

FEDERAL BUREAU OF INVESTIGATION
FREEDOM OF INFORMATION/PRIVACY ACTS SECTION
COVER SHEET

SUBJECT: SIR WILLIAM
STEPHENSON

EX-114

Legal Attache London

Director, FBI (62-46855) 210

REC-28

"THE QUIET CANADIAN" BY
H. MONTGOMERY HYDE
BOOK REVIEWS

- 1 - N.P.
- 1 - W.C.
- 1 - D.J. Brennan, Jr.
- 1 - B.M. Suttler
- 1 - [REDACTED]
- 1 - Section tickler
- 1 - Yellow file copy
- 1 - Orig. & copy

November 27, 1962

b7c

The captioned book was scheduled for publication on November 8, 1962, by Hamish Hamilton. The book deals with the activities of William Stephenson, well-known British Intelligence agent of World War II. This information appears in the October, 21, 1962, issue of The Sunday Times, Magazine Section, page 25.

You should discreetly obtain one copy of this book and forward it to the Bureau marked to the attention of the Central Research Section.

1 - Foreign Liaison Unit (Route through for review.)

NOTE: Memo D. J. Brennan to Sullivan, 11-19-62 captioned "The Quiet Canadian"; a Book Concerning British Intelligence Activities in World War II by H. Montgomery Hyde; Information Concerning, " recommends that Central Research Section obtain a copy of book and review for any other information which might be of interest to us.

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UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan *WCS*

DATE: 11/19/62

FROM : D. J. Brennan *DSB**Book Reviews*

SUBJECT: "THE QUIET CANADIAN";
 A BOOK CONCERNING BRITISH INTELLIGENCE
 ACTIVITIES IN WORLD WAR II BY
 H. MONTGOMERY HYDE *NO LINE*
 INFORMATION CONCERNING

Tolson _____
 Belmont _____
 Mohr _____
 Casper _____
 Callahan _____
 Conrad _____
 DeLoach ☒
 Evans _____
 Gale _____
 Rosen ☒
 Sullivan ☒
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

Enclosed herewith is the copy of an article which appeared in the October 21, 1962, issue of The Sunday Times, London, England, which is essentially an extract from a book entitled "The Quiet Canadian" authored by H. Montgomery Hyde. This book, which deals with the activities of William Stephenson, well-known British intelligence agent of World War II, was scheduled to be published in England on November 8, 1962. *NY*

The referenced extract, which is captioned "Intrepid (Silhouette of a Secret Agent)", describes some of Stephenson's work in the United States. Stephenson is described as having been connected with British Security Co-ordination (BSC) and it is clearly pointed out that the British ran operations in this country. For example, mention is made of the use of a woman referred to as Cynthia who allegedly was instrumental in obtaining the key to Vichy French and Italian ciphers.

The same issue of The Sunday Times includes an article (enclosed) written by Ian Fleming, well-known British spy-story writer, in which Fleming praises the work of Stephenson. Fleming makes favorable reference to the coordination which took place between the British and the Americans during World War II, and in this connection he mentions William Donovan, former head of the Office of Strategic Service (OSS), and the Director. *t*

This particular article may be of some historic significance and could serve as a worthwhile reference. British intelligence activities in the United States during World War II

Enclosure *Let to Legat London*SJP:mab mab
(9)11/27/62; AMB/pia
EX-114

REC-28

6 NOV 28 1962

- 1 - Mr. Belmont
- 1 - Mr. Sullivan
- 1 - Mr. Branigan
- 1 - *[REDACTED]* *b7c*
- 1 - Mr. Whitson
- 1 - Personnel file of Donald Downes (62-67538)
- 1 - Liaison
- 1 - Mr. Papich

CONFIDENTIAL
UNRECORDED

Memorandum Brennan to Sullivan
Re: "THE QUIET CANADIAN"
INFORMATION CONCERNING

were reported to some extent by Donald Downes in his book "The Scarlet Thread." Downes, an individual with a very unsavory reputation, was very critical of the Bureau. This article and possibly other material in the book may be useful in documenting British intelligence activities in the United States during World War II.

RECOMMENDATION:

It is recommended that the Central Research Section obtain a copy of this book and review the publication for any other information which might be of interest to us.

AD
J
mca
AB

[REDACTED] b7c
[REDACTED]
January 30, 1951

MEMORANDUM TO: Honorable J. Edgar Hoover, Director
Federal Bureau of Investigation

FROM: [REDACTED] b7c

I received the attached reprint of an article and editorial from the "Daily Gleaner", in an envelope mailed from New York City but with no return address. Because [REDACTED] and Bill Stevenson are very close friends, I assume that [REDACTED] sent it to me. I thought you would be interested in the statements of Bill Stevenson. b7c

Del

Mr. Tolson	<input checked="" type="checkbox"/>
Mr. Ladd	<input checked="" type="checkbox"/>
Mr. Clegg	<input checked="" type="checkbox"/>
Mr. Glavin	<input checked="" type="checkbox"/>
Mr. Nichols	<input checked="" type="checkbox"/>
Mr. Rosen	<input checked="" type="checkbox"/>
Mr. Tracy	<input checked="" type="checkbox"/>
Mr. Harbo	<input checked="" type="checkbox"/>
Mr. Belmont	<input checked="" type="checkbox"/>
Mr. Mohr	<input checked="" type="checkbox"/>
Tele. Room	<input type="checkbox"/>
Mr. Nease	<input type="checkbox"/>
Miss Gandy	<input type="checkbox"/>

15

Enclosure

*only added 2-2-51
Nbc*

[REDACTED] b7c

55 MAR 21 1951 110

RECORDED - 58
INDEXED - 58

EX-110

43336-1
FEB 10 1951

The Daily Observer

LARGEST CIRCULATION

ESTABLISHED 1834.

Vol. CXVII. No. 12.

KINGSTON, JAMAICA, MONDAY, JANUARY 15, 1951.

REDS THREATEN

Warning by Sir Wm. Stephenson: *FIFTH COLUMN MAY BE RED WEAPON HERE*

Sees world war, but not this year

THAT global war is fairly certain—but not this year, that there will be other acts of Communist aggression like the attack on Southern Korea before world war comes; that Stalin and the Politburo are the only ones who can say whether or not world war is inevitable, and that the Fifth Column will be one of the main Communist weapons—perhaps even here in Jamaica—these were outstanding points in an interview given the Gleaner on Saturday by Sir William Stephenson, international financier, as he and Lady Stephenson left Montego Bay for Washington.

Sir William Stephenson in July last year published an interview in the New York Times predicting that the Chinese Reds would be brought in by Russia to fight the Korean war. His present interview with the Gleaner may be equally pregnant with prophesy.

'The Result?'

In the Gleaner interview at Montego Bay on Saturday, Sir William was asked various questions relating to the present international situation. The first related to the hostilities in Korea. What would be the final result of the present battles in Korea, he was asked.

"Study the published figures of the UN effectives in Korea (250,000) and compare them with the estimates of the forces engaged and deployed against them (1,500,000) and then come to your own conclusion", he replied.

"Do you think this will lead to war?" Sir William was asked.

"We are in a war now", he replied. "We are in a war with China.



SIR WILLIAM STEPHENSON

If diplomatic or other considerations did not apparently prevent us from immediately acknowledging and taking official cognisance of that fact, China might well find her attention diverted militarily to areas within her own land far more vulnerable from the point of view of her security than the Korean theatre.

Not Now

"However, if you mean by 'war' all-out global warfare between the

Democracies and the Communists, the answer is yes, but not now. The act of aggression against the peaceful South Koreans is just another step toward that end.

"There will be others before the final clash comes. In my view it is highly unlikely that it will take place this year. The tenuous rein which brakes the four horsemen will still remain unsevered at the end of this year I think. I won't go further than that."

Asked whether he therefore thought another world war inevitable, Sir William said: "As the circumstances exist at present you must pose that question to Marshal Stalin and the Politburo. Those sources have repeatedly and publicly declared in the most positive and unequivocal terms that 'capitalism and Communism cannot exist side by side' and that therefore ultimately a bloody clash is inevitable and one or the other must conquer."

Sir William was asked whether the Chinese brand of Communism was not different to the Russian; and whether there was any short term prospect of parting of the ways between China and Russia.

'Closest Harmony'

His reply to both questions was a definite "no". He said Mao Tse-tung follows the agreed party line implicitly. Present and pending external adventures were the result of policy, worked out in the closest harmony with the Kremlin. Mao was a partner with Stalin in the general Communist effort to rule the world. Who could possibly be under any illusion about Mao's attitude after General Wu's truculent and bombastic display at Lake Success? On Wu's return to Peking he had been immediately promoted to a position of authority in Chinese Foreign Affairs.

"As to Stalin's ambitions and plans, read his written and spoken utterances over the year" Sir William advised. "In the same way you can equally well inform yourself of Mao's objectives".

"Do you think that the atom (or hydrogen) bomb will be the deciding weapon if there should be occasion to use it?" the reporter asked.

"No. Important but not necessarily decisive". Sir William said: "There are other horrible devices, products of a science that might very well have been more worthily employed in other directions had it been so allowed by a rapacious and implacable foe.

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THREATEN

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"No, important but not necessarily decisive". Sir William said: "There are other horrible devices, products of a science that might very well have been more worthily employed in other directions had it been so allowed by a rapacious and implacable foe."

"Then there is that insidious and

sinister achievement of the diseased minds of the would-be world conquerors—the so called Fifth Column.

'Weapon Of Attack'

This is a weapon of attack which is designed to destroy by a malignant gnawing from within the confines of the innocent state which is marked for absorption by that predatory beast which seeks to devour it.

"Its activities are ubiquitous and ceaseless. Today you will find a vanguard representing that monstrous concept in all the lands of all the free peoples of this globe. Yes, even in your beautiful Jamaica there may be some forerunners of these forces of evil."

"They are called Communists. A real Communist is one who is a member of the Communist Party and therefore takes his or her orders directly or indirectly from the headquarters of the enemy who seeks to destroy freedom. He is a spy, a saboteur and a traitor, or potential traitor. Discover and immobilize him before it is too late."

"As for the outlook let us hope for the best, but prepare for the worst. Re-arm without alarm."

Sir William's departure was unexpected and so hurried that he and Lady Stephenson had no time to take leave of their many friends.

94-43336-1

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The Daily Gleaner

JANUARY 15, 1951.

148-150 Harbour St., Kingston, Ja., B.W.I

Global War

Sir William Stephenson is a well-informed and shrewd observer of the international situation. In the past he has made remarkably accurate predictions of the probable course of international affairs. His interview with the *Daily Gleaner* on the eve of his recent departure from the island, therefore, merits very serious consideration.

Sir William is one of that growing school of realists who feel that a state of war already virtually exists. Actual fighting is localised in Korea, but Communist China has really been mightily deployed in the fight. China is, he declares, waging all-out war without being called upon to pay the full price—attacks upon its own mainland.

The forecast made by Sir William Stephenson does not include declared global war in the course of the current year, although he seems to regard it as fairly inevitable at some future date. He feels that the example of aggression set in Korea is likely to be repeated elsewhere, but that the democracies, will, for the time being, content themselves with fighting limited localised wars. Ultimately the conviction of the communists that democracy and communism cannot exist side by side in the world will lead them into courses which will make war inevitable. We hope that this analysis, although soundly reasoned, will prove happily over-pessimistic.

The nationalism and expansionism which characterised Russian foreign policy under the Czars has been made an integral part of the present communist policy. The same aggressive tendencies have also made their appearance in communist China. Either state may well seek to dominate its smaller neighbours, or may attempt ever widening territorial conquests. Such a tendency, in the opinion of Sir William Stephenson, is a fundamental part of their policy. They want to make the world safe for communism by completely dominating it.

Ultimately such a policy of conquest through the activities of fifth columns and military aggression must meet with all-out resistance. The democracies have exercised patience in the face of extreme provocation in Korea. They must do everything which lies within their power, bar appeasement, to avert another disastrous world war.

The enigmatic leaders of Russia and China have the first responsibility for determining the fate of the world. The United Nations and the leading democracies have offered fair compromise terms for a settlement of the Korean problem. There can be no appeasement, no condonement of the act of aggression which has been perpetrated; but no chance of arriving at a peaceful settlement should be overlooked. The democracies must earnestly seek a means whereby communism and democracy can exist side by side in a world at peace, a world which must eventually make a free choice of democracy as the system best suited to the integrity and aspirations of all mankind.

94-43336-1

SE 2 RECORDED - 58

INDEXED - 58

EX-110

February 2, 1951

[Redacted]

Dear [Redacted]

Thank you very much for your note of January 30, 1951, and the enclosed reprint of an article from "The Daily Gleaner." Kingston, Jamaica

I have read with interest the remarks of Sir William Stephenson and I appreciate your making this material available to me.

Sincerely,

J. Edgar Hoover

RBC:mms

Tolson
Ladd
Clegg
Glavin
Nichols
Rosen
Tracy
Harbo
Belmont
Mohr
Tele. Room
Nease

FEB 2 1951

59 MAR 17 1951

RECEIVED - DIRECTOR
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U.S. DEPT. OF JUSTICE
FBI
RECEIVED - MR. TOLSON
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450 EAST FIFTY-SECOND STREET
NEW YORK 22, NEW YORK

October 22, 1953

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-6-83 BY SP-1000

Mr. Tolson ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Belmont ✓
Mr. Clegg ✓
Mr. Glavin ✓
Mr. Harbo ✓
Mr. Rosen ✓
Mr. Tracy ✓
Mr. Gearty ✓
Mr. Mohr ✓
Mr. Winterrow ✓
Tele. Room ✓
Mr. Holloman ✓
Miss Gandy ✓

Dear Mr. Hoover -

I received in Canada a copy of a book which has been published in London bearing the title "The Scarlet Thread", by one Donald Downes. I have read enough of it to have acquired an extreme feeling of irritation by its totally inaccurate - one might say imaginary - reporting of supposed incidents in the war-time relationship between the Federal Bureau of Investigation and British Security Coordination.

If this book should be brought to your attention you may wish to treat it with the contempt it deserves but I think that you are bound to feel, as I do, that it is a scurrilous effort at self-glorification and to vent a spleen based on some grudge against the F.B.I. which may be as imaginary as some other parts of the story.

I have never met Downes, but, if you see the book referred to, you can appreciate that I was upset by the mischievous and unfounded references to non-cooperation by F.B.I. with B.S.C. I say nothing about his other references except to mention that I have seen a letter from an O.S.S. man, who was associated with Downes in the field, which says of the book, inter alia: "It is the biggest pack of lies put under two covers".

The fact that you and your whole organization gave the most generous and unstinted cooperation to all so-called "British Intelligence" organizations during the late World War is a matter of the most explicit and positive record. Aside from other documents, it is contained in my recommendation to His Majesty's Government at the end of the war, that you should be awarded the K.B.E., the highest decoration possible in the circumstances, for this extensive and invaluable cooperation. The citation was supported by ample evidence, was endorsed by Prime Minister Churchill and, as you know, approved by his late Majesty, King George VI. These facts cannot be altered by such trivia as Downes' book.

RECORDED - 25E 251 65-15635-8
With renewed expression of my admiration for your many

NOV 6 1953

J. W. [Signature]

A personal correspondence file is maintained
in the Director's Office re Sir William S.
Stephenson

EXP. PROC.

OCT-26-1953

William S. Stephenson
W. S. Stephenson
Bill Stephenson

(Citation & etc
per m.l.)
ack 10/29/53
Jpe

450 EAST FIFTY-SECOND STREET
NEW YORK 22. NEW YORK

- 2 -

and great achievements and with kindest regards and best wishes,
I am

Yours sincerely
Bill Stephenson

(W. S. Stephenson)

PERSONAL

J. Edgar Hoover, Esq.
Director
Federal Bureau of Investigation
Washington, D.C.

RECORDED

65-15635-8

October 29, 1953

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

Sir William S. Stephenson
450 East 52nd Street
New York 22, New York

Classified by *[signature]*
Declassify on: OADR
9-12-83

Dear Sir William:

Your note of October 22, 1953, with
reference to Donald Downes' book, "The Scarlet
Thread," has been received.

My attention has been previously drawn
to Downes' vicious attack. It is pure trash and
a malicious distortion of the truth.

I certainly appreciate your generous
comments, and it is a source of real satisfaction
to know that we enjoy your confidence.

Sincerely yours,

J. Edgar Hoover

COMM - FBI
OCT 30 1953
MAILED 27

cc - New York, with copy p. incoming

cc - Legal Attache
London, England, with copy p. incoming

cc - Foreign Liaison Desk, with copy p. incoming

- Tolson
- Ladd
- Nichols
- Belmont
- Clegg
- Glavin
- Harbo
- Rosen
- Tracy
- Gearty
- Mohr
- Winterrowd
- Tele. Room
- Holmes
- Gandy

HPL:jan

(See NOTE next page)

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U.S. DEPT. OF JUSTICE

NOV 2 1953

~~SECRET~~

It will be noted that Stephenson makes the statement, "I have never met Downes."

Downes in his book "The Scarlet Thread" states he was employed by British Intelligence in the Middle East and the U. S. and did not sever these connections until he went with OSS in 1942.

~~SECRET~~

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XXXXXXFEDERAL BUREAU OF INVESTIGATION
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The Skyline Coffee Shop offers inexpensive meals and snacks in a sunny informal atmosphere.

make these two discoveries aboard The Canadian

1. It's fun for the whole family

THE SCENIC DOME CANADIAN is a most unusual train. Alive with soft music. Companionship. And fun for the entire family. To children, THE CANADIAN is pure adventure. They're fascinated with its breath-taking scenery—love the special attention (example, children have their own dinner menus).

People who travel THE CANADIAN for the first time say it's almost a destination itself. They sense this when the children are tucked away and they can steal off for a romantic dinner in the Fairholme Room. Or spend a quiet hour or two cruising under the stars in a Scenic Dome.

You can travel city to city or across Canada on THE CANADIAN. Isn't it time you took advantage of THE CANADIAN's low-cost travel fun?

2. And it's remarkably inexpensive!

example of all-inclusive fare: family of four pays one low price, including fare, berths, meals, tips. ►

Also All-Inclusive First Class fares for drawing rooms, bedrooms, roomettes, berths, and deluxe coaches which feature reclining chairs with full-length leg rests and are reserved free of charge.

OTTAWA—VANCOUVER RETURN (Tourist class)

DAD	\$190.
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A BOY from Winnipeg, he achieved fame as a fighter ace in World War I, was a millionaire before he was 30 and a top counter-espionage leader in World War II. This was Sir William Stephenson, "the quiet Canadian." In 1940 he was appointed head of all British security operations in the Western Hemisphere by Prime Minister Winston Churchill.

The first instalment of a three-part series taken from the book *The Quiet Canadian*, by H. Montgomery Hyde, told how Sir William negotiated the "destroyers-for-bases" agreement and enlisted U.S. aid for Britain. Last week revealed the story of the skill of his ace spy Cynthia, who used sex to win the secrets of the Italian and Vichy French Embassies in Washington.

THE EDITORS

IN PEACETIME a Canadian operation known only as "Station M" would have landed Sir William in a jail cell. But in World War II this particular operation was hailed, by the few who knew of its existence, as a grand idea — another way of fighting the Nazis.

Station M was a laboratory set up in Canada with the help of the R.C.M.P. and under cover of the Canadian Broadcasting Corporation, which at that time was headed by Stephenson's old friend from Royal Flying Corps days, Gladstone Murray.

Its name was suggested by the first letter of the surname of the officer who played a leading part in the station's nefarious activities — Eric Maschwitz, the man who wrote the lyrics for *The Nightingale* Sang In Berkeley Square. Later, when briefly alluding to his work with Stephenson — known as Little Bill to his few intimates — Maschwitz wrote:

"The operations with which I was concerned under a genius known as Little Bill were many and curious. In them I was associated with . . . an industrial chemist, and two ruffians who could re-

produce faultlessly the imprint of any typewriter on earth . . ."

Also working with Station M were a brilliant professor from the University of Toronto and some of Canada's leading authorities on the manufacture of special papers and inks. This laboratory was set up for one purpose only — to forge letters and documents which would defy the most microscopic examination and chemical tests. Through these forged letters and documents Station M was spread alarm and

Continued on Page

MINISTERO DELL'INTERNO
ROMA, 30 ottobre 1941 XX

7

Care Comandante,

ho ricevuto la Vostra relazione che è giunta cinque giorni dopo essere stata spedita.

La relazione è stata portata subito a conoscenza degli Interessi e quali la considerazione di grande importanza. L'abbiamo confrontata con altra ricevuta dal Signor Del Irato. Le due relazioni presentano un quadro analogo della situazione che esiste in Italia da la Vostra è più dettagliata. Desidero esprimerle il mio compiacimento. Il fatto che, in questa occasione, noi abbiamo ottenuto informazioni più complete di quelle che abbiamo C. ed i suoi, mi ha riempito di soddisfazione.

Con vi è dubbio che il grassoccio sta ostentando alle lusinghe degli Americani e che soltanto un intervento violento da parte dei nostri amici verdi può salvare il paese. I nostri collaboratori di Berlino, in seguito alle conversazioni avute con il rappresentante a Listona, hanno deciso che tale intervento deve aver luogo al più presto. La voi conosce la situazione. Il giorno in cui si verificherà il cambiamento, i nostri collaboratori si receranno essi, poco dei nostri Interventi e la loro azione raccogliendo tutti i vantaggi. Per impedire che questo si verifichi dobbiamo procurarci al più presto altri amici influenti tra i verdi. Potete essere indugio. Lascio a Voi di decidere quali sarebbero le persone più adatte: forse Fadilla e S.F. de Andrade

sarebbero più utili di C.R. il quale, per quanto attivo, conta poco.

I fondi di cui avete bisogno saranno messi a Vostra disposizione. L'ho impartito se i verdi hanno bisogno di somme considerevoli: le avete. L'importante è che i nostri servizi si avvantaggino di un cambiamento di regime. Informatevi di chi vogliono nominare il ministro dell'Aeronautica e cercate di guadagnare la signoria.

Si dovrà essere tenuti al corrente di quanto avviene ma abbiamo convenuto che le trattative rimarranno completamente nelle mani della IATI la quale agirà nella sua capacità di città brasiliana che cerca di estendere e di migliorare i propri servizi.

Li aspetta da Voi la massima discrezione. Come Voi dite nella relazione concernente la Standard Oil, gli Inglesi e gli Americani si interessano al tutto e di tutto. Mi archivio se è vero che — come giusta mente affermate — i Brasiliani sono una nazione di spione. Non bisogna dimenticare che sono anche disposti a servire chiunque tiene le redini in mano.

Saluti fraterni.

g. S. Keth

Amministratore
Vicente Gili (C.R.)
Linea Aerea Transcontinentale Italiana S.A.
Sede Sociale (Londra)

Cancellation of an Italian airline's landing rights in Brazil was the result of this forged letter. It involved airline officials in revolutionary plot. Irate Brazil soon cut all relations with Italy, thus assisting the Allies in their blockade of that country.

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4

Write legibly.



PO-62-2W

U.S. Navy Forgets Neutrality

After meeting with considerable difficulty, he eventually won round the State Department, which agreed to the plan on the strict understanding that no act should be committed which might conceivably be construed as a breach of U.S. neutrality. Four destroyers were accordingly despatched to the Gulf with orders to lie off Tampico and report by radio *en clair* — that is, not using code or cipher — any movements the Axis ships might make.

