

## *Counter-espionage and security in Great Britain during the First World War*

IN August 1914 there were two distinct organizations in Britain concerned with counter-espionage. The first was a small and very secret group of army officers with the designation MO(t), which had been working outside the War Office with substantial independence, and which managed to retain its freedom of action after the outbreak of war. These officers worked under the command of Major Vernon Kell, who had founded the unit in October 1909 as part of the government's Secret Service Bureau; and although on mobilization they were absorbed by the War Office as subsection MO5(g) of the Directorate of Military Operations, this was only an administrative manoeuvre – Kell's group in fact remaining 'outside the War Office, retaining only one room in the main building as a post office.'<sup>1</sup> This small group of experts – which on 4 August 1914 included only nine officers – existed officially 'to expose and frustrate the clandestine activities of enemy aliens under whatever form they may be encountered'<sup>2</sup> and was free to develop its investigations in whichever direction its commander thought fit. In the years before the war this independence had allowed Kell to establish links with numerous permanent civil servants and police officers, and to carry out investigations of resident German and Austro-Hungarian aliens in such secrecy that in 1914, as his deputy Eric Holt Wilson recalled, 'even the Chiefs of the Fighting Services and Secretaries of State were scarcely aware of the existence of this immensely powerful and complete Security organization.'<sup>3</sup> The second unit concerned with counter-espionage was the Special Branch of the Criminal Investigation Department at

1. P[ublic] R[ecord] O[ffice], London, WO 32/10776, 'Historical Sketch of the Directorate of Military Intelligence ... 1914-1919' (1921), p. 12. For the early years of Kell's work, see my 'The Failure of British Counter-Espionage Against Germany, 1907-1914', *Historical Journal*, xxviii, 4 (1985), 835-62. Aged forty in 1914, Vernon Kell was a diligent junior officer with an ambitious wife. His military career had consisted of a short period in Russia, two years in a minor office in China, and army qualifications in Russian and German which had led to service in the Intelligence branch of the War Office. A quiet man, with firm loyalties and strong convictions, his cosmopolitan upbringing had brought him little except an unshakeable belief in the superiority of the British race, and his thirty years at the head of military counter-espionage became a crusade to preserve the Empire from the schemings of jealous foreigners.

2. J. E. E[dmonds], 'Brigadier Sir Eric Holt-Wilson', *Royal Engineers Journal*, lxiv No. 3 (Sept. 1950), 344. This wording appeared in Holt Wilson's job description as deputy to Kell.

3. Kell papers (Simpson), 'Security Intelligence in War' by H[olt]. W[ilson]., 1934, p. 14. I am grateful to Mrs Susan Simpson for permission to consult this group of Kell's papers.

Scotland Yard, which in 1914 included 114 of the 700 or so officers of that body, and was known as CID(S). This section had a peculiar history, having been formally established in 1883 as the 'Special Irish Branch' of the CID, charged with investigating Irish terrorism in London and including a large number of Irish officers, but over the succeeding years being used to investigate any suspect organization from suffragettes to German spies. Basil Thomson, the Assistant Commissioner in charge of the CID during the First World War, recalled that the Special Branch 'gradually grew into a body which undertook anything which was not necessarily a crime'; but the tradition of recruiting a high proportion of Irish officers continued, and from 1903 to 1918 the section was commanded by Superintendent Patrick Quinn, an Irishman from County Mayo who had been appointed to the section in 1887.<sup>1</sup> The Branch was far less independent than Kell's unit, but it was also far larger, and as the Metropolitan Police came under the direct control of the Home Secretary, it could be employed on investigations anywhere in the country – the government paying for this privilege with an annual contribution to the Metropolitan Police Fund 'in respect of the Special Branch'.<sup>2</sup> During 1913–14 this source provided Quinn with a budget of some £19,325, and as at this time Kell could command at best only three detectives and a budget of £6,000–£7,000 per annum, it was natural that counter-espionage should come to depend on officers from the Branch for most of the routine inquiries, and for all of the detailed investigations and arrests.<sup>3</sup> Kell's section however remained in overall

1. PRO, MEPO 2/1643, unsigned CID report 're augmentation to strength of Special Branch', 20 Nov. 1914; B. Thomson, *Queer People* (London, 1922), p. 47; J. Moylan, *Scotland Yard* (London, 1934), pp. 218–20; G. Dilnot, *The Story of Scotland Yard* (London, 1926), p. 253; Cmd. 874 (1920 Session, xxii), 'Committee on the Police Service/Minutes of Evidence' (1920), p. 29 [Q. 501 – evidence of B. Thomson, 21 Mar. 1919]; *Who Was Who, 1929–1940* (London, 1941), p. 1114, 'Sir Patrick Quinn', 1855–1936. Basil Thomson had an exotic background which would have set him apart in any profession. The son of the Archbishop of York, he had gone to Eton and Oxford before spending ten years in the colonial service in Fiji, Tonga – of which he was Prime Minister – and British New Guinea. In 1896 he was called to the bar, and became deputy governor of Liverpool prison, rising through a number of appointments to become governor of Wormwood Scrubs and, in 1908, secretary to the prison commission. In 1913, at the age of fifty-two, he became Assistant Commissioner. With such a background it is perhaps not surprising that he regarded all men as either child-like natives needing paternal guidance, or hardened criminals deserving swift punishment. Patrick Quinn was a short, bearded Irishman who spoke little and 'lived solely for his work'. One of the earliest members of the Special Branch, he had been attached to the Criminal Investigation Department at Scotland Yard in 1883, and moved to the Branch four years later. In 1903 he became its Superintendent, and held this post until his retirement in 1918 at the age of sixty-three. Knighted for this work in 1919, his skill in building imposing reports from small amounts of evidence was to make him a useful assistant to Thomson.

2. E. Troup, *The Home Office* (London, 1925), pp. 97–8; Cmd. 874, 'Committee on the Police Service' (1920), *ubi supra* [Q. 503]

3. R. Allason, *The Branch: A history of the Metropolitan Police Special Branch 1883–1983* (London, 1983), p. 41; H[ouse of] L[ords] R[ecord] O[ffice], London, Lloyd George papers, F/9/2/16, 'Reduction of Estimates for Secret Services' by W. S. Churchill, 19 Mar. 1920, p. 3. I am grateful to Rupert Allason for his help in tracing references to the work of the Special Branch in 1914.

control, for as one Special Branch officer recalled, 'our surveillance of these foreign agents was normal routine, and in most cases the officer knew little of the true reason for his own work on each individual case.'<sup>1</sup>

On 3 August 1914, the day before the declaration of war against Germany, Kell's unit co-ordinated the arrest of the twenty-two German agents known to be operating in England, and began the close monitoring of some two hundred other individuals.<sup>2</sup> The whole of the Special Branch was then employed 'making inquiries regarding aliens and suspects', and within a week the entire pre-war German spy network had been broken up. Yet paradoxically, the achievement of Kell's main objective brought its own problems, for counter-espionage had previously relied on a secret interception of the correspondence of known agents, and these men were now interned for deportation. Much of his work had thus to begin anew.<sup>3</sup> During the war his organization – which came to be known as the Security Service – worked in three distinct divisions, described as the 'Administrative', 'Preventive', and 'Detective' branches.<sup>4</sup> Kell was himself in command of the detective branch, and sought to develop two sources of information which had proved successful before the war. The first was the interception of correspondence, which was now the responsibility of the Postal Censors in War Office subsection MO5(h) and the Cable Censors in subsection MO5(d), but which had at first only limited resources, for, as a later report admitted:

It was ... never anticipated that any postal censorship other than the examination of the correspondence of suspected persons would be found necessary, nor indeed that it would be possible to provide the staff for a more extended censorship.<sup>5</sup>

The second source of information came in the surveillance and penetration of those German espionage organizations in neutral countries which had been identified as operating agents in the United Kingdom. Before 1914, Kell's unit had not only kept watch on German spies at home, but had also 'attended their meeting places

1. W. H. Thomson, *Guard from the Yard* (London, 1938), p. 42.

2. Kell papers (Simpson), 'Security Intelligence in War' by H[olt]. W[ilson], 1934, p. 17. The actual arrests were carried out on 4 Aug. 1914 – one agent evading capture and returning to Germany.

3. *Hansard*, House of Lords debates, 35, vol. 18, 25 Nov. 1914, col. 145 (Haldane); PRO, CAB 15/6/16, C. W. Mathews to Sec. of War Cabinet, 13 June 1919, p. 4; S. T. Felstead, *German Spies at Bay* (London, 1920), pp. 7–10, 22.

4. Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 10. I am grateful to Mr Robin S. Frost for permission to consult this group of Kell's papers. These divisions first appeared in the structure of Kell's section in October 1914, but the pattern became more complicated in subsequent years. For a full description of the changes in the Security Service during the war, see Appendix A.

5. J. E. Edmonds, 'Brigadier Sir Eric Holt-Wilson', *ibid. supra*; PRO, WO 32/10776, 'Historical Sketch' (1921), p. 4; PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section I (p. i).

abroad', and had organized a 'systematic observation' of known rendezvous in Rotterdam, the Hague, Ostend, and other cities.<sup>1</sup> These operations were now extended, and were carried out in co-operation with Commander Mansfield Cumming, head of the espionage branch of the Secret Service Bureau since 1909 and at this time nominally attached to the War Office through subsection MO5(j).<sup>2</sup> Counter-espionage officers stationed in Cumming's bureaux abroad could thus work in conjunction with the postal and cable censorships in locating and investigating suspicious addresses.

This strategy soon produced valuable results. On 19 September 1914 the censorship was extended to cover communications with Sweden, and almost immediately afterwards a cable from Edinburgh was intercepted on its way to a suspect in Stockholm named Adolf Burchard.<sup>3</sup> The message read 'MUST CANCEL/ JOHNSON VERY ILL FOR LAST 4 DAYS/ SHALL LEAVE SOON', and was identified as referring to the imminent departure of the Grand Fleet from the Firth of Forth.<sup>4</sup> The postal censorship was immediately alerted, and as one censor recalled of his first day early in October 1914:

Several names were written on a large blackboard which hung on the wall, plainly visible, and we had to keep a sharp look out for any mention of these in the letters we read. The names were those of persons suspected of sending secret information to Germany via neutral countries. In addition, a short sentence was scribbled up on this board: 'Johnson is ill' ... somewhere in England a German officer was travelling about who intended to use this formula to convey the news of certain movements of the British fleet.<sup>5</sup>

The sender of these messages – a German officer named Carl Lody travelling on a stolen American passport – was located and watched, and the case was passed to Captain Reginald Drake, who had worked with Kell since 1912. Drake intercepted all the messages which passed between Lody and his superiors, altering some to render them

1. Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, pp. 5–6. Thus in 1911 the War Office had discovered that in Brussels a beer merchant named Dittenberg worked 'as a "post office" for German intelligence': PRO, WO 33/613, 'Intelligence Series/Belgium' (1914), p. 43.

2. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 4, 7. For Cumming's career before 1914, see my 'The Failure of British Espionage against Germany, 1907–1914', *Historical Journal*, xxvi, 4 (1983), 867–89.

3. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 20; Felstead, *German Spies*, p. 28. Sidney Felstead's book is probably the nearest there will ever be to an official history of British counter-espionage during the First World War, being written with information from both the Security Service and Special Branch: S. T. Felstead, *In Search of Sensation* (London, 1945), pp. 85–7; Churchill College Cambridge, Archives Centre, Hall papers, 1/3, R. J. Drake to W. R. Hall, 1 Nov. 1932.

4. Kell papers (Frost), undated manuscript note by Kell, giving the text of Lody's cable.

5. J. C. Silber, *The Invisible Weapons* (London, 1932), p. 41. Silber dates this as 12 Oct. 1914, by which time Lody was under arrest. It would seem that the note was left on the board in case some of his letters remained uncensored; it was rubbed out a few days later.

harmless yet at the same time allowing misleading information to pass through. He then arranged for Lody to be arrested at Queenstown in Ireland on 2 October 1914, and planned a trial *in camera* in order to implement 'an ingenious method for conveying false information to the enemy which depended on their not knowing which of their agents had been caught'.<sup>1</sup>

An unfortunate accident meant that the full plan could not be put into operation, for at the vital moment Drake was rushed off to hospital with appendicitis, and in his absence Lody was given a full-dress public court-martial at the Westminster Guildhall,<sup>2</sup> but in essence this first wartime case contained the pattern for most subsequent counter-espionage. During the war Kell's branch was to locate and bring to trial some thirty-one 'bona-fide enemy agents', in addition to many others interned for lack of evidence, being 'mainly people taken off boats who had not actually landed in this country, and who therefore could not be tried under our laws'.<sup>3</sup> In all such cases the Security Service gained valuable assistance from the censorship, which located all the correspondence of Kell's suspects, but as with Lody it was the monitoring of German spy networks in neutral countries which first identified all those agents brought to trial. The centre of such operations was Holland, for most wartime espionage against Britain was directed from Antwerp, and the agents were generally given a final briefing in Rotterdam before leaving from that port. Early in the war, Kell thus recruited his own representative in Rotterdam, choosing the journalist James Dunn, local correspondent of the 'Daily Mail', and allowing him 'a substantial sum for expenses' in return for information. It is known that Kell received a report from Rotterdam on an agent named Pierre Rothheudt as early as January 1915, and Dunn managed to locate and report on a number of German spies being sent to England 'ostensibly as agents for Dutch Gin'; but in August 1915, after official complaints from the German Embassy at The Hague, he was arrested by the Dutch for infringing the neutrality of Holland. From then onwards Kell seems to have relied on similar reports from Commander Richard Bolton Tinsley, the head of Cumming's Rotterdam bureau, whose shipping business gave him a much better cover than Dunn, and who enjoyed better relations

1. Felstead, *German Spies*, pp. 29–30; Kell papers (Frost), lecture by Kell headed 'Scottish Chief Constables', 26 Feb. 1925, pp. 8–9; Hall papers, 3/4, Hall memoirs, 'Second Rough Draft/Chapter Six' (c. 1932), pp. 3–4.

2. Hall papers, 3/4, memoirs, 'Chapter Six', pp. 3–4.

3. Felstead, *German Spies*, p. 20. Statistics of actual spies caught vary from thirty (Lloyd George papers, F/9/2/16, 'Reduction of Estimates' by W. S. Churchill, 19 Mar. 1920, p. 2) to forty-three (J. E. E. [diamonds], 'Brigadier Sir Eric Holt-Wilson', *ibid supra*, p. 345), no doubt according to differing definitions of a 'bona fide' agent. The figure thirty-one comes from a paper by Kell himself; see Appendix C.

with the Dutch authorities.<sup>1</sup> Most of the subsequent identifications of agents seem to have come from Tinsley's counter-espionage staff, and as Reginald Drake confirmed after the war, in none of the thirty-one principal cases 'did the information come to M.I.5 from any outside source, although we did of course get tons of information from all sorts of sources, none of which, however, led to a conviction.'<sup>2</sup>

Once the suspects had been identified in this way, the details were passed to the postal and cable censors, whose staffs grew so rapidly that by 31 December 1914 the postal censorship alone numbered 170, and by 31 December 1915 had grown to 1,453.<sup>3</sup> The names and addresses were entered in a 'Black List' of suspects, which soon outgrew the blackboard system and which by the end of the war ran to twenty-one volumes and included no fewer than 13,500 individuals.<sup>4</sup> The censorship detected a suspect's correspondence from the forwarding addresses given in the 'Black List', and passed it to Kell, who stopped or altered letters and used them to pass false information – sometimes continuing the correspondence even after the arrest of the agent. These arrests were still carried out by the Special Branch, but Kell's unit remained in overall control; and as Reginald Drake noted firmly, Basil Thomson played no part in the detection of agents and 'did not know of the existence, name, or activity of any convicted spy until I told him.'<sup>5</sup> It was also alleged that Thomson 'did naught as regards German spies except providing cells',<sup>6</sup> but this is not quite correct, for, as he later wrote:

the Admiralty and War Office intelligence services had not the outdoor personnel necessary for dealing with these cases ... and it became the custom to make the office of the head of the C.I.D. the common meeting-ground for the two services in which the statements of suspected persons were taken down in shorthand to be used afterwards, if necessary, at their trials.<sup>7</sup>

The Security Service indeed 'possessed several barristers capable of examining suspected people', but as it lacked both the necessary staff and accommodation to deal with those detained, had decided to leave such work to Thomson.<sup>8</sup> The resulting co-operation was supervised

1. J. Dunn, 'Spies!' *British Legion Journal*, xii, No. 10 (Apr. 1933), 339–53; J. Dunn, *Paper Chase* (London, 1938), pp. 112, 115; Intelligence Corps Museum, Ashford, Burge papers, Acc. 268/Envelope E 61, 'The History of the British Secret Service in Holland' Part I, 14 Feb. 1917, p. 15; Felstead, *German Spies*, p. 227; H. Landau, *All's Fair* (New York, 1934), pp. 46–7.

2. Hall papers, 1/3, Drake to Hall, 1 Nov. 1932.

3. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 20. By November 1918, there were 4,861 on the postal censorship staff.

4. Kell papers (Frost), lecture by Kell headed 'Scottish Chief Constables', 26 Feb. 1925, p. 24.

5. Hall papers, 1/3, Drake to Hall, 1 Nov. 1932.

6. Liddell Hart Centre for Military Archives, King's College London, Edmonds papers, VII/3, note by Edmonds on cutting from *The Times*, dated 12 Nov. 1921.

7. B. Thomson, *The Story of Scotland Yard* (London, 1935), p. 191.

8. Felstead, *German Spies*, p. 163.



by the Home Office, which in wartime 'co-ordinated the work of the "Special Branch" of New Scotland Yard and of the County and Borough Police with the action of the Military Intelligence department'.<sup>1</sup>

This system of counter-espionage was extended and perfected during 1915. The development came partly from the growing size and efficiency of the censorship, which 'rendered the task of communication with foreign sources, other than by legitimate means, one of extreme difficulty and danger',<sup>2</sup> but also came through the interrogations of a number of captured spies – no fewer than sixteen German agents being arrested in the space of a few months. It first became apparent towards the end of May 1915 that an attempt was being made to establish a new espionage network in England, and Kell was initially alarmed as seven agents were arrested during the subsequent fortnight, but it was soon evident that in fact all the new agents had been detected and the scheme had collapsed – leaving the Security Service better informed than ever about German methods. The case of Haicke Janssen demonstrates well the efficient working of British counter-espionage in this period. In May 1915, the confessions of a captured German agent named Robert Rosenthal warned the Security Service that they would have to watch out for 'enemy agents in the guise of commercial travellers of quasi-neutral origin', and, after evidence that some naval intelligence was indeed reaching the Germans, Kell ordered 'a special check on all outgoing correspondence and cables'. This 'super-censorship' soon revealed that two Dutch commercial travellers named Roos and Janssen were sending unusually large orders for cigars from naval bases to a firm called 'Dierks and Co.' in the Hague – an address known to be the cover for a German agent named Hasebroek. Their arrest was ordered, and Detective-Inspector Herbert Fitch of the Special Branch apprehended Roos in London and Janssen in Southampton; but under interrogation at Scotland Yard they continued to insist that they were merely commercial travellers. Only after the court had sentenced them to death on 16 July 1915 did they volunteer confessions, and as Basil Thomson recalled:

Janssen actually gave some useful information about the German spy organization in Holland. He said that his sympathies were really with us, and he could not understand how he had been tempted to serve the other side.

Janssen indeed provided important details about the Dutch network which enabled Kell to locate 'many spies who subsequently come to this country', but he was nevertheless executed along with Willem Roos on 30 July 1915, just a few weeks after their first arrival in

1. Troup, *The Home Office*, p. 241.

2. Felstead, *German Spies*, p. 136.

England.<sup>1</sup> In this way each agent arrested made British counter-espionage more efficient, and by the end of 1915 the Security Service had built up a very detailed picture of German methods.<sup>2</sup>

During 1915 there was also a significant improvement in the 'Preventive' branch of the Security Service. This section came under the command of Kell's deputy, Eric Holt Wilson, who had supervised the drafting of all new counter-espionage legislation from the time of his joining the unit in 1912, and who had been responsible for the framing of the powerful Regulations issued under the Defence of the Realm Act and the Aliens Restriction Act on the outbreak of war.<sup>3</sup> As he later noted, his wartime duties then expanded to include:

- (a) The framing and administration of Defence Regulations designed for Security purposes.
- (b) advising the Home Office and police on the working of the Aliens Restriction Act, and the supervision of the Registration of Aliens, in so far as Service matters were concerned; especially the supervision of all aliens who were working in contact with the forces or on munitions.
- (c) the internment of alien enemies and dangerous persons, and the removal of suspected persons to safer places of residence.
- (d) the creation of Special and Prohibited Military Areas; each strictly controlled as regards the ingress and place of residence of all strangers and foreigners.
- (e) the institution of Special Permit Offices to issue passes and permits to enter places of naval and military importance, and for travelling overseas.<sup>4</sup>

Holt Wilson's branch not only devised these Regulations and controls, but also worked out in detail the necessary forms and procedures and supervised their operation. His staff was indeed of great importance, for, as the statistics in Appendix D reveal, they ultimately controlled the major part of Kell's executive work, with some 96 per cent of the cases brought by the Security Service under emergency legislation

1. *Ibid.* pp. 100, 102–9, 227; Kell papers (Frost), extract from lecture headed 'Number of Spies Caught' (n.d.), p. 18, and typed notes headed 'War Period III/Slides' (n.d.); H. T. Fitch, *Traitors Within* (London, 1933), pp. 132–6; Thomson, *Queer People*, p. 136.

