THIS AND WOULD RESIGN IF GERMANY WAS REBUFFE?D.
- 4) DURING THE STATE COUNCIL KING AND 10 MINISTERS OPPOSED GERMAN DEMANDS BUT S C A V E N I U S AND L A R S E N WERE IN FAVOUR.
- 5) AT 14 HOURS THERE WAS ANOTHER CABINET ? MEETING AT WHICH S T A U N I N G CONTRACT, J A C O B S E N AND K J A E R B O L EXPRESSED WISHES TO SIGN P A C T.

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PAGE 2.

6) AT 16 HOURS THERE WAS A MEETING OF NINE MANS COMMITTEE WHICH ALL AGREED THAT GERMAN DEMANDS MUST BE REJECTED.

7) DURING THE AFTERNOON THERE WERE NEGOTIATIONS WITHIN THE GOVERNMENT CIRCLES AND QUESTION OF PROTOCOL TO PACT WAS DISCUSSED.

8) DURING THE AFTERNOON NOVEMBER 22ND GERMAN MINISTER RECEIVED INFORMATION OF GENERAL POSITION AND REPORTED TO BERLIN WHO TELEPHONED HIM BETWEEN THREE AND 7 TWO ON MORNING OF NOVEMBER AND GAVE HIM 61ST ULTIMATUM TO DANISH GOVERNMENT.

9) ULTIMATUM ANNOUNCING GERMANY'S DENUNCIATION OF TREATY 9TH APRIL AND STATED IF DENMARK DID NOT SIGN PACT SHE WOULD BE REGARDED AS A BELLIGERANT POWER FIGHTING GERMANY, WITH INEVITABLE CONSEQUENCES. IF (GP MUT) ORDERED DENMARK SIGNS, GERMANY WILL CONTINUE TO REGARD TREATY 9TH APRIL AS BEING IN FORCE.

10) DANISH GOVERNMENT CAPITULATING. PARLIAMENT GATHERING AT 2130 HOURS TO GROUP MEETINGS.

11) DURING THE AFTERNOON NOVEMBER 23RD THERE WAS AGAIN CABINET MEETING AT WHICH IT WAS AGREED TO ACCEPT GERMAN DEMANDS. STATE COUNCIL WAS CALLED FOR 23 HOURS THAT NIGHT WHEN IT WAS DECIDED TO SIGN.

12) THE GROUP MEETING OF PARLIAMENT WHICH COLLECTED AT 2130 HOURS HAD CASE LAID BEFORE THEM.

13) ~~XXXXXXXX~~ ON MORNING NOV. 24TH SCAVENIUS FLIES TO BERLIN TO SIGN TREATY.

END PAGE 2

STRICTLY PERSONAL.

M/XX/1110.

Spaw 2
0/25

H. G. H.

11/10/41.

To: C.D.

*signed statement that SEB with
training establishment very much more efficient
than SEB*

From: M.

Re attached: who wrote this note, is C's head man in charge of all communications with agents and also monitoring of training. Why he wrote this note I do not know but apparently no-one in C's organisation is aware that he did.

M.

PAGE 3.

- 14) TREATY WILL NOT BE RATIFIED BY PARLIAMENT THIS IS NOT NECESSARY SINCE PARA 18 OF CONSTITUTION ONLY DEMANDS RATIFICATION TREATIES WHICH EFFECT COUNTRY INTEGRITY.
- 15) PUBLICATION OF FACT IN DANISH D.B.C. BROADCAST THIS EVENING HAS MADE EXCELLENT IMPRESSION AMONG DANES HERE.
- 16) PLEASE CONTINUE PUBLISH FACTS BY ALL POSSIBLE CHANNELS FOR NEXT FEW DAYS.

TO: C.D. 11/10/41 H.G.H.

STRICTLY PERSONAL.

H. G. Smith

0/25

M/XX/1110.

11/10/41.

To: C.D.

*Signed statement that DE was
training & establishment very much more efficient
than EIS*

From: M.

Re attached; who wrote this note, is C's head man in charge of all communications with agents and also monitoring of training. Why he wrote this note I do not know but apparently no-one in C's organisation is aware that he did write it and it should be kept from them.

himself is an unpleasant type and I have told Squadron-Leader LONG to-day that I do not like him hanging round our school.

I am afraid that there is a lot of chi-chi going on about training within C's organisation and that they are trying to drag us into the melee, but if we remain honest we can, I think, avoid any trouble.

Squadron-Leader LONG has already twice made overtures to Captain KAPLOWITCH either to join C or to slow down our training, which Key immediately refused, and to-day Squadron-Leader LONG suggested to me that Key was not very much good and that he had better men whom, if I liked, he could give me as a replacement. I told him that I was perfectly satisfied with Key. There is no need for any action at the moment and I am keeping my eyes open.

ENCL.

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SECRET

PERSONAL & SECRET.

AD
SEP 1941
0/25

11th September, 1941.

My dear Jebb,

Many thanks for your letter
O/2740/25 of the 9th inst. I am
glad you found the reports of interest.

Calthrop telephoned us about
the matter you have mentioned and it
was arranged that the S.O.2. Cairo
representative should get into touch
with our people there.

Yours ever,

CD *to see* *CA*

Gladwyn Jebb Esq.,
Ministry of Economic Warfare,
W.1.

18 SEP 1941

17/9
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0/25
umber, 1941.

a report
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t Mr. Lyttelton
I understand
, are repre-

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