On the night of Nov. 15, 1940, the four German vessels steamed out of port into the Gulf of Mexico. The U.S. destroyers approached and trained the full battery of their searchlights upon them. This was not in itself a belligerent act, but it had the effect of making the German captains think that it was the prelude to an all-out attack. Panic ensued, in the course of which one of the German ships, the *Phrygia*, either caught fire accidentally or was deliberately scuttled. Anyhow, her crew took to the boats and she was abandoned as a total wreck. The others turned tail and promptly put on full speed and steamed back to port.

A fortnight later, two of the three remaining German ships sailed out to sea in broad daylight. The U.S. destroyers shadowed them and, by transmitting signals, enabled vessels of the Royal Navy to intercept them before they had got very far and to take them as prizes. The one German and 12 Italian ships, which had stayed behind were apparently too intimidated to make any further attempt to run the blockade. They remained impotent in port until they were eventually taken over by the Mexican government in April, 1951.

Nazi Embassy In U.S. Infiltrated

This incident, which did not even indirectly concern enemy subversive activities, showed that Hoover was willing to carry his assistance well beyond what he might justifiably have regarded as the limits of his common interest with Stephenson at this time. Indeed it may fairly be said that he was in the war from the moment that they began their collaboration.

He also undertook to "plant" what was known in technical language as "strategic deception material" in the German Embassy in Washington. One example of this, designed to deter Hitler from embarking upon any large-scale military campaign, read: "From highly reliable source it is learned U.S.S.R. intend further military aggression instant Germany is embroiled in major operations."

A similar piece of information calculated to mislead the Germans was to the effect that in the event of their using poison gas Britain would retaliate by using their "secret weapon." This was said to consist of "some kind of glass balls containing chemicals producing such terrific heat that they cannot be extinguished by any known means."

Such, in broad terms, was the nature and scope of the assistance which Edgar Hoover was persuaded to render William Stephenson and the British war effort at this period.

NEXT WEEK: *The charms of a girl called Cynthia bring Sir William the secrets of the Italian and Vichy French embassies in Washington.*



BLADDER IRRITATION MAY DISTURB SLEEP

After 21 times as many women as men are made miserable by common urinary irritation caused by a germ, *Escherichia Coli*. To quickly combat the secondary aches, muscular pains and disturbed sleep caused by Kidney and Bladder irritations, try taking an internal CYS-TEX antiseptic bath for a few days. All you do is take 2 little CYS-TEX tablets with a glass of water. In addition to its cleaning antiseptic action, CYS-TEX is also an analgesic pain reliever for Rheumatic Pains, Headache, Backache, and muscular pains. Get CYS-TEX from druggist. Feel better fast.

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Wide World



Acme

Prime Minister Winston Churchill asked his old friend Sir William to undertake special mission in the U.S., partly with aim of persuading President Roosevelt to help Britain. One result was "Lend-Lease" deal.

The Quiet Canadian / Continued from Page 6

At the same time he informed his London headquarters, who authorized the taking of any action he might consider appropriate in the circumstances provided the British Embassy in Washington was told what was happening. Stephenson now sent his representative in Mexico a quantity of "limpet bombs" — small explosive charges to be affixed to a magnetized frame which would adhere to the steel plates of a ship's hull.

However, while these provided a possible means of causing sufficient damage to delay the vessel's departure, it was only a temporary measure, and it was clear that no really effective steps could be taken without the assistance of the U.S. Navy Department. Accordingly, Stephenson went to Hoover and begged him to arrange for the despatch of a naval patrol to the area of the Gulf ports. Hoover agreed, since besides helping his British friends he considered it an excellent pretext for securing some return from O.N.I. for the information he had been supplying from British sources.

U.S. Navy Forgets Neutrality

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BLADDER IRRITATION MAY DISTURB SLEEP

After 21 twice as many women as men are made miserable by common urinary irritation caused by a germ, Escherichia Coli. To quickly combat the secondary aches, muscular pains and disturbed

UNITED STATES GOVERNMENT

Memorandum

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EXCEPT WHERE SHOWN
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Casper	_____
Callahan	_____
Conrad	_____
DeLoach	_____
Evans	_____
Gale	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____

TO : Mr. W. C. Sullivan *WCS 1-1-28*

DATE: December 13, 1962

FROM : R. W. Smith *RS*SUBJECT: BOOK REVIEW: THE QUIET CANADIAN
BY H. MONTGOMERY HYDEClassified by *SP1*
Declassify on: OADR
*9-6-83*Synopsis

Captioned book reviewed by Central Research Section. It is biography of Sir William Stephenson, with emphasis on his activities as head of British Security Co-ordination (BSC) which operated in United States prior to and during World War II. The book is obvious attempt to glorify Stephenson and make it appear he was largely responsible for turning tide in World War II. Stephenson and British Intelligence are given major share of credit for success of all allied nations in fields of intelligence, counterespionage, detecting enemy saboteurs, and sabotage behind enemy lines during World War II. Stephenson is specifically credited with directing a vast range of British secret operations throughout the Western Hemisphere.

The Director and FBI are mentioned prominently throughout the book. An artist's drawing of Director appears between pages 52 and 53. Director is praised for building FBI into renowned national institution, for early cooperation with BSC, but is criticized for "untenable position" of allegedly insisting upon retaining FBI monopoly of liaison with BSC. BSC is given credit for initiating some FBI investigations, and FBI is accused of reluctance to utilize double agents during early years of war and for jeopardizing a British double agent operation.

RECOMMENDATION:

For the information of the Director. *Additional memorandum will be submitted immediately upon completion of review*

1 - Mr. Belmont

1 - Mr. Mohr

1 - Mr. DeLoach

1 - *[redacted]*

1 - Mr. Sullivan

1 - *[redacted]*1 - *[redacted]*1 - *[redacted]*

67-62-46855

1 - Section tickler

1 - *[redacted]*JEK/aab
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15 JAN 2 1963

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CRIME RESEARCH

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Details

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The Author

Harford Montgomery Hyde is author of captioned book reviewed by Central Research Section. He was born in Ireland and is an attorney as well as author of several other books. His current work is an obvious and almost ridiculous effort to glorify Sir William Stephenson, former head of British Security Co-ordination (BSC) which operated in United States prior to and during World War II. Stephenson, for whom Hyde worked from 1941 to 1943, permitted Hyde to use his personal documents in the preparation of the book.

Hyde subsequently was attached to Supreme Headquarters of the Allied Expeditionary Force and, from 1950 to 1959 was a member of British Parliament representing North Belfast.

[REDACTED] (S) b1

Sir William S. Stephenson

As depicted by the author, Sir William S. Stephenson practically won World War II single-handedly. Stephenson, who was born near Winnipeg, Canada, 1/11/96 and who became a millionaire industrialist in England after World War I, is described by the author as the "master mind which directed a vast range of vitally important secret operations for Britain throughout the Western Hemisphere, for teaching Americans about foreign intelligence, and for promoting the creation of the Office of Strategic Services (OSS). (pp. 2 & 156) He is credited with arranging propaganda in the United States to overcome the isolationist views in America and paving the way for the United States to furnish Britain with 50 destroyers, 100 Flying Fortresses, a million rifles, and the Sperry bomb-sight before Pearl Harbor. (pp. 39 - 40) He is also credited with penetrating the Italian Embassy in Washington in the winter of 1940 - 41, including the obtaining of Italian naval ciphers, as well as obtaining the French naval cipher. (pp. 104-106)

Stephenson and his organization are further credited with combating German smuggling in the Western Hemisphere, disseminating anti-German propaganda, disclosing German-controlled businesses to the United States

~~SECRET~~

~~SECRET~~

Government, detecting spies, and training agents for intelligence and subversive operations in enemy and enemy-occupied territory. Stephenson is also given credit for arranging for the protection of Igor Gouzenko, the code clerk who defected from the Soviet Embassy in Ottawa and subsequently testified regarding Soviet espionage in Canada.

Bureau files show that Stephenson was awarded the Medal of Merit by former President Harry Truman and that the award was made on the recommendation of William Donovan, former head of OSS. Files contain limited cordial correspondence with Stephenson. By letter dated 10/20/53 he advised the Director that the Bureau's "most generous and unstinted cooperation" with British intelligence was a matter of "the most explicit and positive record." By letter dated 11/28/62 from the Director, he was thanked for having furnished the Director with an inscribed copy of captioned book.

References to the Director

The book contains numerous references to the Director and an artist's drawing of the Director appears between pages 52 and 53. The Director is credited with developing the FBI into a renowned national institution (pp. 25 - 26); for the Bureau's pre-war cooperation with BSC (pp. 53 - 54); and for the early harmonious relations between the Bureau and BSC in Latin America. However, it is claimed that the Bureau's cooperation was motivated by the Director's ambition to promote the prestige and influence of the Bureau (pp. 54, 59) and that this led the Director into the "untenable position" of insisting that liaison with BSC be handled solely by the Bureau. The book alleges that it took a long while to convince the Director of the error of this position (p. 165) but that once American military intelligence agencies were authorized to contact BSC directly the Director abided by this decision (pp. 165 - 166)

It is asserted that during the 18-month period of strained relations between the Bureau and BSC the Director was incorrect in his assumption that BSC was furnishing information directly to OSS, whose formation the Director allegedly resented (p. 166). Once friendly relations between the Director and Stephenson were restored no bitter feelings remained on either side. (p. 167) The Director is praised for frustrating a plan of OSS to send a mission to Moscow in exchange for a mission from the Soviet Secret Service (NKVD) to Washington. (p. 166)

The book states that Stephenson was introduced to the Director by former heavyweight boxing champion Gene Tunney (p. 25) and that the Director's friend Walter Winchell helped him to capture Louis (Lepke) Buchalter (p. 200). The author also claims that columnist Drew Pearson's efforts to cultivate the Director's friendship were rewarded when the Director advised Pearson that the FBI had been instructed to penetrate Pearson's network of informants by former Secretary of State Cordell Hull, thereby enabling Pearson to take the necessary precautions. (p. 206)

~~SECRET~~

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References to the FBI

There are references to the FBI throughout the book. The book alleges that Stephenson prompted the FBI to ask the State Department to request the German Government to recall Commercial Counsellor Gerhard Alois Westrick for pursuing unfriendly activities; (p. 71) that the BSC uncovered a German espionage ring involving Kurt Frederick Ludwig and provided the missing link in the chain of investigation when Stephenson obtained the name and address of Ludwig; (pp. 81 - 85) and that it was Stephenson who put the FBI on the trail of Velvlee Dickinson, owner of a doll shop who was conveying intelligence to the Japanese. (pp. 214 - 215).

The FBI is accused of a reluctance to utilize double agents during the early years of the war (p. 219) and for jeopardizing a British double agent operation because it was unwilling or unable to furnish suitable material for him to pass on. (pp. 219 - 220) The book claims that neither the Bureau or OSS--and particularly the Bureau--ever mastered the techniques of handling double agents. In support of this allegation, the case of a British double agent whose code name was "Bicycle" is cited. When "Bicycle" was sent to the United States by the Germans and turned over to the Bureau, he complained about the inexperienced agents who were handling him and the Bureau's inability to provide him strategic information to pass on to the Germans. In turn, the Bureau did not approve of the extravagant manner in which "Bicycle" lived. The claim is then made that the Bureau's eventual decision to have nothing further to do with "Bicycle" was a tacit admission of its incompetence in this field. (pp. 220 - 222).

[REDACTED]

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V.

See Memo

[REDACTED] to b7

SULLIVAN

12/17/62

captioned

The Quiet Cannon

By H. H. H. H. H.

Hyde

~~SECRET~~

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XXXXXXFEDERAL BUREAU OF INVESTIGATION
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(Mount Clipping in Space Below)

Millionaire Who Became A Master Spy

At a command from Winston Churchill
the urgent, secret mission begins

Mr. Tolson _____
Mr. Belmont _____
Mr. Mohr _____
Mr. Casper _____
Mr. Callahan _____
Mr. Conrad _____
Mr. DeLoach _____
Mr. Evans _____
Mr. Gale _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

(Indicate page, name of newspaper, city and state)

— P. 2, 4, 6 & 34

— THE MONTREAL ST.
(WEEKEND MAGAZINE)

— MONTREAL, CANADA

Date: 2/16/63

Edition:

Author: H. MONTGOMERY

Editor: HYDE

Title:

Classification:

Submitting Office: ALBANY

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-16-83 BY SP12

NOT RECORDED
184 MAR 15 1963

210 not necessary
Article taken from file
"The Swiss Connection" previously
received by Bureau, see memo
New South to Sullivan 12/7/62

THE WHOLE THING had its beginning, as did so many other projects in World War II, in the fertile imagination of Prime Minister Winston Churchill.

It was in May, 1940, a time of frightful urgency. So the meeting between the two old friends was brief and to the point. Churchill spoke of the United States and its vital importance to the Allied war effort, of Britain's need for 40 or 50 of the older U.S. destroyers, and of the need for someone to take on the combined role of organizing a secret intelligence and special operations network in the Western Hemisphere. Suddenly the Prime Minister looked Stephenson straight in the face.

"Your duty lies there," he said. "You must go."

With this simple directive Stephenson began his awesome task. It was a threefold job. The most immediate one was to persuade the United States that it was in that country's own interests to supply Britain with essential war materials—over-age destroyers, bombers, ammunition—so Britain could continue her lonely battle against Nazi Germany,

which seemed destined to further conquest.

In addition, Stephenson was to investigate enemy activities in the Western Hemisphere and subvert them if possible, and to mobilize U.S. public opinion in favor of helping Britain.

To carry out this broad plan Stephenson established his headquarters on the 35th and 36th floors of the International Building in Rockefeller Centre (630 Fifth avenue), opposite St. Patrick's Cathedral. At first it was operated under cover of the British Passport Control office, but as it grew—many of its top secret agents were recruited from Canada—it soon acquired the name of the British Security Co-ordination.

Almost as soon as he arrived in the United States Stephenson arranged to see President Roosevelt. At that time the British forces in France were escaping

through the port of Dunkirk and the long agony of the French military and political collapse was beginning. Stephenson knew that many influential Americans sincerely believed that Britain could not survive. He also knew that two of the President's most influential advisers abroad were bluntly advising their government to this effect.

William Bullitt, U.S. Ambassador to Paris, and Joseph Kennedy, father of today's President Kennedy and then Ambassador to the Court of St. James, were telling President Roosevelt that Britain was lost. Kennedy, in fact, vehemently counselled President Roosevelt against "holding the bag in a war in which the Allies expect to be beaten."

Stephenson set out to counteract this gloomy view. He told the President during their first meeting:

"The arsenals of Britain are empty, but she will win out. The British do not kneel easily."

Somewhat to his own surprise, Stephenson found that these were not considered merely words. The President listened carefully. And so did others in Washington, Cabinet officers *Continued on Page 4*

such as Sumner Welles, Under-Secretary of State; Frank Knox, Secretary of the Navy; Henry L. Stimson, Secretary of War.

This warmer-than-expected reception encouraged Stephenson to begin negotiations aimed at carrying out the first part of his job—getting war supplies. The end results of these efforts were to be the historic "Destroyers-for-Bases" deal, and the President's program of "Lend-Lease."

When these actions, which played such tremendous roles in saving the free world, were announced, few people knew of the part played by "a quiet Canadian." Now the intrigue, the secret diplomacy, behind these historic acts can be explained.

It was characteristic of William Stephenson that he intuitively picked the one man who could be of the most help to him in his job of persuading President Roosevelt, despite the large body of public opinion which was solidly opposed to U.S. participation in the war, that he should aid Britain. The man whom Stephenson picked was Gen. William "Wild Bill" Donovan.

The Quiet Canadian

Britain's Fate In Balance

Donovan was an Irish-American of truly dynamic character. The son of a poor family of Irish immigrants in Buffalo and a Roman Catholic who neither smoked nor drank, he by his own efforts became a successful lawyer. During World War I he served with the famous "Fighting 69th" and earned the Congressional Medal of Honor and became known as "Wild Bill."

Speaking many years later, in the privacy of his New York apartment, Stephenson recalled the vital role played by Donovan after the two of them began to work together. Stephenson said:

"At that time (June, 1940) the United States government was debating two alternative courses of action. One was to endeavor to keep Britain in the war by supplying her with material assistance; the other was to give Britain up for lost and concentrate exclusively on American re-armament to offset the German threat. That the former course was eventually pursued was due in large measure to Donovan's tireless advocacy of it.

"Immediately after the fall of France not even the President himself could feel assured that aid to Britain was not to be wasted in the circumstances. Donovan, on the other hand, was convinced that, granted sufficient aid from the United States, Britain could and would survive.

"It was my task first to inform him of Britain's foremost requirements so that he could make them known in the appropriate quarters and second, to furnish him with the concrete evidence in support of his contention that U.S. assistance would ~~not be~~

improvident charity but a sound investment."

Donovan, on hearing from Stephenson, arranged a meeting with Knox and Stimson. He, along with Stephenson, argued in favor of giving Britain the 40 or 50 over-age "four-stackers" needed, and discussed how this could be done without infringing the U.S. neutrality law and without the risk of affronting U.S. public opinion.

Stephenson said that Donovan should visit Britain so that he would be in a position to give the President a first-hand report on conditions there, and Britain's chances of holding out against Hitler. Donovan welcomed the idea and the President agreed that he should take the trip.

Donovan's visit to Britain took place between mid-July and early August, 1940. Stephenson arranged for him to be received by King George VI, to have ample time with Churchill and learn, as Stephenson expressed it later, "that Churchill, defying the Nazis, was no mere bold façade but the very heart of Britain which was still beating strongly."

On his return, Donovan recommended the transfer of the destroyers to Great Britain. He argued, as a lawyer, that there was no need for the President to submit the plan to Congress, on the ground that it was an exercise of the traditional power of the Chief Executive in foreign affairs.

The President was eventually converted to this view. And on Aug. 13, 1940, he drafted the "Destroyer-for-Bases" deal. In another few months, only this time after a bitter fight in Congress, he was able to take the final step and win approval for his Lend-Lease bill.

With essential war supplies assured, Stephenson could turn his full attention to the other aspects of his job — the business of counter-espionage, and the equally important task of mobilizing U.S. opinion in favor of Britain.

In this field he established a close working relationship with J. Edgar Hoover, head of the Federal Bureau of Investigation. It was obvious that Stephenson's growing organization, employing its own intelligence agents and establishing its own police force for the protection of British interests, represented a real threat to U.S. neutrality and could not exist at all without the F.B.I.'s quiet, unofficial approval. But Hoover did more than that.

He led the F.B.I. into a fully-fledged alliance with Stephenson's intelligence apparatus. One of the first joint F.B.I.-B.S.C. operations points this up.

In October, 1940, Hoover learned through his agents that \$3,850,000 worth of Italian funds, drawn from banks in the United States by the Italian Embassy in Washington, were to be sent to Latin

America in Italian diplomatic bags. This information he discussed with Stephenson and they agreed that there was a likelihood that the transfer was being made to finance subversive activities, particularly since the money had been drawn in bills of small denomination.

They planned joint counter-action. Hoover arranged for the personnel of the Italian Embassy to be kept under surveillance, and, when the couriers left by plane, for F.B.I. agents to accompany them. There were three couriers in all, two consuls and an Embassy secretary. They travelled together as far as Brownsville, Tex., but there they separated. Two consuls, who had \$2,450,000 with them, went on to New Orleans to take ship for Latin America, while the secretary, who had the balance of the money with him, boarded a train for Mexico City.

Secret Agents Score Coup

Stephenson, kept informed of their movements, cabled this information to his representative in Mexico City for immediate action. The representative was able to arrange for the secretary's bag to be opened under the authority of the Mexican Police Intelligence Department, and the money found inside confiscated. Such action, was, of course, a violation of diplomatic privilege. When the Italian Minister protested, which he did with considerable vigor, the Mexican government apologized politely for the stupid and unfortunate act of "a new and inexperienced clerk." However, it placed the money in a blocked account, thus rendering it useless for subversive activities.

Unfortunately, the money carried by the consuls escaped detention and control. British secret agents had made elaborate arrangements to purloin it at Pernambuco, but these were frustrated when the ship steamed on to Rio de Janeiro.

It speaks much for Hoover's courage and foresight that he was persuaded to co-operate so wholeheartedly with Stephenson. He was running the considerable risk that his connection with British Intelligence would be exposed and would thus embroil him, as it would certainly have done if it had been detected, in a major political scandal.

About the time Stephenson first met Hoover, the F.B.I. was entrusted by President Roosevelt with responsibility for collecting secret intelligence of subversive activities throughout the Western Hemisphere likely to endanger United States security and for the preparation of adequate preventive measures against potential spies and saboteurs. It was a responsibility which Hoover welcomed, but he was severely handicapped in discharging it by the Neutrality Act.

Unlike the British Secret Intelligence Service (S.I.S.), the F.B.I. was obliged to operate in the fierce glare of the public scrutiny. To enable it to function as a secret intel-

Continued on Page 6

ligence organization Hoover needed the support of Congress, but this was not forthcoming. Hoover had no legal right to employ any agents outside United States territory. As a result he was forced to act surreptitiously without the knowledge of the State Department and the official United States missions in Latin American countries. His legal authority was limited to counter-espionage activities in the United States.

Stephenson helped Hoover to escape from this dilemma by throwing open to him and his staff all the manifold resources of British secret intelligence. He arranged for two of the bureau's senior officers to visit London headquarters, where they received a detailed briefing in Nazi espionage methods, and subsequently for one of Hoover's assistant directors to visit the various British S.I.S. centres in Latin America and discuss with the officers-in-charge the creation of an F.B.I. field organization in that area.

Through Stephenson's intimate relations with the British Imperial Censorship authorities, it was possible for an experienced F.B.I. agent to be sent to Bermuda and instructed in the techniques of mail examination at the unit set up to intercept and secretly examine all air mail from the U.S. to Europe. F.B.I. laboratory technicians were also made acquainted by one of the Bermuda experts, a woman who had joined Stephenson's New York staff, with the various methods of secretly examining letters in such a manner that their recipients were not aware that they had been opened. This highly-secret process included the unsealing and resealing of diplomatic and other privileged mail so

that the seals appeared absolutely intact and were impervious to ultra-violet ray and other chemical tests.

Although Stephenson gave Hoover all the intelligence from secret sources that he was able to obtain at this period, not all of it was of direct interest to the F.B.I. Some of it concerned the intelligence branches of the Navy and War Departments, that is, the Office of Naval Intelligence (O.N.I.) and the Military Intelligence Division (G.2). Hoover in turn passed on this information to O.N.I. and G.2, since Stephenson had no liaison with these service branches, which at this time were opposed to the idea of collaboration with the British.

Blockade Runners Reported

Hoover was also encouraged on occasion to invoke the help of the service departments on behalf of the British even when it ran counter to the State Department's strict policy of neutrality. The following incident, which took place in the autumn of 1940, provided a good example of such intervention.

Stephenson's representative in Mexico City reported that he had reason to believe that four German and 12 Italian ships, which were then lying in the Gulf ports of Tampico and Vera Cruz, were planning to run the British blockade. It certainly looked as if the Axis vessels might succeed in their intention, since the Royal Navy could not patrol Mexican territorial waters.