2. In October 1915, for instance, the arrest and interrogation of a Dutchman named Govers, who had come to England as a German agent, enabled the Security Service to supply the cable censors with full details of the system of code telegrams then being used: Report by Maj. E. Anson of MI5(g), 28 June 1919, reprinted in PRO, DEFE 1/130, (report on cable censorship 1914–18), p. 103.

3. Edmonds papers, II/1/65A, 'Copy of a letter from Brig. Sir Eric Holt-Wilson, 17–7–42.' When recruited for Kell's unit in 1912, Eric Holt Wilson was an athletic, six-foot-three Royal Engineer instructor, who had seen service in some twenty engagements during the Boer War and held the D.S.O. Aged thirty-eight on the outbreak of war, he had proved a willing and efficient deputy to the older Kell, devotedly sharing the latter's belief in a threat from 'secret enemies of the Empire.' Holt Wilson remained with his chief until their compulsory retirement in 1940, when he paid for his loyalty by being granted a pension related solely to his rank in 1912 – just £440 per year.

4. Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 11.



coming under their authority.<sup>1</sup> Their most important single responsibility, however, was probably the new Military Port Control Service which was formed during 1915 and incorporated in the Security Service in August 1915 as MO5(c).<sup>2</sup> Holt Wilson organized this 'hand in hand with the Home Office Aliens Officers, Police and Customs at the Ports', and it had an immediate effect in reducing the level of German espionage – growing in time to become 'the deciding factor as to who should enter or leave the country'.<sup>3</sup> A system of 'Security Police' was eventually established at the ports to handle this work, in conjunction with 'Military Control Officers' attached to the British embassies in the major allied and neutral countries 'to give or withhold visas on the passports of those wishing to come to this country',<sup>4</sup> and thus the Security Service could control all travel to and from Great Britain, or follow the progress of any suspect.

On 23 December 1915, as this work was being perfected, there came a change in the organization of military counter-espionage. The old Directorate of Military Operations to which both Kell and Cumming were attached was reformed, with eight of its sections being separated to form a new Directorate of Military Intelligence. On 3 January 1916 Major-General George Macdonogh was appointed as Director, with Cumming's Security Service section – now entitled MI1(c) – placed under his personal control. Also under his control was a 'sub-directorate for Special Intelligence' headed by Brigadier-General George Cockerill, which included Kell's section – now entitled MI5 – along with the sections for Press Control, Postal Censorship, and Cable Censorship.<sup>5</sup> As before, the section called MI5 provided only what Holt Wilson called 'a camouflaged official home' for the Security Service, and the connection between Cumming and

1. As Appendix D shows, charges of 'espionage, treason &c' accounted for only 65 of the 1,742 cases recorded, leaving ninety-six per cent as Holt Wilson's responsibility.

2. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 12.

3. Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 11.

4. *Ibid.* pp. 11–12. The system of 'Military Control Officers' abroad was apparently started by Maj. Claude Dansey, who headed MO5(c) from 1915 to 1917; A. Read and D. Fisher, *Colonel Z* (London, 1984), p. 104.

5. PRO, WO 32/10776, 'Historical Sketch' (1921), pp. 6, 12. George Macdonogh was an Engineer officer and qualified barrister who had worked with Kell in the Far Eastern section of military intelligence before becoming his administrative superior in 1910 as head of the 'Miscellaneous' section – entitled MO5. Here he was concerned with plans for wartime postal and cable censorship, and press control, as well as with the planning of emergency legislation – entrusted to him because of his legal knowledge. At the age of fifty in August 1914, he joined the BEF as head of the Intelligence Section, and held this post until he returned to the War Office as Director of Military Intelligence in 1916. He had wide experience of all aspects of intelligence work, and after his retirement from this work in 1918 claimed credit as founder of the modern British secret service. George Cockerill had preceded Macdonogh as head of MO5 from 1906–1908, devoting his much of his time to the same problems of press control and emergency legislation. In August 1914 he returned to the War Office as head of the legal subsection MO5(a), before being promoted to Colonel in October and made overall head of MO5.

section MI1(c) was equally slight, but with Macdonogh's skill at co-ordinating such work 'the reputation of the new directorate rose to a deservedly high level'.<sup>1</sup> There was in particular a significant improvement 'in that portion of our Security Service which kept in touch with enemy activities abroad.'<sup>2</sup> Much of this work seems to have fallen to Cumming's bureau in Rotterdam, where Commander Tinsley had a separate counter-espionage organization headed by an officer named de Mestre. By 1916, Tinsley's official duties were defined as including the provision of 'information with regard to contre-espionage, commerce, and contraband, etc. as well as purely military information', and de Mestre's agents were employed checking suspicious individuals and addresses referred to them by Kell, as well as in keeping a watch on all known German agents in Holland, and maintaining the 'Black List' of those to whom visas would not be granted.<sup>3</sup> As a result Kell's officers 'were able to gather a mass of intelligence concerning the enemy's methods, together with particulars of the people he was employing, which very largely resulted in spies finding it impossible to land here at all.'<sup>4</sup>

From 1916 onwards it was indeed increasingly difficult for the Germans to operate agents in the United Kingdom. The spies sent over were instructed principally in the collection of 'naval information and, in particular, detailed information concerning the movement of naval units', so that their reports needed to be transmitted as rapidly as possible.<sup>5</sup> The telegraph would have been the most effective medium of communication, but as a report by the Security Service later noted, by the end of 1915 the cable censorship had become too efficient for telegrams to be used to send coded messages:

during the years 1916, 1917, and 1918 we endeavoured by various means to obtain information as to the use of code telegrams to or from this country, but the answers given by enemy master-agents, with whom our representatives were able to establish contact were almost invariably to the effect that it was too dangerous to use this method in the case of communications from England, and elaborate instructions in the use of improved invisible inks were generally substituted.<sup>6</sup>

1. Edmonds papers, II/1/65a, 'Copy of a letter from Brig. Sir Eric Holt-Wilson, 17-7-42'; II/1/80c; Macdonogh's obituary, *The Times*, 13 July 1942, p. 6, col. 4: 'Lieut.-Gen. Sir George Macdonogh'.

2. Felstead, *German Spies*, p. 221.

3. Landau, *All's Fair*, pp. 45, 160-2; Burge papers, Acc. 268/Envelope E 61, 'British Secret Service in Holland' Part I, 14 Feb. 1917, p. 26. Landau indicates that de Mestre was involved in the investigation of Karl Muller, suggesting that he was responsible for counter-espionage under Tinsley from the beginning of 1915 at least.

4. Felstead, *German Spies*, p. 221.

5. PRO, DEFE 1/130, p. 104, report by Maj. Anson, 28 June 1919. The spies sent over in the summer of 1915, for instance, 'were under orders to proceed to Edinburgh, Glasgow and Newcastle to try and ascertain exactly what naval bases we were using and what was our state of preparedness in the event of a sudden onslaught'; Felstead, *German Spies*, p. 142.

6. PRO DEFE 1/130, pp. 103-4, report by Maj. Anson, 28 June 1919.

Yet even reports in invisible ink now fell victim to the tightening censorship, for the number of cover addresses in neutral countries available to German agents 'was comparatively limited; perhaps not two hundred in all'; thus as the censorship 'Black List' increased in size, so a larger proportion of the reports sent by post were intercepted, and their numbers declined. During the first half of 1916 more than ten such reports were detected each week, but by the same months in 1917 the average had fallen to below one a fortnight.<sup>1</sup> Eventually this means of communication failed altogether, for even if the censorship could not detect or develop all messages in invisible ink, it rendered them valueless by delaying for up to a month the letters in which they were concealed. The Germans were finally forced to depend on agents who posed as commercial travellers, planned to stay in Britain for only a short period, and 'relied on their memory to transmit to their employers anything they had seen or heard' – committing nothing to writing if they could possibly help it.<sup>2</sup> This failure of German espionage soon became obvious to the counter-espionage organizations. As Basil Thomson noted on 22 April 1916, a Dutchman working as a double agent had provided 'a very interesting report' on the previous day: 'The Germans had given him £250 and £3 a day travelling allowance while he collected information in England. The man said that the Germans are very short of news from England.'<sup>3</sup> As a consequence of this breakdown the last spy to be executed in Britain during the war was shot on 11 April 1916, and over the following year only five agents were arrested and brought to trial. Then, in the second half of 1917, came a long period of inactivity, for as was later admitted 'we had by this time cultivated such a knowledge of the German spy organization in Holland that we were warned when enemy agents were about to depart for these shores.'<sup>4</sup> Similar precautions had been taken with other neutral countries, and during the last thirteen months of the war – from September 1917 to November 1918 – the efficiency of the Security Service was such that no German agent got as far as being brought to trial.<sup>5</sup>

1. Felstead, *German Spies*, pp. 81–2. Felstead also stated that a total of about three hundred enciphered reports in invisible ink were detected, indicating that some eighty-six per cent of these came in the first half of 1916 (Jan.–June 1916 = 26 weeks × 10 reports = 260 reports).

2. *Ibid.* p. 110. See Appendix C for an analysis of the 'cover' occupations used by agents, and PRO, HO 45/10779/277334/12, E. Blackwell to Chief Constables in Scotland, 10 June 1916, for a warning issued by Drake about spies posing as commercial travellers.

3. B. Thomson, *The Scene Changes* (London, 1939), p. 274. The average payment for German agents had been £10–15 per month at the start of the war, rising to £100 per month by 1916, and £180 per month by 1918. In the final weeks of war it rose even higher, but by then 'The supply of non-enemy alien volunteers had completely dried up'; Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 9.

4. Felstead, *German Spies*, pp. 142, 263–4.

5. *Ibid.* p. 275. As a later report noted, no Turkish, Bulgarian, or Austrian spies were sent to the United Kingdom during the war, as their general staffs 'relied entirely on Germany for their information from this country.' The nationality of the German spies was given as 'American (up to the time they joined in the war), Dutch, Swiss, Spanish, Scandinavian and Belgian', with (later on) 'South Americans and dagoes of all kinds'; Kell papers (Frost), extract headed 'Number of Spies Caught', p. 20.