Stephenson passed this information to Hoover for onward transmission to O.N.I.

Continued on Page 34

At the same time, he informed his London headquarters, who authorized the taking of any action he might consider appropriate in the circumstances provided the British Embassy in Washington was told what was happening. Stephenson now sent his representative in Mexico a quantity of "limpet bombs" — small explosive charges to be affixed to a magnetized frame which would adhere to the steel plates of a ship's hull.

However, while these provided a possible means of causing sufficient damage to delay the vessel's departure, it was only a temporary measure, and it was clear that no really effective steps could be taken without the assistance of the U.S. Navy Department. Accordingly, Stephenson went to Hoover and begged him to arrange for the despatch of a naval patrol to the area of the Gulf ports. Hoover agreed, since besides helping his British friends he considered it an excellent pretext for securing some return from O.N.I. for the information he had been supplying from British sources.

U.S. Navy Forgets Neutrality

After meeting with considerable difficulty, he eventually won round the State Department, which agreed to the plan on the strict understanding that no act should be committed which might conceivably be construed as a breach of U.S. neutrality. Four destroyers were accordingly despatched to the Gulf with orders to lie off Tampico and report by radio *en clair* — that is, not using code or cipher — any movements the Axis ships might make.

On the night of Nov. 15, 1940, the four German vessels steamed out of port into the Gulf of Mexico. The U.S. destroyers approached and trained the full battery of their searchlights upon them. This was not in itself a belligerent act, but it had the effect of making the German captains think that it was the prelude to an all-out attack. Panic ensued, in the course of which one of the German ships, the *Phrygia*, either caught fire accidentally or was deliberately scuttled. Anyhow, her crew took to the boats and she was abandoned as a total wreck. The others turned tail and promptly put on full speed and steamed back to port.

A fortnight later, two of the three remaining German ships sailed out to sea in broad daylight. The U.S. destroyers shadowed them and, by transmitting signals, enabled vessels of the Royal Navy to intercept them before they had got very far and to take them as prizes. The one German and 12 Italian ships, which had stayed behind were apparently too intimidated to make any further attempt to run the blockade. They remained impotent in port until they were eventually taken over by the Mexican government in April, 1951.

Nazi Embassy In U.S. Infiltrated

This incident, which did not even indirectly concern enemy subversive activities, showed that Hoover was willing to carry his assistance well beyond what he might justifiably have regarded as the limits of his common interest with Stephenson at this time. Indeed it may fairly be said that he was in the war from the moment that they began their collaboration.

He also undertook to "plant" what was known in technical language as "strategic deception material" in the German Embassy in Washington. One example of this, designed to deter Hitler from embarking upon any large-scale military campaign, read: "From highly reliable source it is learned U.S.S.R. intend further military aggression instant Germany is embroiled in major operations."

A similar piece of information calculated to mislead the Germans was to the effect that in the event of their using poison gas Britain would retaliate by using their "secret weapon." This was said to consist of "some kind of glass balls containing chemicals producing such terrific heat that they cannot be extinguished by any known means."

Such, in broad terms, was the nature and scope of the assistance which Edgar Hoover was persuaded to render William Stephenson and the British war effort at this period.



Two Americans who gave Sir William valuable aid were Gen. "Wild Bill" Donovan (L) and F.B.I. chief J. Edgar Hoover. Donovan strongly supported the plan for giving war supplies to Britain, and Hoover was a close associate in spy work.

Routing Slip
FD-4 (Rev. 10-13-58)

Date Mar. 4, 1963

To

☒ Director *FILE #*
Att. *Central Research*
☐ SAC *Title "The Quiet Canadian"*
☐ ASAC
☐ Supv.
☐ Agent
☐ SE
☐ CC
☐ Steno
☐ Clerk

ACTION DESIRED

<input type="checkbox"/> Acknowledge	<input type="checkbox"/> Open Case
<input type="checkbox"/> Assign.....Reassign.....	<input type="checkbox"/> Prepare lead cards
<input type="checkbox"/> Bring file	<input type="checkbox"/> Prepare tickler
<input type="checkbox"/> Call me	<input type="checkbox"/> Recharge serials
<input type="checkbox"/> Correct	<input type="checkbox"/> Return assignment card
<input type="checkbox"/> Deadline.....	<input type="checkbox"/> Return file
<input type="checkbox"/> Deadline passed	<input type="checkbox"/> Return serials
<input type="checkbox"/> Delinquent	<input type="checkbox"/> Search and return
<input type="checkbox"/> Discontinue	<input type="checkbox"/> See me
<input type="checkbox"/> Expedite	<input type="checkbox"/> Send Serials.....
<input type="checkbox"/> File	to
<input type="checkbox"/> For information	<input type="checkbox"/> Submit new charge-out
<input type="checkbox"/> Initial & return	<input type="checkbox"/> Submit report by
<input type="checkbox"/> Leads need attention	<input type="checkbox"/> Type
<input type="checkbox"/> Return with explanation or notation as to action taken.	

Enclosed in three parts is the story of the "Quiet Canadian," which was published in "Weekend Magazine," a supplement to the "Ottawa Citizen." This article makes reference to the FBI and states the Director gave valuable aid in the case.

ENCLOSURE ATTACHED
/ENCLOSURE

ENCLOSURE ATTACHED

5 5 MAR 13 1963

105-25621-

NOT RECORDED

25 MAR 12 1963

ENCLOSURE

ENCLOSURE



"Take it away, I'm not radioactive." So says Cesar Romero — just kidding. His date is Elizabeth Allen.



Pleasing everyone, Howard Duff signs old-fashioned autograph book while giving girls taped interview. ◀

than a coincidence and report the matter to his superiors. Also, Cynthia sensed that he was already a little suspicious and was probably trying to find out if she and Bestrand were up to any "funny business." It was essential that some effective method be used to keep him well out of the way. The expedient to which she now resorted was very simple. It was designed to satisfy the



Pleasing everyone, Howard Duff signs old-fashioned autograph book while giving girls taped interview. ◀

than a coincidence and report the matter to his superiors. Also, Cynthia sensed that he was already a little suspicious and was probably trying to find out if she and Bestrand were up to any "funny business." It was essential that some effective method be used to keep him well out of the way. The expedient to which she now resorted was very simple. It was designed to satisfy the watchman's curiosity in a totally unexpected manner.

As soon as she and Bestrand were alone, Cynthia prepared herself for a surprise entrance by the watchman. Sure enough he appeared about 20 minutes later, to find Cynthia completely undressed. He hastily withdrew in considerable embarrassment but perfectly reassured that the visitors had no other purpose for spending the night in the embassy than the mutually agreeable one which Bestrand had originally intimated.

The Plot Succeeds

The locksmith was now admitted through a window. Within a matter of minutes he was able to reach the safe and open it. The naval cipher books were removed and handed through the open window to another of Stephenson's agents who was waiting outside. They were then rushed by car to a nearby house where a photostat was made of each page. By 4 A.M., well within the time limit, the books were back in the embassy safe, and there was no sign they had ever been taken. Twenty-four hours later the photostatic reproduction of the French naval cipher reached the British Admiralty.

Those who took part in the successful landings in North Africa a few months later would have been surprised to know how much the preparations for the elimination of Vichy naval resistance owed to the determination of a quiet Canadian, allied with the courage of a clever woman, who took off her clothes in the French Embassy in Washington in circumstances which are hardly likely to be repeated. Incidentally, Cynthia and Bestrand are now happily married.

NEXT WEEK: *How the stealthy forgers of Station M helped to win the war — and how Sir William's last act as a secret agent affected the post-war world.*

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to grown-up meals

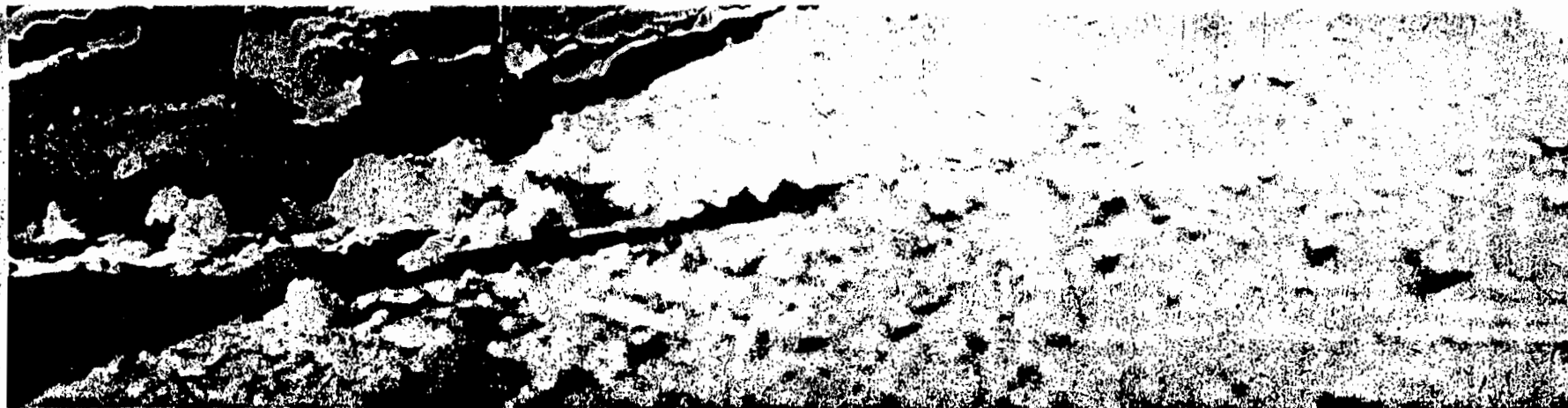


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At Val d'Isère, France, coach Pepi Salvenmoser shows jump-turn to Canadian ski-team girls: Montreal's Nancy Holland (L), Shawinigan's Linda Crutchfield. Photos by L. Buronf



Andy O'Brien

Canada's Great Ski Debate

Overseas vs. stay-at-home training is the issue facing a showdown

ASIDE from envying this portion of the Canadian ski team, shown training on the picturesque slopes of Val d'Isère, France, you're likely wondering if they are getting any more out of it than the stay-at-home team members training in the Rockies.

You may even erupt into verbal flag-waving against the European slopes, arguing that we have downhill, slalom and giant slalom runs as big and as beautiful. But there are just as sincere flag-wavers (such as myself) who believe our nation's skiers are best served by stress on European training.

Certainly, the great debate will face its first showdown on March 8, 9 and 10, when the Canadian Ski Championships will be run under the strongest spotlight ever at Mont Tremblant, Que. Not only will it be an Olympic Trial for the 1964 Games in Austria, it will also see expert eyes comparing skiers trained in Europe and Canada as they compete.

What's more, both sets of Canadian skiers will be compared with European

entries, since our championships — in the great tradition of international ski — are an "open" event.

My big neck is being stuck into the great debate not because I'm a Rockies; I've been just as awed there as in the Dolomites at Cortina d'Ampezzo. But I also love the "world class" that comes to skiers from more than slopes. For the present at least, we must recognize Europe as the finishing school from which skiing's stars graduate into super-stars — the school that developed Lucile Wheeler into an Olympic bronze-medal winner in 1956 and a world silver medal in 1957, that developed our Anne Heggtveit into Olympic world gold-medal winner in 1960.

Pepi Salvenmoser, famed Austrian coach under contract to the Canadian Amateur Ski Association for our girls' team, tells Weekend Magazine: "Canada, ski racing is regarded as just a sport; here in Europe it is considered sterner stuff."

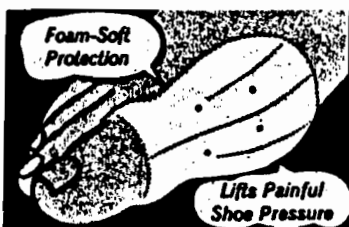


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Oh-ing and ah-ing to the voices of their idols, girls display their enthusiasm for fad at playback session.

Photos by Nate Cutler



The Quiet Canadian / Continued from Preceding Page

appeared to be torn by doubts, but in the end he refused. In fact, his apparent doubts were pretended. He went to the ambassador and told him the whole story. He somewhat exaggerated the sum Cynthia had offered him, and added that she was in the employ of the U.S. Intelligence Service.

This story immediately spread round the embassy. Naturally Bestrand heard of it, but he refused to believe it. He went to Henry Haye and protested that it was untrue. He told him de la Grandville was unreliable. Had he not been spreading rumors about the ambassador's supposed affair with an attractive baroness? Obviously the man was a liar, said Bestrand, and having circulated such a malicious and damaging tale about the ambassador, he was doubtless addicted to spreading equally untrue stories about other people.

Cynthia's Luck Holds

Henry Haye agreed. He immediately sent for de la Grandville and reprimanded him, ending up by telling him that he was to be withdrawn from the code room.

Cynthia had been extremely lucky. She had also been most astute in concealing her association with de la Grandville from Bestrand. Now she devised a new plan for obtaining possession of the naval cipher. This involved Bestrand's co-operation, but his part was to be relatively simple as well as thoroughly congenial. When he heard the details, he agreed to co-operate willingly. He supplied a floor plan of the embassy, and with the aid of this the final dispositions were made.

One evening Bestrand arrived with Cynthia at the entrance to the embassy. The watchman was on duty, and Bestrand took him aside, speaking in confidential

undertones. He explained that he had nowhere else to go. Washington was crowded, he said, and anyway it would not do for a member of the Embassy to be seen in a hotel. The watchman's assistance was facilitated by a generous tip. He told Bestrand that he and his friend could spend the night on the divan on the first floor.

A night or so later they came again, and the visit was repeated on several subsequent nights. Thus the watchman became accustomed to their comings and goings.

Then, one night in June, 1942, a cab drove up to the embassy and deposited Bestrand and Cynthia. They appeared in festive mood, and the watchman noticed they had brought several bottles of champagne. They invited him to join them in a glass, and he gladly accepted. But his drink had been doctored with a powerful narcotic, and soon he was fast asleep.

Cynthia admitted the cab driver, who had been waiting for their signal in his taxi. This man was also an expert locksmith, and he immediately set about his task. First he removed the lock from the door leading to the naval attaché's office. Then he worked out the combination of the safe in the code room. It took him three hours to complete the job, which had to be done silently and without leaving any trace of his presence. This meant there was not enough time to deal with the cipher books. But the most difficult part of the undertaking had been accomplished, and it only remained to put the knowledge thus obtained to the required use on the next occasion.

Two nights later Bestrand and Cynthia paid another nocturnal visit to the embassy. They did not consider it advisable to drug the watchman this time, since if he fell asleep again he might consider it something more

flowed into Stephenson's office from the Vichy embassy. This eventually embraced every happening of importance and every current outgoing and incoming telegram, as well as earlier ones. Acting on instructions, Cynthia also asked Bestrand to write a daily report of what went on in the embassy; and these detailed reports filled in many gaps by supplying necessary background and enabling certain telegrams to be more easily understood. This daily news letter related the particulars of all the ambassador's appointments and the results of the interviews he gave.

The telegrams indicated what Stephenson had long suspected, namely that the ambassador and his naval attaché were collecting intelligence to the detriment of the British war effort for transmission to Vichy. For example, on June 15, 1941, the naval attaché dispatched a telegram, counter-signed by Henry Haye, to Admiral Darlan, the anti-British Minister of Marine in Vichy, giving him information (for which he had apparently asked) of the location of those British warships which had come into the U.S. dockyards for refitting.

Naval Cipher Requested

The naval attaché stated he had learned "from a reliable source" that the aircraft carrier *Illustrious* was at Norfolk, the battleship *Repulse* at Philadelphia, and several cruisers at New York in addition to the *Malaya*, news of whose presence there he had already signalled. "All these warships are undergoing extended repairs," he added. "The first to be ready will undoubtedly be the *Malaya*, which will be immobilized for at least another month."

Like all the other telegrams, this was handed over in its deciphered form. Cynthia was shortly to be asked to obtain the naval cipher in which the signals were sent. This was to prove the biggest challenge and the most spectacular feat in her career as an intelligence agent.

Stephenson was asked by London to endeavor to obtain this French naval cipher in March, 1942. The code was used not only by Vichy naval attachés serving in foreign missions but also by fleet commanders. Plans were beginning to take shape for an Allied invasion of North Africa, and it was of the utmost

on duty at nights and on Mondays to guard the whole of the embassy premises."

"How big are the cipher books?" continued Cynthia.

"So big," Bestrand answered, "that if anybody could smuggle them out their absence would be noticed at once."

Cynthia then asked about Benoit.

"He is a bear who has lived for the past 20 years with his work," said Bestrand. "He has no needs, no ambition and no imagination. He arrives in the Chancery, says good morning to no one and goes straight to the code and cipher room." He added that "no arrangement could be made with Benoit."

Nevertheless, although Benoit was utterly loyal to Marshal Pétain, Vichy figurehead, he became confused and unhappy when Laval returned to power in Vichy, as he did at this time, and began to pursue a policy of open collaboration with the Nazis. This was too much for old Benoit, and he resigned.

Thereupon Cynthia went to him and told him

took charge of the code room. He was a young man with a wife and growing family, and there was good reason for believing that he was short of money. Cynthia, whose energy and persistence were boundless, did not have to be told what to do next. She at once began to cultivate him, though she was careful not to let Bestrand know what she was doing. De la Grandville's wife was having her second child and the count was a little bored and glad to find such a *sympathique* companion as Cynthia.

Soon she was telling him her views about Laval and expressing astonishment that any loyal Frenchman should associate himself with such treacherous policies. Gradually she worked round to the naval cipher, and she stressed the immense assistance that its possession could render the enemies of Germany. As a further inducement she offered him money immediately if he would procure it for her, and a monthly retainer thereafter if he would keep her advised of any changes that might be made in it.

De la Grandville

Continued on Next Page



Highest honor U.S. can award a non-citizen — Medal for Merit — was given Sir William after the war. L to R: Gen. William Donovan, chief of Strategic Services; Col. G. E. Buxton, his assistant; Robert Sherwood, playwright who dubbed Sir William "the quiet Canadian"; Sir William and Lady Stephenson.



The Quiet Canadian / Continued from Page 16

he expressed a hatred of Pierre Laval, head of the Vichy government, and in so doing gave Cynthia an opportunity of which she made good use. Gradually, under the guidance of Stephenson, she stimulated Bestrand's feelings against Laval, and as her personal influence with the captain increased, she persuaded him to talk more and more about Vichy affairs. Soon he was answering prepared questions and giving valuable information about Vichy's underground activities in the U.S.

Vichy Secrets Unveiled

In July, 1941, the Vichy government decided to abolish Bestrand's post in the embassy. However, Henry Haye kept him as one of the staff, since he found him useful, and he paid him a small salary out of his secret funds. This substantial cut in Bestrand's income occurred at a psychologically opportune moment. Cynthia made a "confession" to her lover. She told him she was an agent of the U.S. government and suggested that, in return for a cash consideration, Bestrand pass her information about embassy affairs. She pointed out that this was the only possible course for a patriotic Frenchman like himself and the only way to defeat Laval, and also the Germans.

Bestrand agreed, and from then on information flowed into Stephenson's office from the Vichy Embassy. This eventually embraced every happening of importance and every current outgoing and incoming telegram, as well as earlier ones. Acting on instructions, Cynthia also asked Bestrand to write a daily report of what went on in the embassy; and these detailed reports filled in many gaps by supplying necessary background and enabling certain telegrams to be more easily understood. This daily news letter related the particulars of all the ambassador's appointments and the results of the interviews he gave.

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importance for the British Admiralty to be able to follow the signals sent by the Ministry of Marine in Vichy to the fleet in Toulon and the North African ports, so those concerned could be kept informed of the ships' intended movements.

Cynthia was instructed to approach her friend Capt. Bestrand. She promptly did so, and Bestrand was flabbergasted by her suggestion. He said it was an impossible task, and that the only persons who had access to the code room were the chief of codes, a man named Benoit, and his assistant, Count de la Grandville. Furthermore, the room was always locked and the telegrams were taken by an embassy counsellor in person to the code room.

"Do you mean that even you haven't access to that room?" Cynthia asked.

"Nobody has," Bestrand said. "At one time the naval attaché used to go to the code room more often than seemed necessary, just out of curiosity, which was second nature with him. The ambassador himself — how do you say it? — ticked him off. In fact, he sent him a note forbidding any more visits to the code room."

"What about night time? Do they work all night?"

"No, but the room is carefully guarded at all times. The Foreign Affairs Ministry recently sent instructions that a permanent watchman should be on duty at nights and on holidays to guard the whole of the embassy premises."

"How big are the cipher books?" continued Cynthia.

"So big," Bestrand answered, "that if anybody could smuggle them out their absence would be noticed at once."

Cynthia then asked about Benoit.

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Nevertheless, although Benoit was utterly loyal to Marshal Pétain, Vichy, France,

that here was a chance to serve France. "Our desires and aims are the same as yours," she said. "We want to help France because we know that by doing so we will also be helping the Allied war effort."

The old man's eyes filled with tears. "I am very confused," he said. "I have had no time to think. Everything has happened so quickly."

"The ciphers could provide the key to show how much the traitors in the French government are helping the Germans," Cynthia quickly came to the point. "To turn them over to us would be the greatest service you could perform for your unhappy country."

"But I cannot do that," Benoit replied. "Everything is so confusing," he kept repeating. "Everything has happened so quickly."

"Your loyalty should be to the French people," said Cynthia, "not to a government of traitors."

Benoit thought hard. At last he reached a decision, as difficult and painful for him as it was disappointing to Cynthia. "I cannot," he finally said. "I have a long record of loyalty to my chiefs. The codes and ciphers have been my responsibility, my personal responsibility. To guard them has been my duty."

New Plans Made

Regretfully Cynthia had to abandon her attempt, having told her employers that here at least was one among the traitorous Vichy crew who remained faithful to his principles. Benoit stands out as a man who deserved to serve a better cause than the one he refused to betray.

On Benoit's resignation, Count de la Grandville took charge of the code room. He was a young man with a wife and growing family, and there was good reason for believing that he was short of money. Cynthia, whose energy and persistence were boundless, did not have to be told what to do next. She at once began to cultivate him, though she was careful not to let Bestrand know what she was doing. De la Grandville's wife was having her second child and the count was a little bored and glad to find such a *sympathique* companion as Cynthia.

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brain and was an accurate reporter. She was extremely courageous, being often willing and even anxious to run risks which Stephenson would not permit. Her security was irreproachable and her loyalty to her employers complete. She was not greedy for money, but only to serve a cause in which she believed. In fact, she was paid a small salary which represented little more than her living expenses.

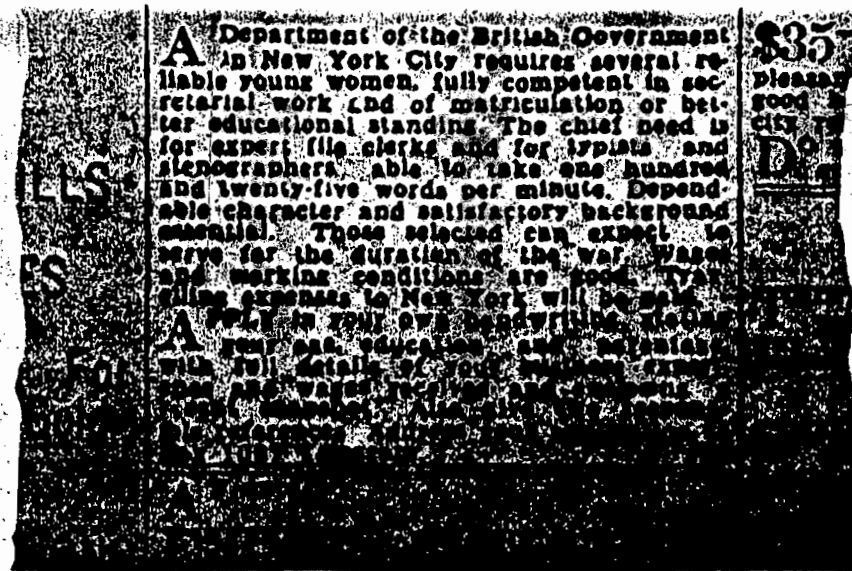
Cynthia Tackles First Task

Stephenson gave Cynthia her first major assignment during the winter of 1940-41. He asked her to obtain the Italian naval ciphers from the Italian Embassy in Washington. She began by securing an introduction to the naval attaché, Admiral Alberto Laís, whom she lost no time in cultivating. He responded to her charms in the manner she desired, and soon — within a few weeks of their first meeting — imagined himself deeply in love with her. As a result she was able to do with him virtually what she pleased.

In retrospect, it seems almost incredible that a man of his experience and seniority, who was by instinct, training and conviction, a patriotic officer, should have become so enfeebled by passion as to be willing to work against the interests of his own country to win a woman's favors. But that is what happened.

As soon as she had him where she wanted him, Cynthia came straight to the point. She told the admiral she wished to have copies of the naval cipher. Astounding as it may appear, he agreed to help her. He put her in touch with his cipher clerk, who produced the cipher books after a suitable financial understanding had been reached. Photostatic copies were made by one of Stephenson's experts in Washington, and the results immediately dispatched to London.

In spite of the blow it received from the British Fleet Air Arm in its main base at Taranto in



Nearly 300 replies were received in response to this Toronto advertisement in The Telegram, and more than 500 young Canadian women finally took up jobs of various sorts in Sir William's agency.

major movement of the Italian fleet toward the Aegean in the latter part of March, 1941, was correctly anticipated with the aid of the ciphers, and resulted in a resounding British naval victory off Cape Matapan which put the greater part of the Italian fleet out of action for the rest of the year.

For some time after securing the ciphers, Cynthia continued to meet Admiral Laís and was also able to learn details of other Axis plans in the Mediterranean. Finally Cynthia was responsible for the admiral's enforced departure from the United States.

In the spring of 1941, there were numbers of Italian merchant ships lying in U.S. ports, since their masters did not feel it was either prudent or possible to attempt to get through the British blockade to Europe. Realizing that sooner or later the U.S. would enter the war and these vessels would be taken over by the Allies, Admiral Laís planned to sabotage them. Fortunately he gave Cynthia details of how the machinery of five of the ships at Norfolk, Va., had been put out of commission, and she immediately reported what she had learned.

Stephenson conveyed the information to the United States Office of Naval Intelligence, which passed it on to the State Department. All the other

will be called Capt. Bestrand. He talked to the two visitors for nearly an hour, and by then Cynthia knew she had achieved her first objective. As the gallant captain escorted them to the ambassador's office, he expressed the wish to see her again.

Vicky Ambassador Talks

The two "newspaperwomen" had a long "off-the-record" discussion with the ambassador. He was an excitable man in the best of circumstances, but on this day he appeared quite overwrought as he had just had a particularly unpleasant interview with Secretary of State Hull. Nevertheless he did his best to explain for the benefit of his discreet and appreciative audience the very difficult mission with which he had been entrusted. On the subject of Franco-German relations he spoke very frankly. "France's future requires co-operation with Germany," he said. "If your car is in the ditch, you turn to the person

who can help you to put it on the road again. That is why we will work with Germany."

The ambassador was neither reticent nor unduly cautious. The occasion seemed to be a useful one in which to communicate to the U.S. public some of the anti-British feelings he felt. When the women rose and he showed them to the door, he told Cynthia he would be glad to see her again any time she cared to call at the embassy.

Both the ambassador and his staff officer did see her again. The ambassador saw less of her than he would have liked. The officer saw more of her than was good for him. Very soon Capt. Bestrand was completely infatuated and under her control, just as the Italian admiral had been. Bestrand was married, but was at an age perhaps when the chance of a new conquest beckoned strongly. What is more, he was in every respect an emotional man. Like many Frenchmen at this time

Continued on Page 19



The Quiet Canadian / Continued from Page 14

Allied soldiers who took part in the invasion of North Africa, and the Royal Navy, which soundly trounced the Italian fleet at the battle of Cape Matapan, did not realize at the time that much of the ground work for these victories was carried out by "a quiet Canadian" — and his ace operator, a girl who can be called Cynthia.

Cynthia was neither beautiful nor even pretty in the conventional sense, although she had pleasing blonde hair. She was tall, with rather prominent features, and always appeared well dressed. She was a pleasant companion, for she was intelligent and talked well — or rather listened well. She had a soft, soothing voice which inspired confidences. It may be that her appeal to her victims was in the first place intellectual, and that the discovery of her physical charms came only as the relationship developed.

That she was physically very attractive cannot be doubted, since the powerful hold she exercised over the diplomats whose secrets she succeeded in obtaining was clearly based on sex. But she had many other qualities. She was widely travelled and understood well the psychology of Europeans. She possessed a keen, incisive brain and was an accurate reporter. She was extremely courageous, being often willing and even anxious to run risks which Stephenson would not permit. Her security was irreproachable and her loyalty to her employers complete. She was not greedy for money, but only to serve a cause in which she believed. In fact, she was paid a small salary which represented little more than her living expenses.

Cynthia Tackles First Task

Stephenson gave Cynthia her first major assignment during the winter

November, 1940, the Italian naval force in the Mediterranean at this period was considerable, consisting of six battleships, including two mounting 15-inch guns, 19 modern cruisers and 120 destroyers and torpedo boats, besides more than 100 submarines. Numerically it was far superior to the British Admiral Sir John Cunningham's Mediterranean Fleet, which was based at Alexandria.

There is no doubt that Cunningham found the intelligence of the Italian fleet movements obtained from the naval ciphers of immense advantage in making his own fleet dispositions. For example, the

ships, and a number of German vessels, were then seized by the U.S. government.

Both the Italian and German governments protested at the U.S. action, but on April 3, 1941, the State Department returned strong replies, pointing out that the crews, in damaging their vessels to the detriment of navigation and the safety of U.S. harbors, had committed felonies under U.S. law in disregard of the hospitality extended to them. At the same time Secretary of State Cordell Hull informed the Italian Ambassador, Prince Colonna, that his naval attaché was *persona non grata* and requested his immediate recall.

Admiral Lais never suspected Cynthia. As he boarded the ship which was to take him back to Italy, two parties were on the quayside to bid him farewell. One consisted of his wife and children, the other merely of Cynthia, who stood alone some distance away. The lovesick admiral spent his final minutes with her and ignored the tearful family entirely.

The next month, Cynthia was instructed by Stephenson to concentrate her attention upon the Vichy Embassy in Washington. Posing as a newspaper reporter and accompanied by a female assistant, she called at the embassy to keep an appointment she had made for a press interview with the ambassador. At first the two women sat for a time with a senior member of the embassy staff who talked to them while they were waiting for Ambassador Gaston Henry Haye. For the purposes of this narrative, he will be called Capt. Bestrand. He talked to the two visitors for nearly an hour, and by then Cynthia knew she had achieved her first objective. As the gallant captain escorted them to the ambassador's office, he expressed the wish to see her again.

Vichy Ambassador Talks

The two "newspaperwomen" had a long "off-the-record" discussion with the ambassador. He was an excitable man in the best of circumstances, but on this day he appeared quite over-

ad 22 Main Street, New York 10

To Work For Britain

A Department of the British Government in New York City requires several reliable young women, fully competent in secretarial work and of matriculation or better educational standing. The chief need is for expert file clerks and for typists and stenographers able to take one hundred to two hundred words per minute. Dependable character and satisfactory background essential. Those selected can expect to serve for the duration of the war. Wages and working conditions are good. Traveling expenses to New York will be paid. A reply in your own handwriting, stating your age, education and parentage, with full details of your business experience and wages received and enclosing a recent snapshot. Also give two references.

ES

For

Grades

205

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way to

A

By George Grammat



"... and they're specially designed as a decoration
for your living room."



FILTERS BEST





"Too bad that calendar spoils the picture."



"Get lost! I live here!"

20



VIRGINIA CIGARETTES

CRAVEN
"A"

A
ORIGINAL

FILTER DE
LUXE

"A,"

His Ace Spy Used Sex To Win Secrets

Sir William and his espionage network pull off their biggest coup of the war

By H. Montgomery Hyde

SIR William Stephenson, "the quiet Canadian," grew up in Winnipeg and won fame as a fighter ace in World War I. By the time he was 30, his developments in the field of wireless photography had made him a millionaire.

Then in 1940 came the most important task of all. Prime Minister Winston Churchill appointed Sir William head of all British security operations in the Western Hemisphere. Last week the first of a three-part series taken from the book *The Quiet Canadian*, by H. Montgomery Hyde, told how Sir William set up his organization in New York, and enlisted U.S. aid for Britain with the famous "destroyers-for-bases" deal. Then he turned his attention to counter-espionage work, and with the co-operation of J. Edgar Hoover, of the F.B.I., planned a devastatingly effective intelligence agency.

THE EDITORS

ONE of Sir William Stephenson's greatest achievements during his World War II career as Britain's top counter-espionage man in the Western Hemisphere was his penetration of the Italian and Vichy French Embassies in Washington — to expose and halt activities which were aimed at helping Germany to win the war.

The bold plan at first allowed Stephenson to supply the British government with a day-by-day account of what went on in these embassies, and later gave him the opportunity to actually supply the Royal Navy with the codes used by officials in both Vichy and Rome to give battle orders to their fleets in the Mediterranean.

Continued on Page 16

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Cynthia's charms enabled her to hold sway over various members of the Vichy French (top left) and Italian Embassies in Washington. She supplied Sir William with every plan and code he wanted.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-16-83 BY SP1 HAD/da

(2)



Stephenson

The Quiet Canadian

Second Of Three Parts

His Ace Spy Used Sex To Win Secrets

ALL INFORMATION CONTAINED
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♪ You can shop with assurance



by catalogue, in person or by phone. And Eaton's are wise



to furnishing your home. You can shop with assurance



to furnishing your home. You can shop with assurance



you get value, selection, and all the protection of Eator

Embassy in Washington.

Earlier that day Stephenson had heard a story that an employee of the Soviet Embassy had been in touch with the Department of Justice through the R.C.M.P., offering to furnish information. He asked if Robertson knew anything about it.

Robertson told Stephenson that the R.C.M.P. had informed him about this man, who gave his name as Gouzenko, and asked for guidance as to what action to take. He consulted with Prime Minister Mackenzie King who said this was "too hot a potato," so nothing had been done about it.

Gouzenko's Life In Danger

Stephenson thought differently. He argued that this man might well provide a unique opportunity for cracking the operation of the Russian intelligence system in the Western Hemisphere. He also realized that the Russian's life might be in danger since the Russian secret police in the embassy would attempt to liquidate him and would probably succeed if he were not protected.

Stephenson urged that prompt action be taken. Robertson, after some reflection, agreed. He telephoned the R.C.M.P. and told them privately that the previous instructions had been modified and they should get Gouzenko and hear what he had to say the next morning.

Stephenson then got in touch with some of his trusted operatives in Canada and had them keep a watch on Gouzenko. One of these men, a dignified and sober citizen, at one point during that tense night put on such a convincing drunk act that he did succeed in deflecting some Russians for long enough to allow Gouzenko to seek asylum with neighbors and so escape liquidation.

The amazing story of Igor Gouzenko, the cipher clerk who triggered one of the most explosive spy cases in the history of the Western Hemisphere, has been told so often there is little point in re-telling it here. But there is one point that even Gouzenko did not know about.

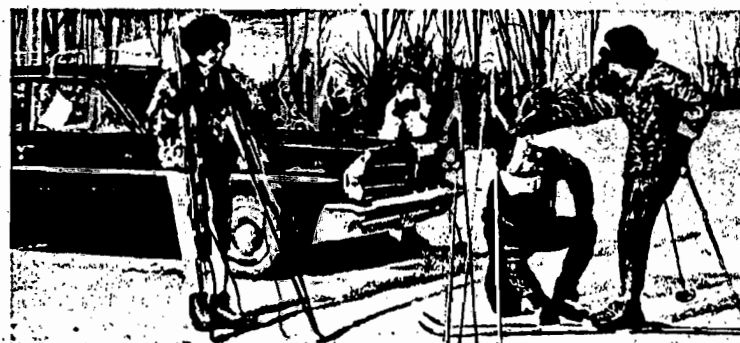
About 4 A.M., when he was hiding in the apartment of friends, there was a low knock on the door. Gouzenko opened the door, but, as he wrote afterwards, "whoever it was left before I could identify him."

The unidentified visitor was Stephenson, who had come to make sure Gouzenko was safe. Once that mission was accomplished, he slipped away into the shadows, his last act as a secret agent successfully completed. ◀

"THE ROAD CAN GET SLIPPERY IN WINTER. Icy patches on the road call for extra caution. Dad says it's a good idea to test the brakes to get the feel of the road. That way you get an idea of how the car's going to react if you have to make a quick stop!"



"GETTING THERE IS HALF THE FUN if you take it easy. Speed limits are safety limits, says Dad, so I always obey the speed limit signs. After all, speeding doesn't get you there much faster, and it can lead to accidents!"



"WE ARRIVE SAFE AND RELAXED—READY FOR SKIING

I do my speeding down the ski slopes—not down the road. As Dad says, the road is no place for showing off your speed—and I agree!"

Learn how you can earn the keys to your family's car. Write for the informative booklet "We Drivers" to: General Motors of Canada, Oshawa, Ontario!

Young Drivers Can Be Safe Drivers

GENERAL MOTORS OF CANADA

he said he had found among Coppola's belongings.

The A.P. man, when he saw this was apparently a miniature reproduction of a letter from the president of L.A.T.I. and noted its contents, came to the conclusion that the original had been considered too dangerous to entrust to the ordinary air mail and had been smuggled into the country. He immediately took it to the U.S. Embassy, where it was enlarged and the enlargement turned over to President Vargas.

The infuriated President acted exactly as Stephenson had hoped. He immediately cancelled all L.A.T.I.'s landing rights in the country and Coppola was arrested.

Fake Letter Praised

A few weeks after this, when Brazil broke off all relations with the Axis powers, the view was expressed in the U.S. Embassy in Rio that Gen. Liotta's letter had been "one of the main factors in persuading President Vargas to turn against the enemy." And as a footnote:

The U.S. Embassy decided to share the secret with the British. A member of the U.S. diplomatic staff produced a copy of the Liotta letter and assured Stephenson it had been stolen by U.S. intelligence. Stephenson warmly congratulated his colleague on his work.

* * *

Stephenson's last act as a secret agent occurred shortly after World War II ended — and it came about accidentally. It was late on the night of Sept. 6, 1945, and he was on a routine official visit to Ottawa to call on Norman Robertson, Under-Secretary of State in the Canadian Department of External Affairs. The visit took place at Robertson's home, and with the two was Thomas Archibald Stone, counsellor in the Canadian Embassy in Washington.

Earlier that day Stephenson had heard a story that an employee of the Soviet Embassy had been in touch with the Department of Justice through the R.C.M.P., offering to furnish information. He asked if Robertson knew anything about it.

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Gouzenko's Life In Danger

"I take the wheel *when our family takes off for the ski slopes*"



"DAD TAKES A BACK SEAT and relaxes. He can sit back and enjoy the trip because he knows that I don't take foolish chances with the family car!"



"THE ROAD CAN GET SLIPPERY IN WINTER. Icy patches on the road call for extra caution. Dad says it's a good idea to test the brakes to get the feel of the road. That way you get an idea of how the car's going to react if you have to make a quick stop!"



NEW MANI MAGIC REMOVES CUTICLES IN MINUTES

Simply apply around each cuticle and under each nail tip, and in less than 5 Mani Magic minutes, raise. Your nails have the smooth, well-groomed look of a professional manicure. Simple. That's the magic of Mani Magic!

Mani Magic is available in 1/2 oz. and 1 oz. sizes.



NEED REST?

Disturbed rest may result from bladder and urinary irritations. GIN PILLS gently stimulate your system to relieve broken rest, sore back, a tired



The Quiet Canadian / Continued from Page 12

On July 19 the government proclaimed a nation-wide state of siege and the police rounded up suspected Nazi sympathizers. Dr. Wendler was kicked out of the country. Belmonte was struck off the Bolivian army list. Station M's work was never suspected because even the Bolivian Chief of Staff identified the letter and signature as genuine.

However unorthodox the methods by which the Belmonte letter was prepared, the operation did cause the expulsion of the German Minister and the arrest of a number of men dangerous to the Allied cause. It also prepared the climate for the Pan-American Conference at Rio de Janeiro six months later when Bolivia and 18 other Latin American states broke with the Axis powers and banded themselves together in a common scheme of hemisphere defence — "the decision that saved New World unity," as Sumner Welles, U.S. delegate to the conference, called it.

Airline Attacked

With this out of the way, Stephenson and Station M directed their efforts against the Italian L.A.T.I. air line which regularly flew its planes between Italy and Brazil. These planes carried German and Italian diplomatic bags, couriers, agents, diamonds, platinum, mica, chemicals and other strategic materials. The Brazilian government had no desire to obstruct the service. One of the Brazilian President's sons-in-law was the chief technical director of the line. But British authorities considered it the biggest single gap in the British economic blockade against Italy and ordered Stephenson to do something about it.

The plan Stephenson hit upon was to convey to the Brazilian government, in some manner, a compromising letter, supposedly written by someone in authority in the air line in Italy to an Italian authority in the line's Brazil office, which would result in cancellation of the company's concession.

Stephenson's agents in Brazil succeeded in obtaining a genuine letter written by the L.A.T.I. president, Gen. Aurelio Liotta, from the company's Rome headquarters. In forwarding the letter to New York, they suggested

the fabricated letter be addressed to the air line's general manager in Brazil, Vincenzo Coppola.

The experts at Station M were able to simulate exactly the style of writing paper, the engraved letter head and the form of type used by Gen. Liotta. The embossing was copied with microscopic accuracy, and a typewriter was rebuilt to conform to the exact mechanical imperfections of the machine upon which Liotta's secretary had typed the original letter.

The deception letter was then composed in Italian, micro-photographed and the microfilm sent by Stephenson to his chief agent in Rio. It was dated Oct. 30, 1941, from the Rome head office of L.A.T.I. and said:

"There can be no doubt that the fat little man is falling into the pocket of the Americans, and only violent action on the part of our green friends can save the country."

It went on to instruct Coppola to encourage "the green gentlemen" and concluded: "The Brazilians may be, as you have said, a nation of monkeys, but they are monkeys who will dance for anyone who will pull the string."

Brazil's President Enraged

The "fat little man" was, of course, easily recognizable as the President of Brazil, Getulio Vargas. The "green gentlemen" were the Integralists, a political party opposed to Vargas who had already tried to turn him out of office through a revolution financed in part by Germany. As far as the President was concerned, the letter contained personal insult, abuse of his country and encouragement of his political enemies.

But how to bring the letter to his attention in a manner which would not arouse suspicion? Stephenson got around this neatly. His agent in Rio, once he had the microfilm of the letter, on Stephenson's orders arranged for a burglary at Coppola's home. Coppola called police and, as planned, the affair received some publicity.

Next another agent approached a reporter of the Associated Press and told him he had taken part in the burglary. He said he had found something that looked interesting and showed the reporter a micro-photograph



Disturbed rest may result from bladder and urinary irritations. GIN PILLS gently stimulate your system to relieve broken rest, sore back, a tired rundown feeling. Sizes 40s and 80s.

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FOR THE KIDNEYS

Special
Child's Laxative
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Upset Tummy!

Crankiness, sour tummy, bad breath and coated tongue of constipation are quickly relieved with Children's Own Tablets. Taken at bedtime, they freshen upset tummy — work gently in the morning. Good tasting! No harsh drugs. Insist on Children's Own Tablets for your child.

RELIEVE
ARTHRITIC
PAIN
NOW!

Why let the suffering of arthritis or the pain of rheumatism ruin another day of your normal, happy life. Relieve these pains now with Dolcin Tablets! No long waiting for relief. Dolcin acts fast to give you soothing, effective relief. Thousands of Canadians rely on Dolcin for relief from the pain of arthritis, rheumatism, sciatica, lumbago, bursitis and muscular pains. Dolcin can help YOU too! Ask your druggist for Dolcin Tablets today! Satisfaction or money refunded.

62-2

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Canada Wide

Protecting Igor Gouzenko (wearing hood to conceal his identity during interview with columnist Drew Pearson) was Stephenson's last secret project. Gouzenko defected from U.S.S.R. Embassy in Ottawa. Stephenson employed his trusted operatives to enable him to escape the vengeance of secret police.



Aren't you
glad you use
Dial Soap!



(don't you wish everybody did?)

Just Dial!

Why bother with a special deodorant? Just a daily bath with Dial takes care of perspiration odor for the day—for millions. Dial gives you complete and reliable protection. Because Dial—and only Dial—has AT-7!

Dial, the soap for people who like people.





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**PLAIN
or FILTER TIP
CIGARETTES**

RELIEVE

Chest Cold Misery

FAST!! with

MUSTEROLE

Simply rub on Musterole. It relieves the aches and pains of chest cold misery fast with its modern formula. Musterole contains oils of mustard, camphor and salicylates to ease aching chest muscles—decongest nasal and bronchial passages—and allows free breathing. Soothing, stainless Musterole is available in Children's Mild, Regular, and Extra Strength. Be prepared, ask for Musterole at your druggist to-day. Satisfaction or money back.

MUSTEROLE



The Quiet Canadian / Continued from Page 10

despondency in enemy circles.

One example of how this campaign worked involved a plan to get rid of a Czech who had collaborated with the Germans in Nazi-controlled Czechoslovakia. Letters prepared by Station M and signed "Anna" were mailed to this man from Santiago, Chile. They mentioned facts about his private life which he was unable to deny, such as "the strange death of your brother Jan" and references to his former wife, who was half Jewish.

They also contained obviously incriminating statements he was unable to explain. And, as they had been prepared by people unknown to him in far-away Canada, they were a real mystery to him. The statements read like: "Father caught 75 fish on Wednesday the 17th. Brother was not well but caught 82."

The German censors who examined the letters reported that the writer was obviously attempting to communicate with the man in plain-language code and that he was probably an Allied agent. This the Czech emphatically denied, but the circumstantial evidence was against him. It can only be said that the Germans were not favorably impressed by his protestations of innocence—even in the torture chamber—so they executed him.

The Germans thus lost a valuable collaborator and Stephenson rid the Allies of a dangerous enemy.