In this way, the detective and preventive branches of the Security Service were greatly strengthened, but it was in fact the third branch of Kell's organization – that devoted to records and administration – which had by 1917 undergone the most significant change. This 'Administrative' section grew from an unofficial registration of aliens which Kell had carried out with police help between 1910 and 1914, and which by the outbreak of war had gathered details of 'some 30,000 aliens of selected nationalities, including some 11,000 males who became enemies on the declaration of war.' To permit rapid access to this information, Kell had found it necessary 'to engage an increasing number of clerks and women to run a registry where there was a system of card indexing', and by August 1914 this group of seven had produced a working index of 16,000 names from the main catalogue.<sup>1</sup> The outbreak of war had not interrupted this effort; on 5 August 1914, when the first Aliens Restriction Order produced by Holt Wilson instituted a new register of enemy aliens to be maintained by the police, the pre-war catalogue 'was handed on to the Home Office and became the nucleus of the Official Register under the A[liens]. R[estriction]. Act.' Five Special Branch officers and eighteen constables from the Criminal Investigation Department were transferred to the work, and within four months had processed and indexed over 45,000 names.<sup>2</sup> Kell's own registry, working under a Miss Lomax, seems to have co-ordinated the operation – which eventually registered some 43,000 enemy males, 10,000 female enemy aliens, and 12,000 women who were aliens by marriage – and in addition produced an ominous 'Grey List' of more than 34,500 British citizens 'who not only had definite ties of blood-relationships with the enemy, but in many cases were actually full-blooded enemies born and bred.'<sup>3</sup> Yet this monitoring of over 100,000 aliens and 'hybrids' was only one of the registry's concerns. The Security Service also kept a record 'of every person who comes under suspicion by reason of any act or hostile association', circulating details of such individuals and over the first three years of war alone amassing more than 38,000 personal dossiers. The registry in addition maintained the working index, and during the same period enlarged it to include over a million cards

1. Kell papers (Simpson), 'The Control of Civil Populations in War' by V. G. W. Kell, 1930, p. 11; C. R. Kell, 'Secret Well Kept' (n.d.), p. 124 (typescript biography of Vernon Kell, written by Lady Kell after her husband's death, of which there are copies in both sets of Kell papers); J. E. Edmonds, 'Brigadier Sir Eric Holt-Wilson', *ibid.* *supra*, p. 344.

2. A. Pulling, (ed), *Manual of Emergency Legislation* (London, 1914), pp. 48–63, 'Aliens Restriction Order [No. 1], 1914'; *Who Was Who, 1941–1950* (London, 1952) p. 558, 'Brig. Sir Eric Edward Boketon Holt-Wilson', 1875–1950; PRO, MEPO 2/1643, unsigned CID report, 20 Nov. 1914, pp. 1–2.

3. C. R. Kell, 'Secret Well Kept', p. 148; Kell papers (Simpson), 'The Control of Civil Populations in War' by V. G. W. Kell, 1930, pp. 10–12 (giving final total registered as 66,000 alien enemies and 34,500 'hybrids').

cross-referencing suspicious 'persons and places'.<sup>1</sup> Indeed, in a subtle change of emphasis, the Security Service began to function as the government's 'central clearing house as regards precautionary information', and the collection, collation, and circulation of such material grew to be its major concern. From 1915 to 1917, Kell's organization circulated details of nearly 9,000 suspects and checked the credentials of over 86,000 individuals applying for passports and permits to travel abroad, or wishing to be employed in sensitive jobs such as the censorship. Much work indeed arose from such co-operation with the censorship, for in 1917 alone the postal censors stopped the delivery of 356,000 letters 'suspected of giving information useful to the enemy', and Kell's detective branch investigated 32,000 separate cases arising from this evidence.<sup>2</sup>

This wartime consolidation of all three branches of the Security Service was accompanied by a dramatic growth in numbers. The unit expanded from only 0.9 per cent of War Office staff on 4 August 1914 to 2.2 per cent on 11 November 1918 – by which time it was even larger than the Foreign Office. Yet, as the table in Appendix B shows, much of this expansion was confined to the early period from 1914 to 1916. Whilst in the first three years of war the Security Service as a whole increased by an average of 9.8 per cent per month, by comparison with an expansion of just 6.2 per cent per month for the War Office as a whole, the rate had fallen to only 1.4 per cent per month by the final year of war, which was very close to the overall rate of growth for the War Office at that time.<sup>3</sup> The statistics also reveal a gradual shift of emphasis in the military unit, for much of the wartime expansion came in administrative staff, with the result that in 1917 and 1918 there were as many civilian clerks and administrators as there were police and military officers. At the same time there was a steady decentralization, so that by 1918 more than 40 per cent of Kell's staff were working outside headquarters, and the Security Service was as diffuse as the Home Office.<sup>4</sup> Indeed, after its initial period of growth, the Security Service departed from the centralized, military

1. PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, section III, pp. iii–iv.

2. *Ibid.*; Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 12. As Major Dansey of MI5(c) noted in May 1917, the central registry was 'run in such a way that it is a pool of information, whether it concerns a German division, a suspected spy, or the pepper trade'; Read and Fisher, *Colonel Z*, p. 110.

3. The comparative figures in this paragraph are derived from Appendix B and *Statistics of the military effort of the British Empire during the Great War, 1914–1920* (London, 1922), p. 567, 'Military and Civilian Staff at the War Office'; and Cmd. 276 (1919 Session, xxxiv), 'Staffs Employed in Government Departments', 22 July 1919. Cumulative monthly rates of increase have been used to allow the comparison of slightly different periods of time – here, for instance, periods of 38.5 and 13 months for the Security Service are compared with corresponding periods of 36 and 15.5 months for the War Office.

4. In November 1918, 43 per cent of Kell's staff worked outside headquarters, by comparison with only 6 per cent at the War Office, and 50 per cent at the Home Office.

pattern which had been established before the war. During the first two years, the staff of military officers attached to Kell's headquarters grew rapidly by some 8.3 per cent per month – by comparison with only 4.7 per cent per month for all officers in the War Office – but over the final two and a half years of war this had nevertheless fallen to just 1.7 per cent per month, and was less than half the general rate of increase for War Office military staff.<sup>1</sup> By contrast Kell's administrative staff grew by nearly 15 per cent per month over the first two years of war – when the civilian staff in the War Office as a whole was only being increased by 8.6 per cent per month – and although this fell to 3.7 per cent per month over the last two and a half years of war, it remained twice the general rate for War Office civilian staff.<sup>2</sup> Kell's military staff indeed fell behind during the war, so that by November 1918 only 16 per cent of the staff in the Security Service were graded as officers, and at headquarters they were outnumbered nearly six to one by clerks, attached police, and subordinate staff.<sup>3</sup>

The Security Service from 1916 onwards must in fact be seen not as an organization for trapping enemy agents, but as a huge, decentralized system for gathering all information of possible use in 'the repression of enemy activities outside the area of operations', which contained a small section using part of this information to locate German spies.<sup>4</sup> Kell's central registry indeed became the basis of an international network for gathering and exchanging intelligence. At home the Security Service not only maintained close contact with the Police, Admiralty, Home Office, Scottish Office, Irish Office, Ministries of Munitions and Labour, Postmaster-General, Registrar-General, and other departments, collecting and collating information, but it also functioned as 'the chief agent as regards policy in all questions relating to the manner in which these Departments can best contribute towards the military security of the Empire against enemy agency'.<sup>5</sup> Kell and Holt Wilson in addition supervised the creation of military security units in the Dominions and Colonies, and, as an official report noted in 1917:

The head of M.I. 5 corresponds unofficially with all the Departments of the Home Government and has established direct personal contact with some official in each of the Dominions charged with duties of an analogous character. All these, at home and abroad, exchange information with the

1. The periods available for comparison were in fact 22 and 29 months for officers at the headquarters of the Security Service, and 24 and 27.5 months for officers in the War Office.

2. The periods used here were 22 and 29 months for Security Service staff not classified as military officers or police, and 24 and 27.5 months for War Office civilian staff.

3. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 13. I have classed as 'officers' those given as 'officers and civilian officials' – thus including such persons as legal advisers.

4. PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section I, p. i.

5. *Ibid.* Section III, p. iii.



central office, while the officials in the Dominions to some extent model their local policy and procedure on that adopted in the United Kingdom.<sup>1</sup>

Intelligence was also collected from Britain's allies. In late 1914, a 'Bureau Central Interallié' was established in Paris, where the 'Mission Anglaise' existed to 'exchange information between the allies in regard to suspected persons'.<sup>2</sup> Similar bureaux were afterwards established in Rome and Washington, where they gathered information and 'rendered invaluable service'.<sup>3</sup> As a later report commented, through this network the Security Service grew to be the means not only of controlling spies and 'dangerous individuals' at home, 'but also of furnishing information to the Secret Services of the United States of America and our Allies, which enabled them to arrest many other enemy agents operating within their territories'.<sup>4</sup>

In this rapacious hunt for information, the Security Service began to stray far beyond its function of controlling 'enemy activities outside the area of military operations'.<sup>5</sup> In some cases this progression was relatively harmless, as in February 1916 when MI5 informed the headquarters of the Central Force at home 'that a man named Mansfield, a notorious card sharper, would probably proceed to Northampton', and suggested that local units should be warned; or in December 1916 when they advised General Haig's Director of Intelligence that the Irish playwright Bernard Shaw could safely be invited to GHQ as a guest.<sup>6</sup> In other cases, however, both the Security Service and the Special Branch used the excuse of national security to extend their intelligence gathering to protest groups and political organizations which were themselves of no threat to the state. As an official report on MI5 explained in 1917:

many actions of the public, in peace perfectly permissible, must, in time of war, either be categorically prohibited or conditionally controlled by regulation in the public interest. Such actions with or without evil intent, may have a tendency to facilitate espionage, or to obstruct its prevention or detection. It is, therefore, necessary to take counter-active measures.<sup>7</sup>

1. *Ibid.* Section III, p. i.

2. *Ibid.* Section III, p. iii; *Times*, 2 Jan. 1919, p. 4, col. 3, 'The British Secret Service' (valedictory message from Cockerill to his staff – the Intelligence Corps Museum has an original dated 1 Jan. 1919). The 'Mission Anglaise' in fact existed to exchange a wide range of intelligence, but one officer who worked there from 1917 characterized it as 'an inter-allied exchange of reports on suspects'; Intelligence Corps Museum, S. H. C. Woolrych papers, Envelope 62, 'Notes', p. 8.