Fear, Uncertainty Spread

In the field of political warfare Stephenson directed Station M to engage in a letter-writing campaign aimed at spreading fear and uncertainty in enemy circles. The letters were genuine; the writers were recruited individually among enemy or neutral nationals opposed to the Axis, but they did not know they were contributing to a general scheme. They were asked to correspond regularly with friends and business acquaintances in occupied Europe. Station M saw that these letters contained the proper amount of subversive material.

At one point Stephenson became worried about information coming from Germany and still receiving much attention in the then neutral United States. So he

sympathizers to organize themselves into teams and to compete with one another by scoring points for every annoyance or embarrassment caused to the Nazis and their confederates. The booklet urged the players on by stating:

"From this it will be seen that a skilfully-played game of Vik can be not only a source of great amusement to the players but also a real and valuable contribution to the Democratic Cause. Remember that our Axis friends are highly susceptible to ridicule."

Here are some of the petty persecutions Station M recommended:

A Nazi could be telephoned at all hours of the night and when awakened could be apologetically assured that it was the wrong number;

Shops could be telephoned on his behalf and asked to deliver large quantities of useless and cumbersome goods, C.O.D.;

His girl friend could receive anonymous letters saying he was suffering from an unpleasant disease;

Street musicians could be hired to play God Save The King outside his house all night.

This campaign of ridicule was supplemented by the publication and surreptitious distribution of abusive pamphlets attacking certain Nazis. A typical example was the one concerning Werner von Levetzow, head of chancery in the German Embassy at Rio de Janeiro. He was a tall, half-German, half-Danish "superman" type who had married a Krupp heiress shortly after the outbreak of World War II. She left him not long after their arrival in Brazil, alleging that he was impotent. So Station M distributed a pamphlet saying:

"This man, this Levetzow, is capable of robbing you of your money, your business and your country, but NEVER of your wives . . . he cannot."

Bolivian Plot Hatched

But in the main the business of Station M was a deadly serious one. Stephenson learned in May, 1941, for instance, that Maj. Elias Belmonte, the violently pro-Nazi Bolivian military attaché in Berlin, was in touch with Nazi elements in Bolivia. He was understood to be

FAST // with MUSTEROLE

Simply rub on Musterole. It relieves the aches and pains of chest cold misery fast with its modern formula. Musterole contains oils of mustard, camphor and salicylates to ease aching chest muscles—decongest nasal and bronchial passages—and allows free breathing. Soothing, stainless Musterole is available in Children's Mild, Regular, and Extra Strength. Be prepared, ask for Musterole at your druggist to-day. Satisfaction or money back.

MUSTEROLE

can't sleep?

If sleep doesn't come to you naturally and quickly, 2 persomnia at bedtime will give you a restful night and refreshed awakening.

REST ASSURED WITH
persomnia
PROVEN SAFE
FOR MORE THAN 20 YEARS
at your druggist \$1.00 and \$1.75

"BACKACHE?...not me!



For relief from backache or that tired-out feeling I depend on Dodd's Kidney Pills. If kidneys slow down impurities remain in the system. Backache and that "tired" feeling often follow. That's the time to take Dodd's Kidney Pills. Dodd's help stimulate the kidneys to normal action. You feel better—rest better—work better—play better. Get Dodd's Kidney Pills. You can depend on Dodd's.

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At one point Stephenson became worried about information coming from Germany and still receiving much attention in the then neutral United States. So he called on Station M for assistance. It happened a short time later that the well-known columnist Walter Winchell received a letter mailed to him from Lisbon by a U.S. merchant sailor.

The sailor wrote Winchell that during a voyage from Hamburg to Brazil he had been told by a Jewish refugee that all people in Germany who wrote to friends or business contacts abroad had to include in these letters information prepared by the office of Josef Goebbels, Hitler's propaganda chief. To back up his story the sailor enclosed a printed slip which he told Winchell had been inserted by the German censors in another letter which had been returned to the sender because it had not included the stock sentences, and also a copy of the current bulletin in which the sentences were printed.

This made a fine story for Winchell and his millions of readers, and did much to cast suspicion upon any German information reaching the U.S. And neither Winchell nor his readers had ever heard of Station M.

Stephenson and his hard-working agents also had a sense of humor, though a rather dangerous one. So, with the help of an exiled Polish professor, they invented a wartime game called Vik. Described by Stephenson as "a fascinating new pastime for all lovers of democracy," its purpose was to subject Fascists and Fascist sympathizers in neutral countries, including the United States, to petty but continuous persecution.

Vik was launched when Station M printed booklets in English, French, Spanish and Portuguese, which were distributed by Stephenson's secret agents throughout the Western Hemisphere. The booklets urged Allied

was a tall, half-German, half-Danish "superman" type who had married a Krupp heiress shortly after the outbreak of World War II. She left him not long after their arrival in Brazil, alleging that he was impotent. So Station M distributed a pamphlet saying:

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Stephenson immediately went into action. He had an agent in Brazil steal a letter-containing Belmonte's signature while it was en route from Berlin to Bolivia via Rio. Soon afterward, J. Edgar Hoover, head of the U.S. Federal Bureau of Investigation, was surprised to have Stephenson give him a letter, typewritten in Spanish and bearing what was apparently Belmonte's signature, addressed to Dr. Ernst Wendler, German Minister to Bolivia.

Dated June 9, 1941, this letter read:

"Friends in the Wilhelmstrasse tell me that from information received from you the moment is approaching to strike in order to liberate my poor country from a weak government and from completely capitalist tendencies. I go much further and believe that the coup should take place in the middle of July . . ."

The letter also contained this sentence:

"We must rescind the wolfram contract with the United States and also substantially modify the tin contracts with England and the United States . . ."

The repercussions, when this remarkable communication reached La Paz — courtesy of U.S. Secretary of State Cordell Hull, who had received the letter from Hoover — were spectacular. **Continued on Page 14**

SUPREMACY, THE QUIET Canadian, was
a top British counter-espionage agent.

Bonny Jacobs



Really BIG!

Oh Henry!

10¢

THE KING OF CANDYLAND

LOYLEY'S



*Nazis and collaborators in many
lands were incriminated by
these made-in-Canada documents*

Master mind of this operation designed
to confound the enemies, Sir William
Stephenson, "the quiet Canadian," was
a top British counter-espionage agent.

Ronny Jacques



(2)

The Quiet Canadian

Last Of Three Parts

Forged Letters That Helped Win The War

By H. Montgomery Hyde

©1962 H. Montgomery Hyde

A BOY from Winnipeg, he achieved fame as a fighter ace in World War I, was a millionaire before he was 30 and a top

UNITED STATES GOVERNMENT
PRINTING OFFICE



Roma, 30 ottobre 1941 AX

sarebbero più utili di C.R. il quale, per quanto attivo, costa poco.

I fondi di cui avrete bisogno saranno messi a Vostra disposizione. Non importa se i verdi hanno bisogno di uomini coraggiosi: le avrete. L'importante è che i nostri servizi si avvantaggino di un

... and help speed your mail!
Just follow these four points
to faster mail service every
time you address an en-
velope:

1

Use full and correct name of
person you're writing to.

2

Use full and correct address
with Postal Zone Number in
Canada's six "Zoned" cities.

3

Write your own return address
and Postal Zone Number in
upper left corner of envelope.

4

Write legibly.



PO-62-2W

U.S. Navy Forgets Neutrality

After meeting with considerable difficulty, he eventually won round the State Department, which agreed to the plan on the strict understanding that no act should be committed which might conceivably be construed as a breach of U.S. neutrality. Four destroyers were accordingly despatched to the Gulf with orders to lie off Tampico and report by radio *en clair* — that is, not using code or cipher — any movements the Axis ships might make.

On the night of Nov. 15, 1940, the four German vessels steamed out of port into the Gulf of Mexico. The U.S. destroyers approached and trained the full battery of their searchlights upon them. This was not in itself a belligerent act, but it had the effect of making the German captains think that it was the prelude to an all-out attack. Panic ensued, in the course of which one of the German ships, the Phrygia, either caught fire accidentally or was deliberately scuttled. Anyhow, her crew took to the boats and she was abandoned as a total wreck. The others turned tail and promptly put on full speed and steamed back to port.

A fortnight later, two of the three remaining German ships sailed out to sea in broad daylight. The U.S. destroyers shadowed them and, by transmitting signals, enabled vessels of the Royal Navy to intercept them before they had got very far and to take them as prizes. The one German and 12 Italian ships, which had stayed behind were apparently too intimidated to make any further attempt to run the blockade. They remained impotent in port until they were eventually taken over by the Mexican government in April, 1951.

Nazi Embassy In U.S. Infiltrated

This incident, which did not even indirectly concern enemy subversive activities, showed that Hoover was willing to carry his assistance well beyond what he might justifiably have regarded as the limits of his common interest with Stephenson at this time. Indeed it may fairly be said that he was in the war from the moment that they began their collaboration.

He also undertook to "plant" what was known in technical language as "strategic deception material" in the German Embassy in Washington. One example of this, designed to deter Hitler from embarking upon any large-scale military campaign, read: "From highly reliable source it is learned U.S.S.R. intend further military aggression instant Germany is embroiled in major operations."

A similar piece of information calculated to mislead the Germans was to the effect that in the event of their using poison gas Britain would retaliate by using their "secret weapon." This was said to consist of "some kind of glass balls containing chemicals producing such terrific heat that they cannot be extinguished by any known means."

Such, in broad terms, was the nature and scope of the assistance which Edgar Hoover was persuaded to render William Stephenson and the British war effort at this period.

NEXT WEEK: *The charms of a girl called Cynthia bring Sir William the secrets of the Italian and Vichy French embassies in Washington.*



BLADDER IRRITATION MAY DISTURB SLEEP

After 21 twice as many women as men are made miserable by common urinary irritation caused by a germ, *Escherichia Coli*. To quickly combat the secondary aches, muscular pains and disturbed sleep caused by Kidney and Bladder irritations, try taking an internal CYS-TEX antiseptic bath for a few days. All you do is take 2 little CYS-TEX tablets with a glass of water. In addition to its cleaning antiseptic action, CYS-TEX is also an analgesic pain reliever for Rheumatic Pains, Headache, Backache, and muscular pains. Get CYS-TEX from your druggist. Feel better fast.

ECZEMA ITCH

Ugly skin blemishes on face or body, Eczema, Pimples, Red Scaly Itching Skin and Athlete's Foot are quickly relieved by NIXODERM. Antiseptic action heals, helps make skin softer, smoother, clearer. Ask your druggist for NIXODERM ointment and soap. Help clean, clear and revitalize your skin. Look better fast.

**Brand Names
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wise
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easier!**

For dependable quality and consistent satisfaction you do better with brands you know; get to know those you see advertised in this magazine.

To get the most for your money buy by Brand Name and be sure!

*A Brand Name
is a maker's reputation*



BRAND NAMES FOUNDATION
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USE
ZONE
NUMBERS



Wide World



Acme

Prime Minister Winston Churchill asked his old friend Sir William to undertake special mission in the U.S., partly with aim of persuading President Roosevelt to help Britain. One result was "Lend-Lease" deal.

The Quiet Canadian / Continued from Page 6

At the same time he informed his London headquarters, who authorized the taking of any action he might consider appropriate in the circumstances provided the British Embassy in Washington was told what was happening. Stephenson now sent his representative in Mexico a quantity of "limpet bombs" — small explosive charges to be affixed to a magnetized frame which would adhere to the steel plates of a ship's hull.

However, while these provided a possible means of causing sufficient damage to delay the vessel's departure, it was only a temporary measure, and it was clear that no really effective steps could be taken without the assistance of the U.S. Navy Department. Accordingly, Stephenson went to Hoover and begged him to arrange for the despatch of a naval patrol to the area of the Gulf ports. Hoover agreed, since besides helping his British friends he considered it an excellent pretext for securing some return from O.N.I. for the information he had been supplying from British sources.

U.S. Navy Forgets Neutrality

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Here's why nasal-sinus sufferers say:

"I never felt anything like it!"

Because new Vicks Sinex gives congestion relief you can feel instantly! New Vicks Sinex is the only decongestant nasal spray that combines the exclusive medications of Vicks VapoRub itself — with a special head clearing anti-histamine. Result? You can feel Sinex actively clear congestion in your critical nasal-sinus areas. Try Vicks Sinex. You'll agree: "I never felt anything like it!"



BLADDER IRRITATION MAY DISTURB SLEEP

After 21 twice as many women as men are made miserable by common urinary irritation caused by a germ, *Escherichia Coli*. To quickly combat the secondary aches, muscular pains and disturbed

1 cup soft butter	1 can sweetened condensed milk
1½ cups sugar	1 cup coconut
3 eggs	2 cups sifted icing sugar
1 tsp. vanilla	¼ cup cocoa
1 cup flour	2 tbsp. butter
¼ cup cocoa	½ tsp. vanilla
½ cup broken walnuts	3 tbsp. cream (approx.)

Heat oven to 350 degrees. Grease a 13 x 9½ x 2-inch baking pan.

Cream 1 cup butter and sugar thoroughly. Add eggs one at a time, beating well after each addition. Beat in 1 tsp. vanilla.

Sift flour and ¼ cup cocoa together into mixture and blend well. Stir in walnuts.

Spread in prepared pan and bake about 30 minutes or until a toothpick inserted in centre comes out clean. Remove from oven.

Combine condensed milk (not evaporated milk) and coconut and spread on hot mixture. Return to oven and continue baking until coconut mixture is lightly browned, 15 to 20 minutes. Remove from oven.

Sift icing sugar and ¼ cup cocoa together into bowl. Add 2 tbsp. butter and ½ tsp. vanilla and blend well. Add enough of cream to make a thick icing and spread on warm cake. Cool and cut in bars to serve.

KITCHEN — HINT —



Stir baking powder and soda before measuring to break up any lumps. ◀



PLANTERS Cooking and Salad Oil is the only product we make that doesn't taste of nuts. It's a salad oil, cooking oil, and liquid shortening in one. Its delicate, light flavor is superb for salad dressings. It imparts a crackling-crisp goodness to all your fried foods. (No taste transfer—you can deep-fry fish and doughnuts in the same batch of oil.) Planters is the oil the famous chefs use. Taste the delicious difference it can make in your favorite recipes.

ALL INFORMATION CONTAINED
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DATE 9-16-20 BY 60321

Heat oven to 350 degrees. Grease and flour a 13 x 9½ x 2-inch baking pan.

Cream shortening and sugar together well. Add egg and beat until fluffy.

Beat in molasses and hot water.

Sift flour, baking powder, soda, salt, coffee, cinnamon and cloves together into creamed mixture. Beat until smooth. Spread in prepared pan and bake about 30 minutes or until top springs back when touched lightly in centre.

Cool in pan until just slightly warm. Ice with Creamy Raisin-Nut Icing. Cut in bars to serve.

Creamy Raisin-Nut Icing

½ cup shortening (half butter)	3 to 3½ cups sifted icing sugar
2½ tbsp. flour	½ cup raisins
¼ tsp. salt	½ cup chopped nuts
½ cup milk	½ tsp. vanilla

Melt butter in saucepan. Remove from heat. Blend in flour and salt and stir in milk slowly.

Return to moderate heat and bring to a boil, stirring constantly. (Don't worry if the butter and sugar separate a little.) Boil 1 minute.

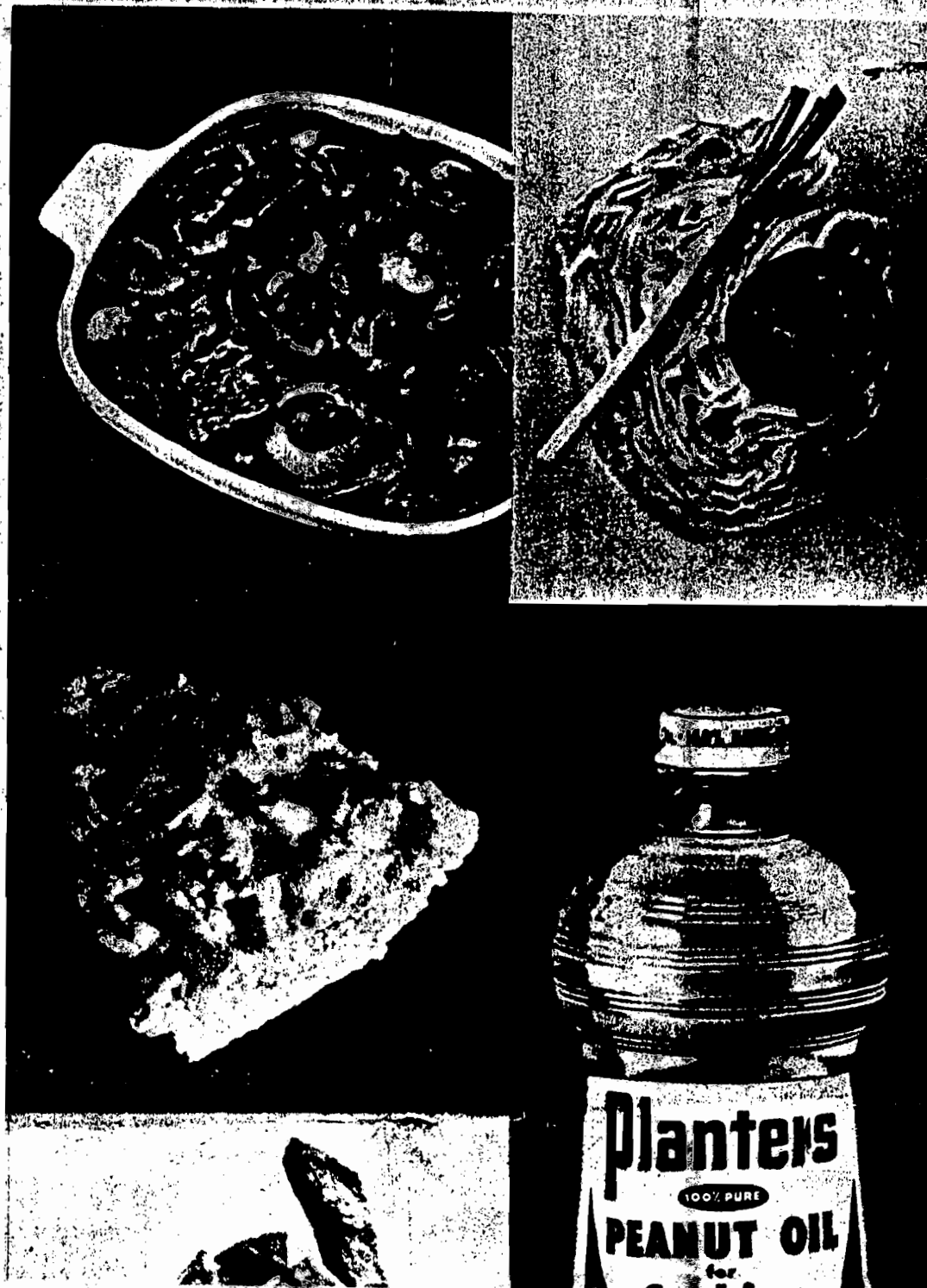
Remove from heat. Set in ice water and stir in icing sugar gradually, adding enough to make the icing thick enough to spread. Stir in raisins, nuts and vanilla.

CHOCOLATE-COCONUT SLICES

1 cup soft butter	1 can sweetened condensed milk
1½ cups sugar	1 cup coconut
3 eggs	2 cups sifted icing sugar
1 tsp. vanilla	¼ cup cocoa
1 cup flour	2 tbsp. butter
¼ cup cocoa	½ tsp. vanilla
½ cup broken walnuts	3 tbsp. cream (approx.)

Heat oven to 350 degrees. Grease a 13 x 9½ x 2-inch baking pan.

Cream 1 cup butter and sugar thoroughly. Add eggs one at a time, beating well after each addition. Beat in 1 tsp. vanilla.



Visaged features are set in the peeled, preserved and
brunken surface of an apple. The medium is limited;
it is next to impossible to carve young apple dolls.

Apple Of His Eye



Select Canadian turkey, carved only from
breasts and thighs. With all the trimmings!
Just heat and serve.

You get big juicy slices of turkey in this Swanson
"TV" Brand Frozen Dinner . . . served with real
sage dressing, butter-whipped potatoes and sweet,
garden-fresh peas. Just pop in the oven. No thaw-
ing. No dishes to wash. So good, yet so quick and
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Fine products from Campbell



Nine great kinds

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Wholesome Nutrition No. 7, 1967

SWANSON



Enlarged features are set in the peeled, preserved and
crunken surface of an apple. The medium is limited;
is next to impossible to carve young apple dolls.

Apple Of His Eye





**I've been on clouds
since I discovered
Tampax**

So soft. So comfortable. So amazingly easy. When I think that even a girl in her teens can endure years of discomfort before discovering Tampax, I simply want to tell all my young friends to switch right away. Believe me, internal sanitary protection is so much better, there's no comparison!

There actually isn't any comparison between Tampax and "the other way." Tampax isn't "less this or more that"—it's completely different! No odor can form. No irritation can take place. Nothing can



Two Americans who gave Sir William valuable aid were Gen. "Wild Bill" Donovan (L) and F.B.I. chief J. Edgar Hoover. Donovan strongly supported the plan for giving war supplies to Britain, and Hoover was a close associate in spy work.

The Quiet Canadian / Continued from Page 4

ligence organization Hoover needed the support of Congress, but this was not forthcoming. Hoover had no legal right to employ any agents outside United States territory. As a result he was forced to act surreptitiously without the knowledge of the State Department and the official United States missions in Latin American countries. His legal authority was limited to counter-espionage activities in the United States.

Stephenson helped Hoover to escape from this dilemma by throwing open to him and his staff all the manifold resources of British secret intelligence. He arranged for two of the bureau's senior officers to visit London headquarters, where they received a detailed briefing in Nazi espionage methods, and subsequently for one of Hoover's assistant directors to visit the various British S.I.S. centres in Latin America and discuss with the officers-in-charge the creation of an F.B.I. field organization in that area.

Through Stephenson's intimate relations with the British Imperial Censorship authorities, it was possible for an experienced F.B.I. agent to be sent to Bermuda and instructed in the techniques of mail examination at the unit set up to intercept and secretly examine all air mail from the U.S. to Europe. F.B.I. laboratory technicians were also made acquainted by one of the Bermuda experts, a woman who had joined Stephenson's New York staff, with the various methods of secretly examining letters in such a manner that their recipients were not aware that they had been

that the seals appeared absolutely intact and were impervious to ultra-violet ray and other chemical tests.

Although Stephenson gave Hoover all the intelligence from secret sources that he was able to obtain at this period, not all of it was of direct interest to the F.B.I. Some of it concerned the intelligence branches of the Navy and War Departments, that is, the Office of Naval Intelligence (O.N.I.) and the Military Intelligence Division (G.2). Hoover in turn passed on this information to O.N.I. and G.2, since Stephenson had no liaison with these service branches, which at this time were opposed to the idea of collaboration with the British.

Blockade Runners Reported

Hoover was also encouraged on occasion to invoke the help of the service departments on behalf of the British even when it ran counter to the State Department's strict policy of neutrality. The following incident, which took place in the autumn of 1940, provided a good example of such intervention.

Stephenson's representative in Mexico City reported that he had reason to believe that four German and 12 Italian ships, which were then lying in the Gulf ports of Tampico and Vera Cruz, were planning to run the British blockade. It certainly looked as if the Axis vessels might succeed in their intention, since the Royal Navy could not



Spy-hunter Lowe

this Weekend and NEXT

Security Problem

Until he was assigned to serialize *The Quiet Canadian* (page 2), Weekend Magazine Associate Editor Frank Lowe always insisted he did not believe in spies — thanks to an experience he suffered early in World War II. He was then a reporter in Halifax, writing about convoys, torpedoes, and survivors of the Battle of the Atlantic. Everyone he met was, naturally, spy-conscious.

So when Lowe noticed that invariably, as a convoy sailed, a window shade in a house overlooking the harbor was raised and lowered, he knew it must be a signal. A spy was in action. Lowe investigated — and almost ended up with a broken head. It seems the blind was a love-smitten young lady's signal to her boy friend that her father was away and the coast was clear. Neither she nor her burly boy friend appreciated Lowe's interference.

So he approached his assignment with Sir William Stephenson, the Canadian who became Britain's top counter-spy, with a great deal of skepticism. But that did not last. In fact, Lowe is now so convinced of the realities of espionage that he burns all memos before reading them. This, he says, not only makes for security — it cuts down on work.

In World War II, he was a key man in British espionage

the men and women who worked for him knew him intimately; he was always courteous but he did maintain an air of aloofness. In fact, his secret-service employees called him God. The receptionist who announced the few visitors penetrating to his World War II headquarters on the 36th floor of the International Building of New York's Rockefeller Plaza was known as Gabriel.

The guard who stood at the portals of his office was referred to, appropriately enough, as Peter.

The few intimates he did have, however, could not say enough good about this "quiet Canadian" who fought a strange, furtive and nasty war in the shadows. Gen. Donovan, who headed the United States secret services, claimed that Sir William taught him everything he knew about espionage. Ian Fleming, whose famous secret-service fictional hero James Bond is sometimes said to be partly fashioned in Sir William's image, discovered that this remote character had one little-suspected quality.

Sir William mixed the best martinis in North America. And he served them in one-quart glasses.

Sir William's career actually began when he left high school in Winnipeg to join up at the out-

break of World War I. He was gazetted a captain, wounded and gassed by the time he was 19. Then, when everyone thought he was unfit for further duty, he joined the Royal Flying Corps.

Thomas Drew-Brook, a Toronto stockbroker who is still a close friend, took one look at this recruit to his R.F.C. squadron and opined he would never make the grade. But Sir William was pasty-faced from his convalescence and his natural politeness and diffident courtesy set him apart from the boisterous, hard-fighting veterans who made up Drew-Brook's squadron.

Then, quietly and efficiently, the recruit went on to shoot down 20 enemy aircraft, earning the Military Cross and Distinguished Flying Cross, before he was shot down in error by a French airman. A German prisoner-of-war camp did not seem a suitable place to Sir William in which to live out the war, so he escaped.

"As a final gesture of contempt," Sir William said, "I stole the picture of the P.O.W. camp commanding officer — from the office of the commanding officer." He still has that picture today.

After the war he returned to Winnipeg briefly,

but soon went back to England and there helped develop the science of wireless photography — an accomplishment which was to make him a millionaire when he was still on the sunny side of 30. He also won the coveted King's Cup air race and began to meet people such as Winston Churchill.

Churchill at that time was in the political wilderness. From the back benches of Parliament his famed rhetoric painted vivid verbal pictures of the holocaust to come, of a Germany re-arming and ready to march. But few listened.

SIR William was one of the few. He did more than listen. He took advantage of his European business trips to ferret out facts and figures about the new German war machine, facts and figures which he passed on to Churchill.

When it all came to pass as Churchill had predicted, it was only natural that these two old collaborators should get together. They did — and H. Montgomery Hyde, author of *The Quiet Canadian*, tells of how this happened, and the results, in these excerpts taken by Weekend Magazine from his book.

Frank Lowe

Weekend Magazine Associate Editor

Ronny Jaques



Sir William Stephenson
today lives the life
of a wealthy businessman
on New York's East
side — but his address
and phone number are
still unlisted.



The end results of these efforts were to be the historic "Destroyers-for-Bases" deal, and the President's program of "Lend-Lease."

When these actions, which played such tremendous roles in saving the free world, were announced, few people knew of the part played by "a quiet Canadian." Now the intrigue, the secret diplomacy, behind these historic acts can be explained.

It was characteristic of William Stephenson that he intuitively picked the one man who could be of the most help to him in his job of persuading President Roosevelt, despite the large body of public opinion which was solidly opposed to U.S. participation in the war, that he should aid Britain. The man whom Stephenson picked was Gen. William "Wild Bill" Donovan.

Britain's Fate In Balance

Donovan was an Irish-American of truly dynamic character. The son of a poor family of Irish immigrants in Buffalo and a Roman Catholic who neither smoked nor drank, he by his own efforts became a successful lawyer. During World War I he served with the famous "Fighting 69th" and earned the Congressional Medal of Honor and became known as "Wild Bill."

Speaking many years later, in the privacy of his New York apartment, Stephenson recalled the vital role played by Donovan after the two of them began to work together. Stephenson said:

"At that time (June, 1940) the United States government was debating two alternative courses of action. One was to endeavor to keep Britain in the war by supplying her with material assistance; the other was to give Britain up for lost and concentrate exclusively on American re-armament to offset the German threat. That the former course was eventually pursued was due in large measure to Donovan's tireless advocacy of it.

"Immediately after the fall of France not even the President himself could feel assured that aid to Britain was not to be wasted in the circumstances. Donovan, on the other hand, was convinced that, granted sufficient aid from the United States, Britain could and would survive.

"It was my task first to inform him of Britain's foremost requirements so that he could make them known in the appropriate quarters and second, to furnish him with the concrete evidence in support of his contention that U.S. assistance would not be

neutrality law and without the risk of alienating U.S. public opinion."

Stephenson said that Donovan should visit Britain so that he would be in a position to give the President a first-hand report on conditions there, and Britain's chances of holding out against Hitler. Donovan welcomed the idea and the President agreed that he should take the trip.

Donovan's visit to Britain took place between mid-July and early August, 1940. Stephenson arranged for him to be received by King George VI, to have ample time with Churchill and learn, as Stephenson expressed it later, "that Churchill, defying the Nazis, was no mere bold façade but the very heart of Britain which was still beating strongly."

On his return, Donovan recommended the transfer of the destroyers to Great Britain. He argued, as a lawyer, that there was no need for the President to submit the plan to Congress, on the ground that it was an exercise of the traditional power of the Chief Executive in foreign affairs.

The President was eventually converted to this view. And on Aug. 13, 1940, he drafted the "Destroyer-for-Bases" deal. In another few months, only this time after a bitter fight in Congress, he was able to take the final step and win approval for his Lend-Lease bill.

* * *

With essential war supplies assured, Stephenson could turn his full attention to the other aspects of his job — the business of counter-espionage, and the equally important task of mobilizing U.S. opinion in favor of Britain.

In this field he established a close working relationship with J. Edgar Hoover, head of the Federal Bureau of Investigation. It was obvious that Stephenson's growing organization, employing its own intelligence agents and establishing its own police force for the protection of British interests, represented a real threat to U.S. neutrality and could not exist at all without the F.B.I.'s quiet, unofficial approval. But Hoover did more than that.

He led the F.B.I. into a fully-fledged alliance with Stephenson's intelligence apparatus. One of the first joint F.B.I.-B.S.C. operations points this up.

In October, 1940, Hoover learned through his agents that \$3,850,000 worth of Italian funds, drawn from banks in the United States by the Italian Embassy in Washington, were to be sent to Latin

by plane, for F.B.I. agents to accompany them. There were three couriers in all, two consuls and an Embassy secretary. They travelled together as far as Brownsville, Tex., but there they separated. Two consuls, who had \$2,450,000 with them, went on to New Orleans to take ship for Latin America, while the secretary, who had the balance of the money with him, boarded a train for Mexico City.

Secret Agents Score Coup

Stephenson, kept informed of their movements, cabled this information to his representative in Mexico City for immediate action. The representative was able to arrange for the secretary's bag to be opened under the authority of the Mexican Police Intelligence Department, and the money found inside confiscated. Such action, was, of course, a violation of diplomatic privilege. When the Italian Minister protested, which he did with considerable vigor, the Mexican government apologized politely for the stupid and unfortunate act of "a new and inexperienced clerk." However, it placed the money in a blocked account, thus rendering it useless for subversive activities.

Unfortunately, the money carried by the consuls escaped detention and control. British secret agents had made elaborate arrangements to purloin it at Pernambuco, but these were frustrated when the ship steamed on to Rio de Janeiro.

It speaks much for Hoover's courage and foresight that he was persuaded to co-operate so wholeheartedly with Stephenson. He was running the considerable risk that his connection with British Intelligence would be exposed and would thus embroil him, as it would certainly have done if it had been detected, in a major political scandal.

* * *

About the time Stephenson first met Hoover, the F.B.I. was entrusted by President Roosevelt with responsibility for collecting secret intelligence of subversive activities throughout the Western Hemisphere likely to endanger United States security and for the preparation of adequate preventive measures against potential spies and saboteurs. It was a responsibility which Hoover welcomed, but he was severely handicapped in discharging it by the Neutrality Act.

Unlike the British Secret Intelligence Service (S.I.S.), the F.B.I. was obliged to operate in the fierce glare of the public scrutiny. To enable it to function as a secret intel- Continued on Page 6



As a World War I pilot, Sir William shot down 20 enemy planes. After the war he turned his attention to wireless photography (R) and made a fortune at it.

The Quiet Canadian / Continued from Page 2

such as Sumner Welles, Under-Secretary of State; Frank Knox, Secretary of the Navy; Henry L. Stimson, Secretary of War.

This warmer-than-expected reception encouraged Stephenson to begin negotiations aimed at carrying out the first part of his job — getting war supplies. The end results of these efforts were to be the historic "Destroyers-for-Bases" deal, and the President's program of "Lend-Lease."

When these actions, which played such tremendous roles in saving the free world, were announced, few people knew of the part played by "a quiet Canadian." Now the intrigue, the secret diplomacy, behind these historic acts can be explained.

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improvident charity but a sound investment."

Donovan, on hearing from Stephenson, arranged a meeting with Knox and Stimson. He, along with Stephenson, argued in favor of giving Britain the 40 or 50 over-age "four-stackers" needed, and discussed how this could be done without infringing the U.S. neutrality law and without the risk of affronting U.S. public opinion.

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America in Italian diplomatic bags. This information he discussed with Stephenson and they agreed that there was a likelihood that the transfer was being made to finance subversive activities, particularly since the money had been drawn in bills of small denomination.

They planned joint counter-action. Hoover arranged for the personnel of the Italian Embassy to be kept under surveillance, and, when the couriers left by plane, for F.B.I. agents to accompany them. There were three couriers in all, two consuls and an Embassy secretary. They travelled together as far as Brownsville, Tex., but there they separated. Two consuls, who had \$2,450,000 with them, went on to New Orleans to take ship for Latin America, while the secretary, who had the balance of the money with him, boarded a train for Mexico City.

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Feb. 16, 1963

Weekend Magazine



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Remember, too, that Tampax was invented by a doctor and that millions of women have used billions of Tampax. Your choice of 3 Tampax absorbencies (Regular, Super, Junior) wherever such products are sold.

Try Tampax this very month and enjoy the freedom this modern protection gives you. Canadian Tampax Corporation Limited, Barrie, Ontario.



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consideration with the British.

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Stephenson's representative in Mexico City reported that he had reason to believe that four German and 12 Italian ships, which were then lying in the Gulf ports of Tampico and Vera Cruz, were planning to run the British blockade. It certainly looked as if the Axis vessels might succeed in their intention, since the Royal Navy could not patrol Mexican territorial waters.

Stephenson passed this information to Hoover for onward transmission to O.N.I. Continued on Page 34



A U.S. and a British sailor stand in the stern of one of the fleet of over-age destroyers the U.S. transferred to Britain in 1940. The vital role Sir William played in historic deal had to be kept secret at the time, but is now revealed.

the harbor was raised and lowered, he knew it must be a signal. A spy was in action. Lowe investigated — and almost ended up with a broken head. It seems the blind was a love-stricken young lady's signal to her boy friend that her father was away and the coast was clear. Neither she nor her busy boy friend appreciated Lowe's interference.

So he approached his assignment with Sir William Stephenson, the Canadian who became Britain's top counter-spy, with a great deal of skepticism. But that did not last. In fact, Lowe is now so convinced of the realities of espionage that he burns all memos before reading them. This, he says, not only makes for security — it cuts down on work.

Greg Clark's Mail Bag



**HOW SWEDEN
KEEPS FIT**

see page 14

MILLIONAIRE MASTER SPY...page 2

Millionaire Who Became A Master Spy

At a command from Winston Churchill the urgent, secret mission begins

THE WHOLE THING had its beginning, as did so many other projects in World War II, in the fertile imagination of Prime Minister Winston Churchill.

It was in May, 1940, a time of frightful urgency. So the meeting between the two old friends was brief and to the point. Churchill spoke of the United States and its vital importance to the Allied war effort, of Britain's need for 40 or 50 of the older U.S. destroyers, and of the need for someone to take on the combined role of organizing a secret intelligence and special operations network in the Western Hemisphere. Suddenly the Prime Minister looked Stephenson straight in the face.

"Your duty lies there," he said. "You must go."

With this simple directive Stephenson began his awesome task. It was a threefold job. The most immediate one was to persuade the United States that it was in that country's own interests to supply Britain with essential war materials—over-age destroyers, bombers, ammunition—so Britain could continue her lonely battle against Nazi Germany,

By H. Montgomery Hyde

which seemed destined to further conquest.

In addition, Stephenson was to investigate enemy activities in the Western Hemisphere and subvert them if possible, and to mobilize U.S. public opinion in favor of helping Britain.

To carry out this broad plan Stephenson established his headquarters on the 35th and 36th floors of the International Building in Rockefeller Centre (630 Fifth avenue), opposite St. Patrick's Cathedral. At first it was operated under cover of the British Passport Control office, but as it grew—many of its top secret agents were recruited from Canada—it soon acquired the name of the British Security Co-ordination.

Almost as soon as he arrived in the United States Stephenson arranged to see President Roosevelt. At that time the British forces in France were escaping

©1962 H. Montgomery Hyde

through the port of Dunkirk and the long agony of the French military and political collapse was beginning. Stephenson knew that many influential Americans sincerely believed that Britain could not survive. He also knew that two of the President's most influential advisers abroad were bluntly advising their government to this effect.

William Bullitt, U.S. Ambassador to Paris, and Joseph Kennedy, father of today's President Kennedy and then Ambassador to the Court of St. James, were telling President Roosevelt that Britain was lost. Kennedy, in fact, vehemently counselled President Roosevelt against "holding the bag in a war in which the Allies expect to be beaten."

Stephenson set out to counteract this gloomy view. He told the President during their first meeting:

"The arsenals of Britain are empty, but she will win out. The British do not kneel easily."

Somewhat to his own surprise, Stephenson found that these were not considered merely words. The President listened carefully. And so did others in Washington, Cabinet officers *Continued on Page 4*

In World War I, the boy from Winnipeg was a fighter ace.

THIS IS THE ERA of the cynic and the knocker, so it is a bold writer indeed who insists that there are still heroes among us — men as human as any of us, but who are somehow slightly larger than life.

Such a man is Sir William Stephenson. At first glance he is as normal as one could expect. He likes white shirts and clothes his normal-size figure in conservative dark suits. He talks amiably if sparingly.

He might be a shade more handsome than most men his age (67) and a romantic might say there is a rare quality of magnetism about his personality.

Then, with time and knowledge the image begins to grow. As he relaxes behind the cluttered desk in his apartment on New York's expensive East Side he will chuckle as he points out that the chair in which he sits was once the property of Kaiser Bill. And scattered unobtrusively among the stacks of books are other mementos — a Cecil Beaton portrait of Churchill, autographed; a photograph of Gen. William "Wild Bill" Donovan; a portrait of a German officer of World War I vintage.

If this intrigues the visitor, and Sir William can be persuaded to talk, these are good starting points

for a conversation which should convince anyone that this man is a real, live, many-sided hero.

It will be a conversation covering a lot of territory. There will be anecdotes about what it was like to grow up in Winnipeg just after the turn of the century, the thoughts that flicker through the mind of a fighter pilot as he closes in for his 20th kill, how it feels to be a prisoner, the secret of becoming a millionaire before the age of 30.

And Sir William might continue, if the company is right, to explain how to become a master spy.

This is not a theoretical discussion. This is all fact because Sir William has been all of those things — Winnipeg schoolboy, fighter-pilot ace, prisoner of war, youthful millionaire, and one of the top men in the little-known world of spy and counterspy.

Today he claims he has put all that behind him, that he is merely a businessman who keeps in touch with his investments — an ordinary fellow who likes to reminisce with a few old and trusted friends.

But his cable address is still "Intrepid." His street address and phone number are unlisted and he has Canadian friends — men who worked closely with him during World War II when he was a shadowy,

hated and feared figure — who will tell you that he is still in danger.

One such Canadian, when asked if his role as a trusted operator working for Sir William could be explained, replied: "No, sir. I don't want a bunch of thugs coming after me at this late date."

A FEW of the things Sir William did during World War II, however, can now be known. He has authorized a book telling some of his exploits during the days when his mandate covered the entire Western Hemisphere and his men and women secretly and sometimes violently fought the enemy where they found them — perhaps in far-away Brazil, perhaps in the rooms of Washington embassies, perhaps in Ottawa. These men and women knew how to read your mail without you knowing it, how to blow up ships and how to steal what they needed.

The book telling about Sir William and his versatile and dangerous crew is called *The Quiet Canadian* — because at one time playwright Robert Sherwood referred to him as "a quiet Canadian."

Quiet Sir William may be. But when the need arises he can express himself very clearly. Few of

The Quiet Canadian

First Of Three Parts

Millionaire Who Became

Duped U.S. Into War, Briton Claims

By JERRY GREENE

Washington, May 4 (NEWS Bureau).—A group of U. S. military intelligence officers is quietly boiling over a new British book which portrays Americans as a bunch of boobs swayed into World War II through operations of the British Secret Intelligence Service.

The officers are pushing for a Congressional investigation of the now-it-can-be-told spy story and subsequent developments which, they believe, indicate the super-secret BSIS is still meddling in American foreign policy. They are particularly interested in BSIS and the touchy U. S.-de Gaulle relations.

The book is entitled "Room 3603," with the subtitle, "The Story of the British Intelligence Center in New York during World War II." (Farrar, Straus and Co.) The author is H. Montgomery Hyde, a noted British historian with a couple of dozen books to his credit. Hyde reveals himself as one of the Intelligence agents during the war.

The title is taken from the wartime headquarters of the "British Security Coordination," American arm of BSIS, which were in Room 3603, at 630 Fifth Ave., New York. The head man was a



Sir William Stephenson
Head Man in Room 3603

Canadian, Sir William Stephenson, a millionaire inventor and industrialist. He was knighted for his services, given the Medal of Merit by former President Truman and, according to the book, still lives "in an expensive apartment building block bordering the East River in New York."

On the surface, "Room 3603" is just another of the gee-whiz what-a-wonderful-job-we-did publications, with dashes of sex and intrigue. It is an excellent tribute to the genius of Sir William. It contains glowing accounts of the cooperation between the U. S. and the British toward winning the war; it is lavish in its praise of J. Edgar Hoover and the FBI.

It also—ever so neatly—knifes Hoover as an overly-ambitious power-snatching individual quite willing to bypass legal technicalities.

The FBI declined comment on the book or its disclosures.

Most importantly, it demonstrates with names, dates and places how thoroughly BSIS penetrated the highest levels of the U. S. government to sway policy decisions.

That's the gimmick that has aroused the old-line American intelligence officers. The book, published last year in Britain under the pseudonym of "John Edgar Hoover," is a

Tolson ☒
Belmont ☒
Mohr ☒
Casper ☒
Callahan ☒
Conrad ☒
DeLoach ☒
Evans ☒
Gale ☒
Rosen ☒
Sullivan ☒
Tavel ☒
Trotter ☒
Tele Room ☒
Holmes ☒
Gandy ☒

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New York Herald Tribune _____
New York Journal-American _____
New York Mirror _____
New York Daily News _____
New York Post _____
The New York Times _____
The Worker _____
The New Leader _____
The Wall Street Journal _____
The National Observer _____
Date _____

NOT RECORDED

149 MAY 13 1963

Mr. de Gaulle or one of his aids saw this," a U. S. intelligence officer said, "and certainly they must have—for it gives details of the theft of French codes from the embassy in Washington—then how could he help wondering about BSIS and the British influence here today? He has been given ample basis for his suspicions."

Author Hyde reveals investigative procedures which have been held sacred by military intelligence officers. He brazenly provides details of policy operations and propaganda maneuvers which are bound to hold the U. S. up to ridicule in international eyes.

In the wake of much blather about "managed news" in Washington in recent months, Hyde recites a tale of news management by BSIS in 1940-41 to curl an editor's hair—if there is any left by the time the reading is done.

If Hyde's statements are not true, then several leading American journalists have wide-open ground for libel action, for he says that Stephenson's agents not only planted stories, but in several instances actually then wrote the copy which was printed without change under well known American names. The author boasted of penetrating syndicates with propaganda.

He had only one reference to THE NEW YORK NEWS, and that was unfriendly, THE NEWS was termed "isolationist."

Hyde went into minute detail over planting a particular series of stories, one of which was so phony that BSIS was justified in enjoying the gullibility of the Americans. This was the week of Aug. 31, 1941, and the headlines in a New York paper (and 100 others) cried out "Vichy Agents Sought Plans of Bren Gun... Tried to get Blueprints of Weapon Defending Britain From Invasion."

This was in the midst of an elaborate campaign to discredit Vichy French representatives in Washington.

The Bren Gun—Who Needs It?

Now when the press fell for this one, almost any hardware store owner could have told an inquirer that the Bren gun was a British modification of a Czech weapon which had been on the commercial market since 1926. Besides, the Germans had long since taken over the Czech factory, then were making better weapons, and the Bren wasn't worth much anyhow.

"It was," Hyde's book relates, "a tremendous scoop for the —"

"While it is possibly true," the book says, "to say that most Americans are intensely suspicious of propaganda, it is certain that a great many of them are remarkably susceptible to it, even in its most patent and blatant form."

The book gives lurid details of how BSIS used a hot bed artiste, intelligence-trained, to grab a secret cipher from an Italian naval officer and then get him booted out of this country. The damsel then moved into the sheets with a French officer to steal the French codes. Hyde reported she and the officer—given the only pseudonyms in the book—are now happily married. That, presumably, was before the Frenchman read "Room 3603" and learned of his Italian predecessor.

They Dealt Directly With the White House

Hyde peels off the covers to show how Stephenson moved in on the late Maj. Gen. William (Wild Bill) Donovan, and on J. Edgar Hoover and through them established a direct contact with the late President Roosevelt for a supply of secret intelligence.

An astounding revelation was that this intelligence link through Donovan and Hoover was established with the explicit understanding that neither the U. S. military chief nor the State Department be allowed to know of the connection.