3. *Times*, 2 Jan. 1919, p. 4, col. 3, 'The British Secret Service'.

4. Lloyd George papers, F/9/2/16, 'Reduction of Estimates' by W. S. Churchill, 19 Mar. 1920, pp. 2–3.

5. PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section III, p. i.

6. PRO, AIR 1/552/16/15/30, 'Home Defence Intelligence Summaries 3/1–16/9/16', p. 35 (message received from MI5 on 22 Feb. 1916, with note 'I Army warned'); WO 158/898, No. 28, J. Charteris to G. Macdonogh, 4 May 1917.

7. PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section III, p. i.

As the machinery grew in scale, and German agents proved less of a threat, the Security Service indeed came to regard its function as not simply the detection of espionage, but also the frustration of any movement which 'may have a tendency ... to obstruct its ... detection'. The progression of such logic is demonstrated most clearly in the case of pacifist organizations, for the Special Branch was from the start employed to investigate such groups on the assumption that they were financed with German money and came under German influence – partly because they opposed official policy, and partly because the Special Branch believed that in the years 1912 to 1914 it had found evidence of German money behind a variety of organizations from militant unions to suffragettes and Irish nationalists.<sup>1</sup> Thus in July 1915, the Security Service and Special Branch co-operated in a review of the various pacifist groups, and the official report signed by Patrick Quinn and James McBrien urged that they be regarded as both dangerous and disloyal. Dated 20 July 1915, it noted:

There is no doubt but that there is a good deal of activity going on just now in the various groups recently formed in connection with the Peace Movement, and among these Groups are men who are capable of any inhuman action as long as it would serve their own political ends ... Many people are asking where the funds are coming from to carry on this Peace propaganda. There is little doubt but that there is German money in it, but it is impossible to find out the source through which it percolates.<sup>2</sup>

An immediate check was made on the correspondence of the 'Stop the War Committee', but as Kell was informed on 27 July 1915, no letters were found 'which would appear to indicate ... that the Committee is in any way inspired or assisted from enemy sources'.<sup>3</sup> Subsequent attempts to locate these enemy funds also failed, but by the following year the Security Service had nevertheless evolved an argument which allowed the continued investigation and infiltration of such organizations. On 25 May 1916 an extension of the Military Service Act, bringing compulsory service for all men between the ages of 18 and 41, finally permitted a hardening of the official attitude to pacifist propaganda. The government had previously been obliged

1. In particular the Special Branch had investigated one Baron Louis von Horst, who had been involved in the 1912 dock strike in Liverpool, with the Women's Social and Political Union in 1913, and with Irish nationalists in 1914. Basil Thomson was convinced that he was a German spy and 'agent provocateur', and although no evidence was ever found to support this he was kept in detention throughout the war because of his connection with 'agitations ... against authority'; Felstead, *German Spies*, pp. 200–5; PRO, CAB 24/4/G173 (Appendix), 'Pacifist and Revolutionary Organisations in the United Kingdom' by B. Thomson, c. 22 Oct. 1917; L. Scott Troy, 'What Constitutes a Crime?', *Workers' Dreadnought*, 11 Jan. 1919, p. 1187; P. Gibbs, *Adventures in Journalism* (London, 1923), p. 198.

2. PRO, HO 45/10782/278537/18c, 'Anti-War Propaganda' by J. McBrien and P. Quinn, 20 July 1915, pp. 1–2, 6. McBrien was a Special Branch officer attached to the Security Service from shortly after the outbreak of war; Allason, *The Branch*, pp. 41, 60.

3. PRO, HO 45/10741/263275/73, F. B. Booth to V. G. W. Kell, 27 July 1915.

to tolerate agitation against the introduction of conscription as part of the democratic process, but as one official at the Home Office minuted on 26 May 1916, 'Now that the Military Service (No. 2) Act has been passed ... the whole of this anti-conscription literature should be suppressed as tending to prejudice the discipline of the Forces under [Defence of the Realm Act] Regulation 27.'<sup>1</sup> Kell's detective branch could thus take immediate steps against two of the major organizations, and on 5 June 1916 officers from the Special Branch raided the London headquarters of the No-Conscription Fellowship and removed all its records and papers, as well as three-quarters of a ton of printed material. On the following day, they descended on the National Council Against Conscription and seized a further one and a half tons of documents – the senior officer asserting that as these were unlikely to be returned, it would doubtless 'stop the good work for a time'.<sup>2</sup> This vast mass of paper was then taken to Moor Lane Police Station, where it was sorted and examined by officers from the Security Service with a view to bringing prosecutions under the Defence of the Realm Act. It might seem strange that a military counter-espionage organization was concerning itself with political opposition in this way, but as Major Victor Ferguson of MI5(g) reported on 14 June 1916, the operation had been mounted to counter 'a dangerous weapon whereby the loyalty of the people is being prostituted and the discipline of the army interfered with':

It may be fearlessly stated that the real aim of the N[ational]. C[ouncil]. A[gainst]. C[onscription]. and others in their fanatical opposition to compulsory military service, is to work up feeling, especially in the workshops, against measures necessary for the successful prosecution of the war ... If they are not for the success of our country it is not unreasonable if they are classed as pro-German. That, at any rate, is what the mass of the public consider them; and the public is substantially right.<sup>3</sup>

With this sophistry the Security Service could thus define pacifist and anti-conscription organizations as areas of enemy influence, and Kell could continue to harass and investigate them. In the sixteen months from June 1916 to October 1917 his officers investigated some 5,246 individuals solely because of their associations with 'pacifism, anti-militarism etc.', in a huge operation which must have covered most of the British peace movement.<sup>4</sup>

1. PRO, HO 45/10801/307402/57, minute by E. Blackwell, 26 May 1916.

2. PRO, HO 45/10801/307402/file 74, Special Branch report headed 'No Conscription Fellowship' by T. Cox and P. Quinn, 6 June 1916, and City of London Police report headed 'Anti-Conscription Propaganda' by E. Nicholls, 10 June 1916; file 75, report for Kell by Maj. V. Ferguson of MI5(g), 14 June 1916, p. (2); *Socialist*, July 1916, p. 78, para. 3, letter from NCAC to editor, 12 June 1916.

3. PRO, HO 45/10801/307402/file 75, report for Kell by Maj. V. Ferguson of MI5(g), 14 June 1916, pp. (1)–(2). It is interesting to note that the Home Secretary was not consulted before MI5 mounted its raid on the NCAC: file 75, minute by E. Blackwell, 26 June 1916.

4. PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section III, p. iv.

A similar prejudice was exhibited in the investigation of industrial unrest. From the outbreak of war the Security Service had been worried that a vast network for sabotage might possibly exist among enemy aliens, and strenuous efforts were made to investigate all such rumours. There was perhaps some basis for the fear, as the Security Service could never be certain that German agents had not entered the country 'during the big flight of refugees from Belgium' – some four thousand of whom had managed to get jobs in the munitions industries by April 1915.<sup>1</sup> In fact, between 1914 and 1918 'no act of destruction or incendiarism was committed in the United Kingdom by enemy agents',<sup>2</sup> but this did not calm fears of sabotage in vital industries. In June 1915, a confidential circular to Chief Constables thus urged them to report 'any fires occurring in your district in factories where Government contracts are being executed, or in docks, railways, or other public works, if there is any ground for suspecting incendiarism by enemy agents.'<sup>3</sup> In July 1915, these fears seemed confirmed by an explosion at the Ardeer factory of the Nobel Explosive Company, for although the police believed that it had been an accident, an official inquiry blamed 'an enemy agent who had gained access to the Factory as a respectable workman'.<sup>4</sup> In such circumstances extra vigilance was necessary, and in September 1915 the Minister of Munitions, David Lloyd George, authorized the creation of a military 'intelligence service' to investigate sabotage, staffed by officers fluent in German and with a budget of £1,500–£2,000 per year.<sup>5</sup> Holt Wilson's preventive branch of the Security Service already dealt with policy on aliens, and so on 19 February 1916 he transferred a number of officers to the Ministry of Munitions, where they formed the 'Ministry of Munitions Labour Intelligence Division', known as MMLI, 'for the purpose of protecting munition factories from espionage and sabotage, and to make enquiries with respect to aliens coming into munitions work'.<sup>6</sup> However, with the staunch independence characteristic of the Security Service, MMLI saw its prime duty as the protection of munitions supply, and soon,

1. Kell papers (Frost), lecture on 'Security Intelligence work' by Holt Wilson, June 1939, p. 8; *History of the Ministry of Munitions* (London, 1922), I. i. pp. 15–16, 'Belgian Refugees'.

2. J. E. Edmonds, 'Brigadier Sir Eric Holt-Wilson', *ibid.* *supra*, p. 344; *Times*, 2 Jan. 1919, p. 4, col. 3, 'The British Secret Service'; Felstead, *German Spies*, p. 280.

3. PRO, HO 45/10779/277334/17, C. E. Troup to Chief Constables, 24 June 1915.

4. PRO, HO 45/10722/249623/111, proceedings of second day of inquiry, 10 Aug. 1915, p. 103 (examination of Chief Inspector Fowler, CID), and typescript report of inquiry, 20 Aug. 1915. The investigating Committee did not have any evidence to support their assertion, but found the probability of enemy agency 'considerable'.

5. Lloyd George papers, D/16/3/4, F. L. Nathan (Ministry of Munitions) to D. Lloyd George, 27 Sept. 1915; D/16/3/5, Lloyd George to Nathan, 27 Sept. 1915. Nathan, who had been works manager at Nobel's Ardeer factory 1909–14, suggested a unit of 'special men' with a knowledge of explosives and fluent in German, apparently to be attached to War Office section MT1.