Nor, apparently, did the British Embassy figure too highly in the BSIS esteem.

On Nov. 27, 1941, Hyde reports, Stephenson received a special message from the White House and cabled London: "Japanese negotiations off. Services expect action within two weeks."

In London, there was a great flurry and cables rocketed to the embassy here. The ambassador, Lord Halifax, was summoned from a Virginia fox hunt to report back to Downing St. that he had no such information. So Stephenson was asked by the British Cabinet for the source of his vital warning. He replied, "The President of the U. S. A."

Hyde reports that Secretary of State Cordell Hull gave this information to Halifax two days later.

His Excellency, Joe Kennedy, Was Included Out

The book did not neglect to include a snide crack at Joseph P. Kennedy, father of President Kennedy, and former ambassador to the Court of St. James's. Donovan was sent on a red carpet trip to England in 1940, the book recalls, and was received with flourishes by the King and Winston Churchill. Stephenson arranged the trip, and Hyde reports:

"One person Donovan did not see in London was the defeatist Ambassador Joseph Kennedy, who by a calculated snub was not advised by the White House of Donovan's tour."

The author gave Stephenson credit for dreaming up the office of Coordinator of Information and maneuvering Donovan into the top job, over his protests. The COI office swelled into the Office of Strategic Services after Pearl Harbor, with Donovan continuing as chief.

A good many Americans who did not believe that the U. S. should enter World War II will be interested in the boastful details of how the BSIS worked to discredit and wreck the old America First organization.

Not All Their Schemes Worked Out

There are the candid facts about how BSIS printed counterfeit tickets to paper Madison Square Garden to disrupt an America First rally Oct. 30, 1941, when Charles A. Lindbergh was to speak. The scheme fell through because the crowd was small.

But BSIS indulged lustily in U. S. elections and legislative affairs and, thinly under the sugarcoating, Hyde's book boasts of enormous successes.

It is assumed that all has been forgiven since we have been blood brothers and allies, and such.

A Congressional investigation, if there should be one, would obviously get nowhere. But the American intelligence officers, who somehow have absorbed the quaint notion that the U. S. interest should still come first, are wondering why, with all its elaborate detail, this book was published with official British sanction, as it so states.

At best, it is a national insult. At worst, it could be sinister. It won't win America any friends in Paris or Rome.



Ex-Ambassador Kennedy
Called a defeatist



J. Edgar Hoover
Praised and neatly knifed



The late Gen. William Donovan
Skipped one stop on tour

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. DeLoach

DATE: 5-6-63

FROM : M. A. Jones

SUBJECT: NEWS ITEM ON BOOK TITLED:
"ROOM 3603"
NEW YORK DAILY NEWS, 5-5-63ALL INFORMATION CONTAINED
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DATE 9-6-83 BY SP1000/100
233238

Tolson	✓
Belmont	✓
Mohr	✓
Casper	
Callahan	
Conrad	
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Evans	
Gale	
Rosen	
Sullivan	
Tavel	
Trotter	
Tele. Room	
Holmes	
Gandy	

An article by Jerry Greene appeared in the May 5, 1963, issue of the New York Daily News titled: "Duped U. S. Into War, Briton Claims." The article dealt with a book just published in the United States titled "Room 3603." It is the story of Sir William Stephenson and British Intelligence in the U. S. during World War II. An autostat of this article is attached.

Although "Room 3603" has just been published in this country, it was published last year in England under the title "The Quiet Canadian." Under this latter title it was reviewed in Central Research Section on December 13, 1962, and that review is attached.

A comparison of the two books revealed that "The Quiet Canadian" contains 242 pages of text while the newest book, "Room 3603" contains 244 pages of text. Pages 243 and 244 contain nothing more than the author's description of the room where Stephenson lives today and a few words about what he is doing with his time. Also on page 243 are words attributed to Honorable David Bruce, United States Ambassador to Great Britain, concerning Stephenson and General William J. Donovan with a great deal of praise for Sir William Stephenson. The last page, 244, contains a tribute from a British woman agent concerning Stephenson. The first issue titled "The Quiet Canadian" contains several photographs scattered throughout the book, one of which was drawing of the Director opposite page 52. The second book, "Room 3603," contains no photographs. "The Quiet Canadian" contains a 2-page Foreword by the Honorable David Bruce while the new edition, "Room 3603," contains a 3 1/4-page Foreword by Ian Fleming. The book, "Room 3603," is attached.

RECOMMENDATION:

For information only.

1 Mr. Sullivan

Enclosures (3)

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REPORT FROM WASHINGTON

By Walter Trohan
CHIEF OF CHICAGO TRIBUNE'S WASHINGTON BUREAU
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How Roosevelt
Tipped British
United States
Would Fight

WASHINGTON, June 28 — On Nov. 27, 1941, 10 days before Pearl Harbor, President Franklin D. Roosevelt sent his son, now Rep. James Roosevelt [D., Cal.] to room 3603 at 650 Fifth avenue, New York City, with a special message to a British intelligence agent, who relayed the message to London. It read:

"Japanese negotiations off. Services expect action within two weeks."

The news stirred the British cabinet and No. 10 Downing street, home of Winston Churchill. An urgent cable came back to the British agent informing him that the prime minister and others wanted to know the source of his grave information. The agent answered briefly: "The President of the United States."

Who was this man, who was advised of war within two weeks, when Maj. Gen. Walter Short and Rear Adm. Husband E. Kimmel, military commanders at Hawaii, were not? He was William Stephenson, a quiet Canadian, married to an American, who has since been knighted for some of the most astounding exploits in intelligence, which may have saved Britain in World War II.

He now lives in New York City and is still a quiet man altho the story of his exploits was published in Britain two years ago under the title, "The Quiet Canadian," by H. Montgomery Hyde, one of his men, and this year in the United States under the title, "Room 3603" [Farrar, Straus & Co., \$4.50].

Directed 1,000 Agents in 'Neutral' U. S.

IN 1940, before the United States entered the war, Stephenson set up a tremendous intelligence agency in New York under the cover of passport control officer. The unit was known as British security coordination, but was actually a branch of the British secret intelligence service. It numbered 1,000 agents in the United States and more in Latin America at a time when the United States was purportedly neutral and barring any belligerent activity by any warring nation not only in the United States but in the western hemisphere, except for British possessions.

By the expressed command of F. D. R. and with the strict injunction that the state department be kept in the dark, there was in F. D. R.'s words "the closest possible marriage between the FBI and British intelligence." This cooperation came as

F. D. R. was promising voters: "Your boys are not going to be sent into any foreign war."

Stephenson was instrumental in having the American navy spot and follow German merchant ships until British units could destroy them. He spotted German U-boats for destruction along the Atlantic coast. He played a major role in obtaining 50 over-age American destroyers for convoy duty in return for bases on British territory. He had agents protecting British war materials in American plants and on American docks. He directed exposure of German agents in the United States, but was careful never to reveal his hand.

Woman Agent Got Italian-Vichy Codes

HE DIRECTED an economic war against the axis power which enabled F. D. R. to seize German assets and companies in America while this country was neutral. He had a woman agent employ her charms to get the Italian and Vichy French naval codes in Washington. He had the late Col. William J. [Wild Bill] Donovan, who later became head of the cloak and dagger office of strategic service, running errands for Britain while operating on American missions. He was intimate with F. D. R.'s brain trusters and cabinet members, especially those favoring war.

Perhaps Stephenson's most amazing effort was to discredit anti-war groups and leaders, and promote intervention propaganda. He concentrated on America First, former Rep. Hamilton Fish [R., N. Y.], Sen. Burton K. Wheeler [D., Mont.] and Charles Lindbergh. Tactics in this campaign, which stirred many Americans during this period and moved them to the cause of intervention, are detailed frankly and proudly. Stephenson planted news stories in one of America's most respected newspapers, wrote columns for a columnist of wide circulation and planted many items with another widely syndicated columnist.

He did all this and more as the man who was fashioning thought in America in one of the nation's most vital periods. He did it without pay, spending his own money out of patriotism. He is to be admired as one of the greatest of the unsung British heroes — unsung until now, altho he was decorated with the United States legion of merit and is one of the few foreign civilians entitled to wear it.

There is one frightening and disturbing thought about this book, however, and that is who is the man who is directing thinking behind the scenes today? Who is the man who is brain washing for appeasement and conciliation? And when will we read his story? In 1984?



Trohan

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FBI Blames Crime Rise on the Public's Apathy

BY WILLIAM ANDERSON

(Chicago Tribune Press Service)

Washington, June 28—One of the major reasons for the increased crime rate in the United States is public apathy, J. Edgar Hoover, director of the Federal Bureau of Investigation, said today.

"The time may be near when the public must actively support adequate and effective law enforcement or be overwhelmed by a criminal jungle," Hoover said in a message to law enforcement agencies.

Common Cause: Hoover

"Mere lip service will not suffice," he said. "The path of patriotic and civic duty leads to personal glory for only a few, but it does lead to the survival of the American way of life—liberty, freedom, and the pursuit of happiness. The task is a common cause. There can be no exception for special interest groups or laggards."

"Feel Sting of Refusals"

Hoover accused those who would shirk such things as jury duty, avoid being witnesses and snub public service as persons who are deadheading on de-

mocracy at the expense of their fellow man.

He said many law enforcement agencies "daily feel the sting of citizens' refusals to help in matters involving the safety of their own communities or the security of their country."

"Some so-called intellectuals and misguided theorists, who view the world thru a rosy haze, are affronted when approached by representatives of duly authorized governmental organizations carrying out their proper functions," he said. "Contemptuous and uncooperative, these persons consider investigative and security inquiries to be ridiculous. Their sense of duty is contaminated."

Chicago Tribune

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EX-101

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[REDACTED]

R. W. Smith

10-1

b7c

Your letter of July 3rd and its
enclosures have been received.

I appreciate your furnishing me
the benefit of your observations.

Sincerely yours,

J. Edgar Hoover

NOTE: Correspondent is not identifiable in Bufiles. Enclosures consist of two newspaper clippings from an undated issue of the Chicago Tribune. One clipping relates in brief the alleged exploits of William Stephenson, a British Intelligence agent, as obtained from the book by H. Montgomery Hyde, entitled "Room 3603." Article states his activities were known to very few government officials but that they were known to President Roosevelt who allegedly stated there was "the closest possible marriage between the FBI and British intelligence." The article questions who the man is behind the scenes today and when will his story be known. Bufiles reflect Hyde's book was reviewed by Central Research Section and found to have many references to the Director and the FBI. Director is praised for building FBI into a renowned national institution, for early cooperation with British Security Co-ordination (BSC) but is criticized for "untenable position" of allegedly insisting upon retaining FBI monopoly of liaison with BSC. BSC is given credit for initiating some FBI investigations, and FBI is accused of reluctance to utilize double agents during early years of war and for jeopardizing a British double agent operation. The second article contains the statements of the Director from the July issue of the LEB concerning the apathy of certain segments of the public who has contributed to a rise in crime.

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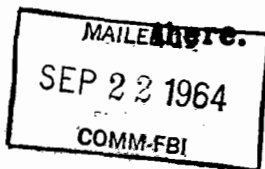
September 22, 1964

AIRMAIL

Sir William Stephenson
The Princess
Pitts Bay, Bermuda

Dear Sir William:

Thank you for the newspaper clipping which
Lady Stephenson and you sent me announcing your retire-
ment. I was pleased to learn that you have selected
Bermuda for your permanent home, and you have my
best wishes for all possible happiness and good health



Sincerely yours,
J. Edgar Hoover

SEP 22 2 40 PM '64
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- 1 - London - Enclosure
- 1 - Ottawa - Enclosure

- 1 - Foreign Liaison Unit - Enclosure

NOTE: Bufiles indicate limited cordial correspondence with
~~Mr. Stephenson~~ ^{SIR WILLIAM} who was formerly a British Intelligence Agent.
He was the subject of a book entitled "Room 3603" which both
praises the FBI and ~~also~~ criticizes it in certain parts.

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Tele. Room _____
Holmes _____
Gandy _____

CJJ:cal

(6)

SEP 25 3 10 PM '64

EX-114

REC-34

105-25621-4

SEP 28 1964

RECEIVED DIRECTOR
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-6-83 BY [signature]

56 OCT 5 1964

MAIL ROOM ☐ TELETYPE UNIT ☐

LCM
B.L.

DO-6

OFFICE OF DIRECTOR
FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

MR. TOLSON _____
MR. BELMONT _____
MR. MOHR _____
MR. CASPER _____
MR. CALLAHAN _____
MR. CONRAD _____
MR. DELOACH _____
MR. EVANS _____
MR. GALE _____
MR. ROSEN _____
MR. SULLIVAN _____
MR. TAVEL _____
MR. TROTTER _____
MR. JONES _____
TELE. ROOM _____
MISS HOLMES _____
MRS. METCALF _____
MISS GANDY _____

b7c [REDACTED]

With Compliments of:

Sir William and Lady Stephenson,
The Princess,
Pitts Bay,
Bermuda.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-6-83 BY SP1022K/1086

NOT RECORDED
20 SEP 28 1964

ENCLOSURE

105-35621-4

THE ROYAL GAZETTE, TUESDAY, SEPTEMBER 8, 1964

"The Quiet Canadian" Takes Up Residence in Bermuda

"The Quiet Canadian" and his wife have now retired and made Bermuda their home.

Sir William Stephenson, hero of the book about the British Intelligence Centre in New York during the Second World War and a much travelled man, has selected Bermuda for his permanent home and he and Lady Stephenson have an apartment on the sixth floor of the Princess Hotel.

Sir William was director of British Security Coordination in the Western Hemisphere from 1940 to 1946. The book "The Quiet Canadian," by H. Montgomery Hyde, about Sir William and the activities of the intelligence centre — which made constant reference to Bermuda — was published in the United Kingdom in 1962.

The title of the 1963 American publication was "Room 3603."

It is perhaps ironic that Sir William and Lady Stephenson have chosen the Princess Hotel as their new home, for it was

in the old Princess Hotel, during the Second World War, that the Imperial Censorship had its headquarters. And in those days Sir William was practically a commuter between New York and Bermuda in connection with censoring mail and anti-subversive activities.

Since the war Sir William and his wife have been annual visitors to the Colony, where they have many friends. They were in fact spending a holiday at the Princess at the end of June and timed their visit to coincide with the Newport-

Bermuda yacht race and the arrival of the Tall Ships which raced to Bermuda from Lisbon. Interviewed by a Royal Gazette reporter at that time, Sir William made no indication that he intended to retire here.

However, he wrote to the same reporter from the Princess a few days ago and announced: "After representing governments in various capacities in the U.S.A. for 24 years, I have retired and we propose to live here permanently — indeed at this hotel."

Asked yesterday why she and her husband had selected Bermuda as their retirement home, Lady Stephenson replied "Because this is the most beautiful place we know and we have always intended to settle here. It has just taken a little while getting around to it."

Born in Canada, Sir William became a millionaire before he was 30 years old through his invention of the device for transmitting photographs by wireless. He and Lady Stephenson — who was born in Tennessee — celebrated their fortieth wedding anniversary this year.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-16-85 BY SP1 [signature]

let to Stephenson
9-22-64
CST/cal [signature]

456.7

ENCLOSURE

105-25631-4

PRO. Mailing List
Change Noted
9-21-64 [signature]

822

Mar. 6 1966

b7c

J Edgar Hoover Director
Federal Bureau of Investigation
Washington
D.C.

Dear Mr. Hoover;

I was wondering if you would be willing to put me in touch with Sir William Stephenson, former head of the British Security Agency. For several years now I have been trying to persuade various companies to develop a device that would allow pilots to see through fog when approaching a landing field. Since Sir William was a flyer in World War I, as well as the inventor of facsimile transmission, I feel that he is the one most likely to come up with an answer to this problem.

The only company I know of that is working on this is Perkins & Elmer. They are using an infra red laser flying spot scanner. I personally believe that a microwave system would be better. These of course are technical decisions that can only be decided by experiment.

If you decide you need any reference on me [redacted] one of your agents went to high school with me and might testify to my sanity. I believe [redacted] now. I last saw him at our High School reunion in April of 65.

I hope you decide favorably on this.

Sincerely yours,

b7c

nml

ack.
reference
address for
correspondence to be maintained
in Civil Records Division
3-10-66
DCL:cms

(Stephenson also on
Director's [redacted] card list)

105-25621-5

10 MAR 15 1966

CORRESPONDENCE

SECRET

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

March 14, 1966

REC 35

105-25621-5

Classified by SP1/100/60
Declassify on: OSMA
9-6-83

Dear [REDACTED]

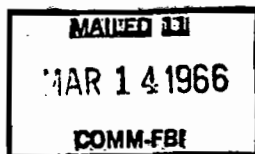
Your letter of March 6th has been received.

In response to your inquiry, it is suggested
that you contact the Information Office, British Embassy,
3100 Massachusetts Avenue, Northwest, Washington, D. C.
20008, for any help it is in a position to furnish you.

Sincerely yours,

J. Edgar Hoover

John Edgar Hoover
Director



2 - New York - Enclosures (2)

ATTENTION SAC: No references appear in Bufiles regarding
[REDACTED] other than those known to your office.

NOTE: Correspondent makes reference to SA [REDACTED]
[REDACTED] There has been past cordial
correspondence with Sir William Stephenson who, [REDACTED]
[REDACTED] handled British intelligence work in
New York City during World War II.

NOTE continued next page

Tolson _____
DeLoach _____
Mohr _____
Wick _____
Casper _____
Callahan _____
Conrad _____
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Gandy _____

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[REDACTED] b7c

He forwarded a clipping from "The Royal Gazette," city and state not given, dated 9-8-64 which carried a feature story regarding his and his wife's taking up residence in Bermuda upon his retirement. He is presently residing at The Princess, Pitts Bay, Bermuda, and he and his wife are on the Director's ^{Staff} Christmas Card List. He has received other publicity in connection with a book about his intelligence work called "The Quiet Canadian" by H. Montgomery Hyde, published in the United Kingdom in 1962. (105-25621)

[REDACTED]

(S) b1

SECRET

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UNITED STATES GOVERNMENT

Memorandum

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Tolson	_____
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Tele. Room	_____
Holmes	_____
Gandy	_____

TO : Mr. DeLoach

DATE: 10/11/67

FROM : T. E. Bishop

SUBJECT: SIR WILLIAM STEPHENSON
CANADIAN LEADER ASSOCIATED
WITH OFFICE OF STRATEGIC SERVICES
(OSS) DURING WORLD WAR II

Classified by *201*
Declassify on: *ADR*
9-12-83
14/11

Miss Maggie Haford, Canadian Desk, U. S. Information Agency, Washington, D.C., telephoned my office on 10/9/67 and said she had somewhat of an unusual request. Miss Haford stated that Sir William Stephenson, a Canadian, had been very active during World War II in working with the Office of Strategic Services (OSS) and had reportedly had considerable contact with William Donovan of OSS and Allen Dulles.

It appears that a group of Canadians are planning some kind of surprise commemoration of the life of Stephenson and had understood that Stephenson had made a tape recording some years ago of his reminiscences of OSS days and particularly his associations with William Donovan and Allen Dulles. Miss Haford said the tape possibly carried some reminiscences concerning Stephenson's association with the Director. From her research, she felt that any such tape would be in the possession of Stephenson and possibly the possession of those who might have some of the possessions of William Donovan. She had no indication that the Director or the Bureau ever received or had knowledge of the tape of Stephenson, but desired a check of the Bureau to make sure.

A check was made of Bureau files and no information was located having a bearing on the existence or whereabouts of any tape as allegedly made by Stephenson. Miss Haford was so advised, and stated that she intended to have her people in Canada go directly to Stephenson if they desired further action.

ACTION

62 NOV 14 1967 For information.

- 1 - Mr. DeLoach
- 1 - Mr. Jones

JEB:mle

704 OCT 16 1967

REC-25

105-2562-16

OCT 17 1967

~~SECRET~~

CRIMINAL RESEARCH

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-12-83 BY SP-1 JEB/08

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Bishop *TSB*

DATE: 11-8-67

FROM : M. A. Jones

SUBJECT: SHAUN HERRON
WINNIPEG FREE PRESS
WINNIPEG, CANADA
REQUEST TO MEET THE DIRECTOR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-12-83 BY SP1 LSK/asp

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DeLoach _____
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Conrad _____
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Tele. Room _____
Holmes _____
Gandy _____

By letter dated 11-1-67 to the Director, captioned individual stated that the Director had long ago known and helped Sir William Stephenson when he operated out of New York during the war. The Canadian Broadcasting Corporation, according to Herron, is doing a documentary radio program on Stephenson, and it is desired that individuals who knew him be interviewed regarding his work.

Herron requests to see the Director in late November to interview the Director about Stephenson himself, the actual cooperation afforded him, and the importance of Stephenson's work. The program has three purposes which are to make a public record on Stephenson, establish the validity of his work, and, lastly, to argue its continuing validity in the face of general public skepticism.

INFORMATION IN BUFILES:

Stephenson was former head of British Security Co-ordination (BSC), which operated in the United States prior and during World War II. The Director has had limited cordial correspondence with him. He was awarded the Medal of Merit by former President Harry Truman, and the award was made on the recommendation of William Donovan, former head of OSS. By letter dated 10-20-53, Stephenson advised the Director that the Bureau's "most generous and unstinted cooperation" with British Intelligence was a matter of "the most explicit and positive record." *105-25621-*

In 1962, a biography regarding Stephenson entitled *"The Quiet Canadian"* was reviewed by the Central Research *Section* of the Domestic Intelligence Division. It emphasized Stephenson's activities in BSC and was an obvious attempt to glorify him and make it appear he was largely responsible for turning the tide in World War II. In the book, Stephenson and British Intelligence are given the major share of credit for the success of all allied nations in the fields of intelligence, counter espionage, detecting enemy saboteurs, and sabotage behind enemy lines in World War II.

Enclosure *11-9-67*

- 1 - Mr. DeLoach - Encs.
- 1 - Mr. Bishop - Encs.

- 1 - Miss Holmes - Encs.
- 1 - Mr. Brennan (Liaison Section) - Encs.

CONTINUED - OVER

DFC:mac (8)

57 NOV 22 1967

CORRESPONDENCE

M. A. Jones to Bishop Memo
RE: SHAUN HERRON

The Director and the FBI are mentioned prominently throughout the book. The Director is praised for building the FBI into a renowned national institution, and his early cooperation with BSC, but is criticized for allegedly insisting upon retaining FBI monopoly of liaison with BSC. b7c

[REDACTED] b7c

[REDACTED] b7c

There is nothing derogatory in Bufiles regarding Winnipeg Free Press and we have had limited cordial correspondence with representative of that publication.

OBSERVATIONS: b7c

[REDACTED]

it is felt he should be sent a response over Miss Gandy's signature advising him of the Director's busy schedule and pointing out to him that information contained in FBI files is confidential and that the Director cannot be of assistance in this instance.

RECOMMENDATIONS:

1. That the Director not take time from his busy schedule to see Herron.
2. That the attached letter over Miss Gandy's signature be sent to Herron advising him of the Director's busy schedule and of the confidential nature of information in FBI files.