6. PRO, WO 32/10776, 'Historical Sketch' (1921), p. 13; *Hansard*, House of Commons debates, 55, Vol. 94, 12 June 1917, cols. 752–3 (statement by Mr Kellaway).

in the words of one officer, began to investigate any influence 'likely to lead to munitions not being produced in sufficient quantity, either from activities of German agents, or from the extremists among the British workmen and persons working in the munition factories'.<sup>1</sup> In June 1916, as the work became increasingly secret, its name was changed to the deliberately confusing 'PMS2', on the grounds that the former name 'conveyed too much information as to the functions of this Branch'.<sup>2</sup> PMS2 continued to develop; by the end of 1916, it employed 'a host of private agents' to report on industrial unrest over the whole country, and formed the central clearing house for intelligence about '(1) strikes, (2) impending strikes and labour unrest generally and (3) sabotage'.<sup>3</sup>

By the beginning of 1917 the Security Service and the Special Branch had thus greatly enlarged their spheres of operation, by extending the definition of enemy influence to include any action which seemed to assist a real or potential enemy more than it helped to further national policy. This progression from counter-espionage to political surveillance is hard to justify, but even less palatable was the subtle manipulation of the law which accompanied it. As it became clear to the government that the prosecution of pacifist and left-wing pressure-groups was both difficult and politically dangerous, so officials were more inclined to condone harassment by the Security Service and Special Branch if this reduced such opposition – a process clearly displayed in the investigations surrounding the *Labour Leader*, the official organ of the Independent Labour Party. In November 1916, after a number of applications by military intelligence for the paper to be prosecuted under the Defence of the Realm Act, the Foreign Office urged the Home Office to keep it under close surveillance – one official commenting that it had become 'the instrument of all the pacifists and Pro-Germans in the country'.<sup>4</sup> The Attorney General advised the Home Office that prosecution would be unwise – a view supported shortly afterwards by the new Prime Minister, Lloyd George – but an alternative course was proposed by one of the Assistant Secretaries, H. B. Simpson. On 14 December 1916, Simpson

1. *Daily Herald*, 8 Feb. 1921, p. 1, col. 2, "'Daily Herald' sued for libel' (quoting evidence of Herbert Booth). I hope shortly to publish a more detailed account of MMLI and its work.

2. PRO, HO 45/10809/311423/18, W. M. Rolph (MMLI) to J. F. Moylan, 15 June 1916, and Rolph to Moylan, 20 June 1916. The change of name was requested by the Ministry of Munitions, which chose PMS2 to signify the second section of the Parliamentary Military Secretary's department.

3. Thomson, *The Scene Changes*, p. 312 (diary entry for 1 Dec. 1916); PRO, HO 45/10809/311423/39, C. E. Troup to Chief Constables, 18 May 1917 (drafted by Kell on 25 Apr. 1917 and dealing with the redistribution of PMS2's responsibilities).

4. PRO, FO 395/47/99903/file 146010, G. Cockerill to Lord Newton, 25 July 1916; file 180579, Cockerill to Newton, 8 Sept., 26 Oct. 1916; file 241921, memorandum by M. N. Kearney, 16 Nov. 1916, and minute by Newton, 17 Nov. 1916. A copy of Kearney's memorandum was passed to the Home Office on 28 Nov. 1916; see PRO, HO 45/10786/297549/50.

noted that because 'prosecutions followed by pecuniary penalties do little to check the misguided fanatics who are responsible for publications like the "Labour Leader"', it had become necessary to allow the police greater freedom to raid premises and seize offensive material even if they could not bring charges or hope to get a conviction. As he commented:

To allow them more freedom of action would no doubt lead to some printed matter being seized which might well be left alone; but at the present critical juncture this would be a less evil than an unrestricted propaganda in favour of a premature peace. Anyone aggrieved by their action could properly be left to his legal remedy.<sup>1</sup>

Such direct action against the *Labour Leader* was vetoed during 1917, but this dangerous strategy of allowing the Security Service and Special Branch to stand outside the law was nevertheless followed in the intensive investigation of Edmund Morel, who had been identified by the Home Office early in 1917 as the paper's editor. Morel's activities were now carefully monitored, and for his actions during the strikes of May 1917, when he was reported to be distributing leaflets and pamphlets among workmen in Sheffield, he seems to have been branded as both a revolutionary and a probable German agent.<sup>2</sup> The Security Service continued their investigations by opening his correspondence and tapping his telephone, and on 17 August 1917 intercepted and photographed a letter to Morel concerning a recent pamphlet of his entitled 'Tsardom's part in the War'. It was then decided to take action, and on 24 August 1917, as Detective-Inspector Fitch of the Special Branch recalled:

I received a telephone call instructing me to go at once to see the late Sir Francis Lloyd, then Competent Military Authority of London, and when I arrived he showed me a leaflet supposed to have originated from Morel's office, and told me to raid the place. The leaflet was so definitely pacifist as to be almost anti-British in tone, and would certainly have done us serious harm abroad. A number of similar leaflets were found at Morel's offices, and others in proof and actually printed at his house at King's Langley, which I raided too.<sup>3</sup>

All Morel's files and paperwork were examined along with these leaflets, but it was not until a week later that a decision was finally

1. PRO, HO 45/10786/297549/file 50, minute on cover by H. B. Simpson, 14 Dec. 1916; File 51, minute by H. Samuel, 22 Nov. 1916; file 51a, Lloyd George to G. Cave, 15 Jan. 1917.

2. PRO, HO 45/10786/297549/51a, "'The Labour Leader'/Memorandum for the Secretary of State' by C. W. Mathews (Director of Public Prosecutions), 1 Jan. 1917, p. 1; M. Swartz, *The Union of Democratic Control in British Politics during the First World War* (Oxford, 1971), pp. 173-4; PRO, CAB 24/4/G173 (Appendix), 'Pacifist and Revolutionary Organisations' by Thomson, c. 22 Oct. 1917.

3. H. M. Swanwick, *Builders of Peace: Being Ten Years' History of the Union of Democratic Control* (London, 1924), p. 99; Union of Democratic Control Pamphlet No. 24a, *Rex v. E. D. Morel: Trial at Bow Street* (London, 1917), pp. 5, 9; F. Seymour Cocks, *E. D. Morel: The Man and His Work* (London, 1920), p. 255; Fitch, *Traitors Within*, p. 63.



made to prosecute him, over a technicality relating to the dispatch of material to Switzerland. He was arrested on 31 August 1917, and four days afterwards was sentenced at Bow Street to six months' imprisonment. Detective-Inspector Fitch considered him 'lucky to get off lightly with only six months', but shortly after the trial the War Office was nevertheless candid enough to admit privately 'that the real reason for the prosecution was that Morel was trying to bring about strikes which would deprive the Army of its supply of munitions, and that, although the authorities possessed evidence to that effect, this evidence was not sufficient to ensure a conviction in a Court of Law.'<sup>1</sup>

The investigation and final prosecution of Morel demonstrate the growing independence and wide influence of the Security Service, but Kell's eagerness to transfer his energies from counter-espionage to political policing quickly aroused hostility in the Special Branch. Basil Thomson indeed became convinced that he and not Kell should control all civil intelligence, with the Special Branch being allowed the same independent status as the Security Service, and he used every opportunity to achieve this aim. The start of his campaign seems to have come in November 1916, when a reorganization of the CID gave him sole responsibility for the Special Branch. All seven hundred CID officers had been theoretically available for counter-espionage and political work since the outbreak of war, but now, as a later account noted:

It was necessary to make it possible for the work of the Special Branch to receive the attention required by the political and international situation generally, so . . . ordinary crime, as distinct from quasi-political matters, was temporarily placed under other officers, leaving Sir Basil Thomson free to devote himself to clearing up the problems which arose out of the war.<sup>2</sup>

The following month Thomson scored his first important victory over Kell, when the Ministry of Munitions decided that the work of section PMS2 'would be more efficiently and more cheaply done by professionals', and invited the Special Branch 'to undertake the whole of the intelligence service on labour matters for the whole country'. On 2 December 1916, Thomson was authorized to spend £8,000 per year on the new police network, but such a loss of power was quickly challenged by the Security Service, and by the end of the month

1. Swanwick, *Builders of Peace*, p. 98; Union of Democratic Control, *Rex v. E. D. Morel*, pp. 3, 12; Fitch, *Traitors Within*, p. 63; Cocks, *E. D. Morel*, p. 264, n. 10. The frank admission came from 'a high official of the Intelligence Department' – possibly Brig.-Gen. Cockerill; Cocks, *ubi supra*.

2. Thomson, *Queer People*, p. 47; Felstead, *German Spies*, p. 166. It is in fact possible that this reorganization dated from the start of the war, but circumstantial evidence tends to support later accounts that Thomson took personal charge of the Special Branch 'in the middle of the war': *Daily Herald*, 31 Oct. 1921, p. 1, col. 5; *Times*, 1 Nov. 1921, p. 10, col. 4.

complaints had reached the Home Secretary from the head of PMS2's undercover branch 'criticising the police information about labour unrest'.<sup>1</sup> Thomson managed to fend off such attacks by insisting 'that it was very dangerous to have soldiers spying on workmen', and on his own behalf began to urge the Home Office that given growing political unrest, a civil intelligence system should not only be formed at once, but that in addition 'it may become advisable to continue it in some form after the War'.<sup>2</sup> At the end of 1916, he discussed these ideas with the Chief Constable of Sheffield, Major Hall Dalwood, who had just been involved with a particularly disruptive strike, and on 3 January 1917, under Thomson's guidance, Dalwood submitted the outline of a 'National Intelligence Service' to the Home Office. As this memorandum revealed, they envisaged a concerted effort against subversion of all kinds, noting darkly that:

immediately following the cessation of the War, certain disintegrating elements – internal hostility, foreign enemy agency, or both, or a combination of both – will probably assert themselves. Whichever country possesses the machinery to effectually counter the moves of these maleficent agencies will be the one to most quickly recover from the effects of the War and to gain commercial stability and national supremacy.<sup>3</sup>

The scheme in fact went a little further than Thomson's ideas of a civil intelligence service to be run by selected Chief Constables under the guidance of the Special Branch, but when consulted by the Home Office he nevertheless advised that 'a small Committee be asked to consider it, and furnish a report.' This course seems indeed to have been followed, for on 5 April 1917 Thomson noted in his diary that 'a private conference at the Home Office to-day on the subject of the growth of anarchist and socialist movements and their influence on strikes . . . decided to leave all the intelligence part of the work to me, and I undertook to furnish trustworthy information.'<sup>4</sup> On 23 April 1917, Thomson therefore transferred twelve Special Branch officers to the investigation of industrial unrest, and PMS2 was finally closed down – the Security Service preferring to destroy all its domestic records rather than pass them to the Special Branch.<sup>5</sup>

By the middle of 1917, the Special Branch had thus succeeded in displacing the Security Service as the principal department responsible

1. Thomson, *Queer People*, p. 269; Thomson, *Scene Changes*, pp. 312 (diary entries for 1/2 Dec. 1916), and 314 (diary entry for 21 Dec. 1916).

2. Thomson, *Scene Changes*, p. 314 (diary entry for 21 Dec. 1916); PRO, HO 45/22901/1, note on cover by Thomson, 10 Jan. 1917.

3. PRO, HO 45/22901/1, 'Suggested Scheme for the formation of a National Intelligence Service' by Maj. J. Hall Dalwood, 1 Jan. 1917, p. 1.

4. PRO, HO 45/22901/1, note on cover by Thomson, 10 Jan 1917 (suggesting the matter be put aside until c. April 1917); Thomson, *Scene Changes*, p. 332 (diary entry for 5 Apr. 1917).

5. PRO, HO 45/11000/223532/13, Scotland Yard to Home Office, 23 Apr. 1917; WO 32/10776, 'Historical Sketch' (1921), p. 13; *Times*, 8 Feb. 1921, p. 5, col. 2, 'Secret Service in the War'.

for investigating labour unrest, but Thomson nevertheless still lacked Kell's influence, for it was the Intelligence Section of the Ministry of Labour and not the Special Branch which prepared the weekly statement on industrial affairs for the War Cabinet.<sup>1</sup> Towards the end of the year however, this situation changed, for on 19 October 1917, amid persistent rumours of German agents financing subversion, the War Cabinet called for a full report on pacifist propaganda and labour unrest, and nominated the Home Office as the responsible department. The Home Secretary then passed this task to Thomson, who noted in his diary three days later:

I handed in my report on the activities of pacifist revolutionary societies for the War Cabinet, who are not disposed to take doses of soothing syrup in these matters. Being persuaded that German money is supporting these societies, they want to be assured that the police are doing something.<sup>2</sup>

In keeping with this assessment Thomson's report concluded that there was 'no evidence . . . that any of the pacifist societies are directly in receipt of enemy funds', but nevertheless suggested a possible scrutiny of their accounts. This idea was seized on by the Home Secretary, who set up a special joint committee including both Thomson and Kell to carry out the investigation. The joint committee met for the first time at the War Office on 12 November 1917, and decided to investigate ten of the smaller pacifist organizations, seizing their records in a co-ordinated series of thirteen raids from 14 November onwards. The assembled documents were then submitted to accountants, and although the joint committee could discover no evidence of enemy funding this was no longer of great relevance, for the raids themselves – causing great disruption and lasting more than six hours in one case – had become a form of punishment for dissidents. Overall, the work of the joint committee was of little practical value, but the episode was of lasting significance, for after November 1917 it was Thomson's Special Branch which, through the Home Secretary, was responsible for keeping the War Cabinet informed 'regarding pacifist and revolutionary organizations in the United Kingdom'.<sup>3</sup>

This settlement was soon disturbed, however, for the revolution of November 1917 in Russia brought in its train the threat of Bolshevik

1. PRO, CAB 24/4/G157, 'Memorandum on Pacifist Propaganda by Sir Edward Carson', 3 Oct. 1917.

2. PRO, CAB 23/4, War Cabinet 253, 19 Oct. 1917, Minute 1; Thomson, *Scrum Changes*, p. 359 (diary entry for 22 Oct. 1917).

3. PRO, CAB 24/4/G173, appended report on 'Pacifist and Revolutionary Organisations' by Thomson, c. 22 Oct. 1917, and note on 'Pacifist Propaganda' by G. Cave, 13 Nov. 1917; CAB 24/34/GT2809, report on 'Pacifism' by Thomson, 24 Nov. 1917; CAB 24/35/GT2980, report on 'Pacifism' by Thomson, 13 Dec. 1917; Thomson, *Scrum Changes*, p. 361 (diary entry for 12 Nov. 1917); *Hansard*, House of Commons debates, 58, vol. 100, 5 Dec. 1917, col. 440 (stating that one raid lasted six hours and forty minutes); *Tribunal*, 22 Nov. 1917, p. 2; *Times*, 15 Nov. 1917, p. 9, col. 3, 16 Nov. 1917, p. 7, col. 4, 21 Nov. 1917, p. 8, col. 3, and 22 Nov. 1917, p. 3, col. 4; PRO, CAB 23/4, War Cabinet 274, 15 Nov. 1917, Minute 17.

influence in industrial unrest, and this in turn interested the Security Service. In January 1918, despite the disbanding of PMS2 the previous year, Kell began to investigate the possibility of Russian subversion in munitions factories, urging that Chief Constables should 'report to us any change of attitude on the part of Russians [working] on Munitions, which would be denoted by: pacifist or anti-war propaganda, a disinclination to continue to help in the production of Munitions, or any active tendency towards holding up supplies, either by restriction of out-put, or destruction of out-put or factories.'<sup>1</sup> During 1918 the Special Branch also carried out investigations into the spread of Bolshevik propaganda in Britain. Although Thomson continued to believe that most of the domestic organizations were self-financed, he was nevertheless prepared to raise the spectre of Russian gold – just as he had that of German gold – if it would advance his scheme for an independent civil intelligence service. Dalwood's plan for a unified intelligence network incorporating such a civil branch had apparently gained some support during the previous year, and on 20 October 1917 Thomson noted in his diary an approach by Claud Serocold of the Naval Intelligence Division:

Serocold sounded me about taking over all the intelligence work at home and abroad now and after the war. The Foreign Office and the War Office had all agreed, and of course the Admiralty were in favour. I was to be the director of the new Trade Bank, and was to have a naval and military officer under me.<sup>2</sup>

Nothing seems to have come of this suggestion, but Thomson was able to revive such plans in May 1918, when he was consulted about civil intelligence by Walter Long – nominated by the War Cabinet as liaison Minister on Irish affairs. As Long later confessed, the account he was given left him 'horror struck at the inadequacy of, and want of definite communication between, the different branches of the Service', and on reporting this to the Prime Minister he was instructed to examine the whole question of domestic intelligence.<sup>3</sup> By October 1918, Long had completed his inquiry, and reported that in this field the Secret Service was 'in a wholly unsatisfactory condition', with 'actual jealousy in some quarters, and a complete failure to secure cordial co-operation'. He was also convinced that industrial unrest was being aggravated by both 'German intrigue and German money' and 'a very strong Bolshevik Agency', and thus gave his support to the scheme for uniting all Secret Service bureaux in one organization,

1. PRO, HO 45/10809/311425/71, Maj. J. Sealy Clarke of MI5(a) to Moylan, 19 Jan. 1918.

2. Thomson, *Scene Changes*, p. 358 (diary entry for 20 Oct. 1917).

3. *Ibid.* pp. 366–7 (diary entry for 6 May 1918); Wiltshire County Record Office, Long papers, WRO 947/672, unheaded memorandum by W. H. Long, c. Oct. 1918, p. (i); Birmingham University Library, Chamberlain papers, AC 23/2/1, Long to A Chamberlain, 2 Nov. 1921, pp. 1–2; AC 23/2/5, Long to Chamberlain, 8 Nov. 1921, p. 2. I am grateful to Dr Eunan O'Hallpin for drawing my attention to documents in the Long papers.

including 'a perfectly distinct Civil Service Department, with a competent man at the head' to deal with domestic subversion of all kinds.<sup>1</sup> However, before submitting these proposals to the Prime Minister he showed his memorandum to Thomson, and Thomson appended details of a similar scheme drawn up 'by an officer in the Intelligence Division of the Admiralty' – clearly Serocold. This added to Long's suggestions a scheme to protect the new Secret Service organization from any future Labour government, by allowing it the income from some £1,000,000 invested in War Loan; and Long forwarded this to the Prime Minister with his own report, noting that together they provided 'the basis of a satisfactory solution'.<sup>2</sup> Meanwhile, Thomson had spoken to Admiral Hall, the head of Naval Intelligence, who expressed himself 'in full sympathy' with the proposals, and apparently provided a memorandum which gave them his complete approval.<sup>3</sup>

The co-operation of Thomson, Hall, and Long provided the key to the final triumph of the Special Branch over the Security Service in domestic intelligence. By the end of 1918, Kell was being financed from the Secret Service vote to the extent of nearly £100,000 per annum, whilst Thomson confessed to getting both £100,000 from the government 'in respect of the Special Branch' and at least £8,000 from the Ministry of Munitions for 'the whole of my organization outside London', but this situation was quickly changed. Early in 1919, as a result of the earlier inquiry, the Cabinet appointed a 'Secret Service Committee' chaired by the Foreign Secretary, Lord Curzon, to advise on post-war arrangements. Under the guidance of Walter Long, it cut Kell's budget for 1919–20 from £80,000 to £35,000, reduced the budget for foreign espionage from £240,000 to £125,000, but recommended that the Special Branch should be enlarged to become an independent civil intelligence department.<sup>4</sup> In April 1919, the committee's report was approved by the Cabinet, and Thomson was offered the post of 'Director of Intelligence', recalling later that:

it was intended to separate the post entirely from the police, but in consequence of my minute pointing out the advantage of keeping a

1. Long papers, WRO 947/672, unheaded memorandum by Long, c. Oct. 1918, pp. (i)–(iv).

2. *Ibid.* C. Russell to B. Thomson, 14 Oct. 1918; paper by Thomson headed 'Comments on the Attached Memorandum', c. 15 Oct. 1918, p. (ii); undated and unsigned paper, probably by Claud Serocold, headed 'Scheme for the Re-organisation and Co-ordination of Intelligence', p. (ii); Long to Thomson, 16 Oct. 1918; undated and unheaded typescript page, clearly sent by Long to Lloyd George c. Oct. 1918.

3. Thomson, *Scene Changes*, p. 377 (diary entry for 30 Oct. 1918); *Hansard*, House of Commons debates, 58, vol. 147, 3 Nov. 1921, col. 2041 (Hall).

4. Lloyd George papers, F/9/2/16, 'Reduction of Estimates' by Churchill, 19 Mar. 1920, pp. 1, 3; Cmd. 874 (1920 Session, vol. xxii) 'Committee on the Police Service/Minutes of Evidence', p. 29 (Q. 503 – evidence of Basil Thomson, 21 Mar. 1919); Long papers, WRO 947/672, Thomson to Long, 15 Oct. 1918; WRO 947/855, Long to Thomson, 28 Oct. 1921; Chamberlain papers, AC 23/2/1, Long to Chamberlain, 2 Nov. 1921; AC 23/2/5, Long to Chamberlain, 8 Nov. 1921; F. H. Hinsley *et al.*, *British Intelligence in the Second World War* (London, 1979), i. 50.

nominal connexion with the police in order to maintain the necessary executive power . . . it was decided that I should continue in my office as Assistant Commissioner, but be responsible for the work only to the Home Secretary.<sup>1</sup>

This arrangement was approved for an experimental period, and on 1 May 1919 Thomson moved to new headquarters at Scotland House with an 'admirable and efficient little staff', responsible not only for investigating political unrest and subversion at home, but also for gathering intelligence on any 'seditious movements' abroad which might affect the British Empire – and for issuing a weekly situation report to the Cabinet on both questions.<sup>2</sup> By contrast, Kell's unit was now restricted to counter-espionage and the investigation of subversion within the armed forces.<sup>3</sup>

The years between 1914 and 1918 thus brought a dramatic advance in British counter-espionage, taking it from a small, specialized system dedicated to the detection of German secret agents, to a vast intelligence-gathering network, costing hundreds of thousands of pounds each year, and collecting information on virtually anyone opposed to government policy. This development accompanied a complete redefinition of counter-espionage, for whilst in 1914 this concerned the prevention of specific illegal acts carried out under foreign influence, by 1918 it involved any act which tended to help an enemy more than it furthered the policies of the British government – permitting the widespread investigation and infiltration of political, industrial and pacifist organizations which were attempting to change those policies, and in 1919 spawning the first official body in Britain specifically dedicated to political policing. Yet equally remarkable was the fact that such a striking change in responsibilities had come without any direct political review of the matter; it had been determined solely by the officials of the departments concerned.<sup>4</sup> The shameful truth is indeed that the Security Service and Special Branch enjoyed substantial independence precisely because governments found it easier to leave them alone than to risk the political odium of involvement with Secret Service. As one informed commentator noted after the war, the establishment of an independent 'Secret Service Bureau' in 1909 had not been a particularly inspired solution to the problems involved, but nevertheless:

1. *Times*, 7 Nov. 1921, p. 11, col. 6, 'Sir Basil Thomson/Reply to the Home Secretary'.