November 2, 1967

105-25621-

Mr. Shaun Herron
Winnipeg Free Press
Company, Limited
207 Carlton Street
Winnipeg 2, Canada

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-12-83 BY 2081 wsc/af

Dear Mr. Herron:

Your letter of November 1, 1967, was received as Mr. Hoover was preparing to leave the city.

He asked me to advise you that the pressure of his official commitments is such as to preclude the possibility of his seeing you. In addition, he is unable to comment in the manner you desire in view of regulations of the Department of Justice pertaining to the confidential nature of information in FBI files.

Sincerely yours,

Helen W. Gandy
Secretary

1 - Ottawa - Enclosure

- 1 - Mr. DeLoach (Sent with cover memo)
- 1 - Mr. Bishop (Sent with cover memo)
- 1 - Miss Holmes (Sent with cover memo)
- 1 - Mr. Brennan - Liaison Section (Sent with cover memo)

NOTE: See M. A. Jones to Bishop Memo dated 11-8-67, captioned "Shaun Herron, Winnipeg Free Press, Winnipeg, Canada, Request to Meet the Director."

DFC:jar/smg (10)

57 NOV 28 1967

MAIL ROOM ☐ TELETYPE UNIT ☐

384

Winnipeg Free Press

Company Limited

300 CARLTON STREET, WINNIPEG 2, CANADA

TELEPHONE 943-9331

JOHN SIFTON
PRESIDENT

PETER MCINTOCK
EXECUTIVE EDITOR

R. S. MALONE
PUBLISHER AND EDITOR-IN-CHIEF

R. H. SHELFORD
BUSINESS MANAGER

November 1, 1967.

J. Edgar Hoover,
Federal Bureau of Investigation,
Washington, D.C.

Dear Mr. Hoover:

Long ago you knew and helped Sir William Stephenson in his work, when he operated out of New York during the war. The Canadian Broadcasting Corporation is doing a documentary on him - he was born here - for transmission and for our archives. It will be a one and a half hour radio program. I am to write it. And we are anxious to interview about him and his work, some of those to whom he was specially indebted. In Britain, Mountbatten and several of the men who worked with him; in the United States yourself. In Bermuda, Sir William himself.

I know you cannot have much time for this sort of thing, but we should be grateful for your help. We would want to talk to you in several areas: About Sir William himself as you remember him; about the actual co-operation you gave him or got from him; about the importance of the work in hand for the interests of the state; and the importance of the same work now, in this hemisphere, for the continued safety of the state in a different time, but the same dangers.

This program has three purposes. First to make the record on Sir William. Second. to establish the validity of the work. Third, to argue its continuing validity in the face of general public skepticism.

105-25621-
NOT RECORDED
199 NOV 15 1967

NOV 15 1967

APPROC

NOV 6 1967

CONFIDENTIAL

.....2

We would be happy to come to Washington for the interview. Our timetable suggests late November if you would see us then. You would do us a great service if you did.

Sincerely,

A handwritten signature in cursive script, appearing to read "Shaun Herron".

SH/lb

Shaun Herron.

11
✓
TELEPHONE 2-4012

CABLES: "INTREPID" BERMUDA

CAMDE

CAMDE

PAGET.

24 Ju

Mr. Tolson	_____
Mr. DeLoach	_____
Mr. Mohr	_____
Mr. Bishop	✓
Mr. Casper	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. Felt	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

With greetings and compliments
Sir William Stephenson.

Personal
Enc. to Mr J. Edgar Hoover,
Director, F.B.I.
Washington, D.C.

105-25621-7
ENCLOSURE

REC-28

FRD chg

7-2-68
Mailing List

Change Noted

JUL 8 1968

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DATE 9-6-83 BY [signature]

CONFIDENTIAL

REC-28

105-25621-7

July 2, 1968

AIRMAIL

0
Sir William Stephenson
Camden House
Camden North
Paget, Bermuda

Dear Sir William:

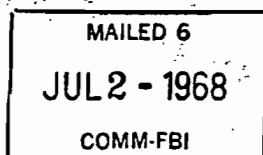
Thank you for your note of June 24th and
your thoughtfulness in sending me the copy of the book
review containing your comments. I am certainly grateful
for the high regard you expressed for my administration
of this Bureau.

Sincerely yours,
J. Edgar Hoover

NOTE: Bufiles indicate prior cordial correspondence with Sir William
on the Director's notepaper. He was a former British Intelligence Agent
who headed the British Security Co-ordination which operated in the U.S.
prior to World War II.

JBT:sam (3)

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Tolson _____
DeLoach _____
Mohr _____
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HEREIN IS UNCLASSIFIED
DATE 9.6.85 BY SP1-111/102

59 JUL 15 1968

MAIL ROOM ☐ TELETYPE UNIT ☐

GLIDE & MAIL TORONTO JUNE 1/63

BOOKS & BOOKMEN

BY WILLIAM FRENCH

Kim Philby has a few kind words to say about Sir William Stephenson in his memoirs, reviewed on the opposite page. His comments are based on the professional respect of one good espionage agent for another.

Winnipeg-born Stephenson was director of Britain's secret intelligence organization in the United States during the Second World War. Its job ostensibly was to protect British shipping and supplies against German sabotage in U.S. ports, but it went much further than that, into counter-espionage and sabotage. The story of that bizarre operation has been told in Montgomery Hyde's *The Quiet Canadian*.

Philby calls Stephenson a true top-level operator and credits him with persuading the Americans to create their own intelligence service. According to Philby, Stephenson's activities in the United States were regarded sourly by J. Edgar Hoover. Says Philby: "The implication that the FBI was not capable of dealing with sabotage on American soil was wounding to a man of his raging vanity."

Stephenson, who now lives in Bermuda, does not reciprocate Philby's admiration, as became clear when he was asked by *The Globe Magazine* to review Philby's *My Silent War*. He hadn't heard of the book, but agreed to have a look at it. A few days later he cabled his decision:

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"I would not wish to review it in any detail or further its sale because it is just another piece of Soviet propaganda designed to denigrate and ridicule the intelligence services of the western powers with a view to destroying our first line of defense, which is information. War has become a thing of instantaneous combustion engulfing civilian and soldier alike. Surely it is plain that against enemy attack today the first defense must be information to find out when and where an aggressor intends to strike. That is the role of secret intelligence and without it all other forms of defense would be of sadly limited avail.

"Philby's attack on John Edgar Hoover (the world's greatest law enforcement officer) is an example of the dog digging in the muck for his master's tossed bone. This book holds nothing of interest to decent patriots. If it achieves any real sale it will be by the efforts of nihilists or worse who are of the loathsome Philby breed. Greetings, (signed) Intrepid."

18

105-25621-7

ENCLOSURE

UNITED STATES GOVERNMENT

Memorandum

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.:
Admin. _____
Comp. Syst. _____
Ext. Affairs _____
Files & Com. _____
Gen. Inv. _____
Ident. _____
Inspection _____
Intell. _____
Laboratory _____
Plan. & Eval. _____
Spec. Inv. _____
Training _____
Legal Coun. _____
Telephone Rm. _____
Director Sec'y _____

TO :

Mr. Moore *M/12*

4/20/76

FROM :

A. E. Schiappa *AES/B*

ALL INFORMATION CONTAINED
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EXCEPT WHERE SHOWN
OTHERWISE

~~SECRET~~

SUBJECT:

REVIEW OF THE BOOK ENTITLED
"A MAN CALLED INTREPID"
BY WILLIAM STEVENSON.

PURPOSE:

To review "A Man Called Intrepid," which was forwarded to the Director by Julian P. Muller, Harcourt Brace Jovanich, Inc., 757 Third Avenue, New York, New York 10017, with the compliments of Sir William Stephenson.

SYNOPSIS:

This book was reviewed and it was determined to be a biography of Sir William Stephenson, who was the former head of the British Security Coordination (BSC), which operated in the United States from April, 1940, to the end of World War II. The author credits Stephenson and his agency with taking a prominent role in winning the war against Germany during World War II. There are numerous references to Former Director J. Edgar Hoover and the FBI. The most significant among these were: the FBI was the primary liaison agency between Stephenson and President Roosevelt; Mr. Hoover is accused of being responsible for making an error that led to the Japanese success at Pearl Harbor; Mr. Hoover is criticized for breaking up German Intelligence Networks for publicity rather than using them; and Mr. Hoover is credited for sensing that someone inside the British Intelligence Service was trying to harm Anglo-American relations during World War II.

RECOMMENDATION:

None. For Information.

REC-83

105-25621-8

EX-1047

APR 29 1976

APPROVED:

Assoc. Dir. _____

Dep. AD Adm. _____

Dep. AD Inv. _____

Asst. Dir.: _____

Admin. _____

Comp. Syst. _____

Ext. Affairs. *M/12*

Gen. Inv. _____

Ident. _____

Inspection _____

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Plan. & Eval. _____

Rec. Mgmt. _____

Spec. Inv. _____

Training _____

1 - Mr. Leavitt
1 - Mr. Moore
1 - Mr. Malmfeldt
DMG/rkm/ph (7)

55 MAY 14 1976

MAY 4 1976

~~SECRET~~

Indy 2

A. E. Schiappa to Mr. Moore memorandum
Re: BOOK ENTITLED "A MAN CALLED INTREPID"
BY WILLIAM STEVENSON.

~~SECRET~~

DETAILS:

This book gives the major share of credit to Sir William Stephenson and the British Security Coordination (BSC) for successes in the field of intelligence, counter-intelligence, detecting enemy saboteurs, and for guerrilla warfare operations directed against Nazi Germany during World War II. They claim responsibility for taking the initiative in the development of the Atomic Bomb (pp. 78-79, 143-144, 412-413), and it is revealed that Stephenson directed a vast secret intelligence operation in the Western Hemisphere during World War II.

There are many references to Former Director J. Edgar Hoover and the FBI. The FBI was the primary liaison between Stephenson and President Roosevelt (pp. 77-80). The first meeting between Mr. Hoover and Stephenson is described as the beginning of a long and stormy relationship (p. 79). The book states that: "The price of Mr. Hoover's cooperation was always conditioned by his overall ambition for the FBI and that Mr. Hoover wanted to retain a monopoly of liaison with BSC" (pp. 160-161). It is alleged that it was Mr. Hoover's ambition to expand the FBI into an international agency (pp. 161, 378). It is asserted that "Mr. Hoover keenly resented William Donovan's organization, Office of Strategic Services (OSS), when it was established in July, 1941, because he feared it would hurt the authority of the FBI, particularly in South America and Latin America" (pp. 271, 364).

It is alleged that this conflict consummated in mid-1941, when Mr. Hoover tried to suppress BSC operations by forcing disclosure of them (pp. 271, 364, 369). It is stated that it became necessary to recapture Mr. Hoover's good will by professing more secrets to him and including him in on more operations (p. 271). After the culmination of the first successful operation, it is said that Mr. Hoover concluded that he could dominate the overall U. S. Intelligence effort (p. 276).

It was stated that the FBI became dependant upon BSC for information (correspondence interceptions in Bermuda by BSC) without which the FBI would have been severely handicapped

~~SECRET~~

A. E. Schiappa to Mr. Moore memorandum
Re: BOOK ENTITLED "A MAN CALLED INTREPID"
BY WILLIAM STEVENSON.

~~SECRET~~

for their successful prosecution of several espionage cases during 1940 and 1941 (pp. 172, 173).

Mr. Hoover is accused of being stubborn in resisting the use of double agents and also that he made an error, according to his enemies, that led to the Japanese success at Pearl Harbor. It is stated that TRICYCLE, supposedly one of the double agents under British control, came to the United States and because TRICYCLE was on American soil, he had to be handed over to Mr. Hoover and the FBI. On his way to the United States, TRICYCLE held meetings in Lisbon, Portugal, where he was told by his German handlers that the Japanese were studying a method of using carrier-borne torpedo bombers against Pearl Harbor, something along the lines of a British operation against the Italian Fleet in the shallow waters of Taranto in southern Italy. TRICYCLE brought with him a questionnaire with a section headed "Naval Strong Point Pearl Harbor," which asked for specialized and detailed information. It is said that Mr. Hoover disliked TRICYCLE'S flamboyance and life style and refused to believe his extraordinary story (pp. 256-260).

Mr. Hoover is criticized for breaking up German Intelligence networks rather than using them. It is alleged that his motive was to publicize everything to enhance the FBI's reputation (pp. 249-250, 270).

There were favorable references to the FBI in the text. It was stated that Mr. Hoover and the FBI actually provided Stephenson with enormous help during those frantic months after the establishment of BSC (p. 162, 374). Mr. Hoover is credited for taking control of the FBI and turning it into a national institution (p. 162). It is mentioned that those agents who dealt with FBI Agents, especially the Canadian security men, had nothing but praise for their discretion, efficiency, and willingness to admit ignorance of what were then new and startling espionage techniques (p. 161).

It was mentioned that when Mr. Hoover and Stephenson worked in tandem, operations often went very smoothly (p. 371).

~~SECRET~~

A. E. Schiappa to Mr. Moore memorandum
Re: BOOK ENTITLED "A MAN CALLED INTREPID"
BY WILLIAM STEVENSON

~~SECRET~~

The text notes that one of the best results of collaboration between Stephenson and Mr. Hoover was in using the information obtained from the BSC correspondence interceptions in Bermuda, Trinidad and Jamaica. It was said that the FBI was severely handicapped in this area for there was no postal censorship in the United States (p. 172). The FBI was credited in the book for solving the mystery of a Nazi Microdot System (p. 372). Mr. Hoover is credited for sensing that someone [Kim Philby, Russian agent who penetrated the British Intelligence Service and defected to Russia in the early 1960's] in the BIS in London was trying to harm Anglo-American relations during World War II (pp. 397, 409-412).

[REDACTED] b1
[S] This book is the second of two biographies concerning Sir William Stephenson. The first, published in the United States as "Room 3603," and in Great Britain as "The Quiet Canadian" by H. Montgomery Hyde, was reviewed by the Central Research Section of the Domestic Intelligence Division on December 13, 1962.

Despite a similarity in their names, the author and the subject of this book are different individuals. The author, William Stevenson, is said to have met the subject while on special assignment to British intelligence during World War II.

[REDACTED] b1

4/23/76 Book returned in D.O. [S] K

~~SECRET~~

UNITED STATES GOVERNMENT

Memorandum

~~SECRET~~

1 - Mr. W. O. Cregar
1 - Mr. R. J. Gray, Jr.
1 - Mr. J. R. Mellitt

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.: _____
Adm. Serv. _____
Crim. Inv. _____
Fin. & Pers. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Spec. Inv. _____
Tech. Serv. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

TO : Mr. W. O. Cregar *wsc/pj*

FROM : R. J. Gray, Jr. *RJG*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE
DATE: 8/22/78

SUBJECT: SUPPLEMENTAL BOOK REVIEW: "A MAN CALLED INTREPID,
THE SECRET WAR" BY WILLIAM STEVENSON; HARDCOURT BRACE
JOVANOVICH, 1976, 486 PAGES (INDEXED)

PURPOSE:

To file a supplemental review of captioned book
(to that prepared 4/20/76). (U)

SYNOPSIS:

This book contains a significant version of the
history of British - American intelligence operations in
World War II, emphasizing the contributions of British
Security Coordination (BSC) and particularly Sir William
Stephenson. The book documentation is at times thin and
it contains some major inaccuracies, perhaps intended by
the book's sources. (U)

RECOMMENDATION:

None. For information. (U)

Classified by *2233938*
Declassify on: OADR

~~SECRET~~
Classified by 1929
Exempt from GDS, Category 2
Date of Declassification Indefinite

105-25621

EJA:maf
(4)

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62 SEP 19 1978

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Memorandum to Mr. W. O. Cregar

Re: Supplemental Book Review: "A Man Called Intrepid,
The Secret War" by William Stevenson Harcourt Brace
Jovanovich, 1976, 486 pages (Indexed)

DETAILS:

[REDACTED] b1
(C)

The book's greatest flaws lie in its historical exaggeration, adulatory portrait of INTREPID (in heroic, superhuman proportions) and certain factual inaccuracies. It is, after all, a relatively undocumented propaganda piece 30 years late on the British contribution to the secret war against Hitler.

[REDACTED] b1
(C)

[REDACTED] b1
(S)

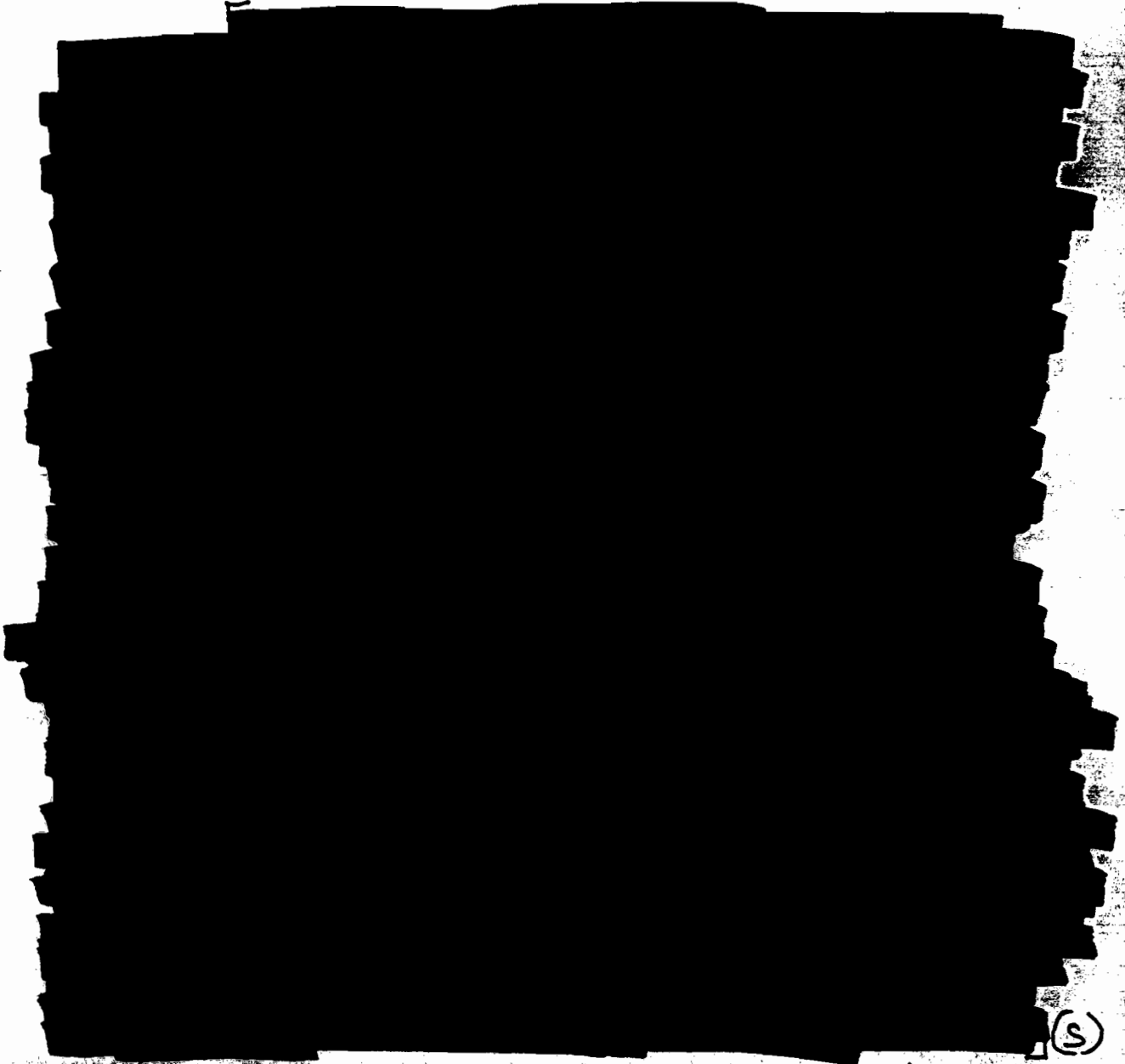
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[REDACTED] b1
[REDACTED] (S)
An apparently deliberate attempt is made in the book to characterize the FBI and other U. S. organizations and figures in a positive way. However, mention of J. Edgar Hoover is colored at times by an excessively patronizing attitude, accompanied by ignorance of American political realities of the 1940's, and at times the book is quite critical of Hoover, blaming his alleged penchant for publicity in espionage cases for jeopardizing BSC security and sources. (U)

[REDACTED] b1
[REDACTED] (S) Hoover is seen as almost always dealing with Stephenson through his aides, while the book implies that Stephenson was frequently in contact with not only Hoover but other Washington chiefs themselves, from Roosevelt to Donovan. Stephenson apparently had plenty of time for travel, meetings and direct contacts, according to the book. The book implies that Stephenson manipulated Roosevelt, actually recruited Donovan and induced Roosevelt to appoint him chief of the new U. S. Intelligence apparatus and that Stephenson worked intimately with Donovan through the war. The book (amazingly) names only one other FBI Special Agent besides Hoover: "Sam" Foxworth (SAC New York); "former FBI man James Callaghan," who had moved to Canada, is mentioned in passing. The book says that Foxworth related to Stephenson the content of an FBI wiretap on the German Embassy, Washington, D. C., [REDACTED] b1
[REDACTED] (S)

In the essentials of its presentation, the book agrees with material published in The Codebreakers, by David Kahn and The Double-Cross System, by Sir John Masterman,

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both mentioned in support of Stevenson's recollections, and
The Ultra Secret, by Group Captain F. W. Winterbotham.
However, Intrepid attempts to show a much more comprehensive
overview of wartime intelligence than these other books. (U)

Stephenson himself had little documentation,
if any, to provide Stevenson for use in writing the book:
"Stephenson discarded purely personal papers and memorabilia
with the same ruthlessness that he destroyed his past in
the mid-1930's. He had his phenomenal memory. And he had
Mary, his wife, with her own amazing capacity for recall."
Stephenson used such imaginative contributors as Ian Fleming,
whom he quotes at least twice when relating purported
murders and other extreme acts conducted by BSC on American
soil allegedly with the FBI's knowledge and acquiescence/
assistance. He portrays Fleming as accompanying Stephenson
on a surreptitious entry into a Japanese office to photograph
cryptographic material. The incredible nature of many such
anecdotes in the book does not contribute to belief by a
critical reader. (U)

Intrepid also appears to contradict itself in
places. While it was stated that BSC was in no position
to operate a counterintelligence service or police in the
U. S., it was alleged that at one time, BSC had over 2,000
employees in New York City and was engaging in a wide variety
of offensive intelligence and counterintelligence activities
in the U. S. against the will of the U. S. Government (including
assassination, security/protection of munitions shipping,
surveillance, penetration of U. S. labor and industry, recruiting
"agents of influence" and use of extraordinary techniques to
obtain information). From a location called "Camp X," in Canada,
the book says that operations overseas were prepared and directed,
using U. S. support, supplies, agents recruited in the U. S. and,
allegedly, some FBI assistance. Since BSC was in effect the
headquarters of all British intelligence services, its operations
certainly intruded into the realm of the comparable U. S.
services (against the will of the U. S.). (U)

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(S) b7

(S) b7

However incredible in parts, the book contains an interesting and readable version of an aspect of allied intelligence history which until recently was virtually unknown to the public. (U)

~~SECRET~~