2. *Hansard*, House of Commons debates, 35, vol. 147, 3 Nov. 1921, cols. 2053, 2057 (Shortt); Thomson, *Queer People*, p. 274; Thomson, *Scenes Changed*, pp. 385–7. The first two reports can be found in PRO, CAB 24/78.

3. Kell papers (Frost), lecture to Chief Constables in London, 1924, p. (ii), and lecture on 'Security Intelligence work', June 1939, pp. 4–5.

4. As the American military attaché in London reported in February 1917, it was difficult to determine a precise distribution of duties within British intelligence, for 'every department has grown up very slowly around the personality of one man, and he has made his own rules'; Read and Fisher, *Colonel Z*, pp. 103–4.



the method adopted was perhaps the best in that it was not provocative to Germany, or calculated to alarm the British public, while negotiations then pending might have resulted in a peaceful solution. It was courageous because of the general antipathy towards what was looked upon in those days as some sort of dirty business, especially in the advanced Liberal circles from which the Government received its principal support.<sup>1</sup>

The sad fact is that the political caution which in 1909 ensured the independence of British domestic counter-espionage also ensured that it would develop according to the prejudices of its chief officers. The devious progress of the Security Service and Special Branch during the First World War was simply the direct result of permitting such bodies to operate in obsessive secrecy.

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1. *Army Quarterly*, I, 2 (Jan. 1921), 'Intelligence', p. 333.

## *Appendix A*

### *The Organization of the Security Service, 1914–1918*

Between 1914 and 1918 the organization of the War Office counter-espionage unit changed significantly as it increased in staff and responsibilities. The group of nine officers which became MO<sub>5</sub>(g) on 4 Aug. 1914 soon expanded beyond the bounds of a single subsection, and adopted numerous sets of numbers and titles to denote the new units. The development of what became known as the Security Service causes some confusion to historians, as it caused confusion to contemporary officers – Kell informing the Home Office late in 1915 that even though his unit was by then called MO<sub>5</sub> it was better to refer to it as MO<sub>5</sub>(g) when dealing with chief constables, ‘as we are better known to the Police under that “nom de guerre”’ (PRO, HO 45/10779/277334/file 6, V. G. W. Kell to A. L. Dixon, 10 Sept. 1915). The following appendix thus shows the structure of the Security Service at seven points in its development.

#### [1] AUGUST 1914

On 4 Aug. 1914 MO(t) became MO<sub>5</sub>(g), one of seven subsections of MO<sub>5</sub>, which was in turn one of six sections in the directorate of military operations. Kell’s duties were at first defined as ‘Military policy in connection with civil population, including aliens. Administration of Defence of the Realm Regulations in so far as they concern the M.O. Directorate.’ Within a fortnight expansion had produced the following relationship:

MO<sub>5</sub> Lt.-Col. D. L. MacEwen

DUTIES: Policy regarding aliens and civilians in war; legal questions involving the directorate; cable and postal censorship, and military policy on submarine cables and wireless telegraphy; investigation of enemy ciphers; translations; personnel and interior economy of the directorate; library.

MO<sub>5</sub>(g) Maj. V. G. W. Kell

DUTIES: Counter-espionage; aliens; control of civilian traffic overseas.

#### [2] OCTOBER 1914

On 1 Oct. 1914 MO<sub>5</sub>(g) was split into three divisions. It was now one of nine subsections in MO<sub>5</sub>:

MO<sub>5</sub> Colonel G. K. Cockerill

MO<sub>5</sub>(g) Maj. V. G. W. Kell

	DUTIES: Counter-espionage; aliens; control of civilian traffic overseas.
MO5(g)A	Investigation of aliens and cases of suspected persons.
MO5(g)B	Co-ordination of general policy of government departments in dealing with aliens; questions arising out of the Defence of the Realm Regulations and the Aliens Restriction Act.
MO5(g)C	Records, personnel, administration, and port control.

## [3] APRIL 1915

In April 1915, due to its rapid expansion, MO5 was made into a separate 'Special Intelligence' sub-directorate within the directorate of military operations, and placed under the command of a 'Director of Special Intelligence', Brig.-Gen. G. K. Cockerill. Kell was now put in overall command of MO5, which was streamlined into five sections – although for convenience the earlier numbering was retained, and the counter-espionage unit continued as MO5(g):

MO5	Lt.-Col. V. G. W. Kell
	DUTIES: Military policy in connection with the civilian population, including aliens.
MO5(g)	Maj. R. J. Drake
	DUTIES: Responsibility for counter-espionage and aliens.
MO5(g)A	Investigation.
MO5(g)B	Policy and regulations.
MO5(g)C	Records and port control.

## [4] AUGUST 1915

On 11 Aug. 1915 a new subsection to deal with port control was added to the Security Service, which was reorganized as MO5(a)–(h). The first four subsections were responsible for cables, legal, economic, and miscellaneous duties within the directorate, and counter-espionage was concentrated in the remaining four:

MO5	Lt.-Col. V. G. W. Kell
	DUTIES: Military policy in connection with the civilian population, including aliens.
MO5(e)	Military policy connected with the control of civilian passenger traffic to and from the United Kingdom; port intelligence and military permits.

MO <sub>5</sub> (f)	Military policy and regulations connected with counter-espionage and aliens.
MO <sub>5</sub> (g)	Investigation of espionage and cases of suspected persons.
MO <sub>5</sub> (h)	Records, personnel, and administration – including the administration of port control.

## [5] JANUARY 1916

On 3 Jan. 1916 a new 'Directorate of Military Intelligence' was formed, and although the 'sub-directorate for Special Intelligence' continued under the command of Brig.-Gen. Cockerill, it lost one of its sections and Kell's unit was streamlined. He now commanded MI<sub>5</sub>, a body exclusively devoted to counter-espionage which formed one of the four sections of the sub-directorate:

MI <sub>5</sub>	Lt.-Col. V. G. W. Kell DUTIES: Military policy in connection with the civilian population, including aliens.
MI <sub>5</sub> (e)	Policy on civilian passenger traffic; port intelligence and permits.
MI <sub>5</sub> (f)	Policy and regulations on counter-espionage and aliens.
MI <sub>5</sub> (g)	Investigation of espionage.
MI <sub>5</sub> (h)	Records and administration.

## [6] OCTOBER 1917

This shows the organization of the Security Service in the last year of war. Entitled MI<sub>5</sub>, it remained part of the sub-directorate and was one of ten sections within the directorate of military operations:

MI <sub>5</sub>	Lt.-Col. V. G. W. Kell DUTIES: Counter-espionage; military policy in dealing with the civil population, including aliens.
MI <sub>5</sub> (a)	Examination of the credentials of aliens seeking employment in connection with any form of war service which might offer unusual facilities for hostile activities, more especially Red Cross, munitions work, and all occupations which tend to bring aliens in close contact with His Majesty's naval and military forces. [Formed 23 Apr. 1917 from part of PMSz.]
MI <sub>5</sub> (d)	Co-ordination of imperial counter-

- espionage, correspondence with Dominions and Colonies and special measures countering espionage and sedition in the Far East. [Formed 21 Sept. 1916 from part of MI5(g).]
- MI5(e) Control and examination at ports and frontiers of civilian passenger traffic in transit to and from zones of military operations.
- MI5(f) General policy and measures for the prevention of espionage and the control of aliens and undesirables, in consultation with the Home Office.
- MI5(g) The detection of espionage and the punishment of enemy agents in close touch with Scotland Yard.
- MI5(h) General secretariat and registry, dealing with all general questions of internal organization and administration of the counter-espionage service, including military records of aliens.

[7] NOVEMBER 1918

This shows the final organization of the Security Service during the war. As MI5 it was still responsible to Brig.-Gen. Cockerill, but after the abolition of the sub-directorate in March 1918 his title was 'Deputy Director of Military Intelligence':

- MI5 Lt.-Col. V. G. W. Kell  
DUTIES: Counter-espionage; military policy in dealing with the civilian population, including aliens.
- MI5(a) Military policy connected with the employment of alien workmen on war services.
- MI5(d) Duties connected with counter-espionage in British possessions overseas.
- MI5(e) Military policy connected with control of civilian passenger traffic to and from the United Kingdom; passes and permits for the 'zone des armées'; port intelligence.
- MI5(f) Military policy in dealing with the civil population, including aliens; Aliens Restriction Orders, and Defence of the Realm Regulations affecting Special Intelligence duties; Intelligence passes.

MI5(g)	Special duties connected with counter-espionage.
MI5(h)	Military records of aliens; miscellaneous duties.
STAFF:	At headquarters there were 84 officers and civilian officials, 15 male clerks, 291 female clerks, 23 police, and 77 'subordinate staff'. At controlled home ports, permit offices, and missions in allied countries there were 49 officers and civilian officials, 7 male clerks, 34 female clerks, 255 police, and 9 'subordinate staff'.
BUDGET:	During 1918 MI5's expenditure rose to almost £100,000 per annum.

SOURCE: Derived from PRO, WO 33/688, 'A War Book for the War Office, 1914', pp. 57-8, section 64 (MO5 'War Stage/Staff'); WO 32/10776, 'Historical Sketch of the Directorate of Military Intelligence during the Great War, 1914-1919' [1921], pp. 4, 5, 6, 8, 12, 13; *War Office List, 1917* (London, 1917), pp. 83-6; PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, sections I ('Introductory') and III ('Military Security'); *War Office List, 1918* (London, 1918), pp. 97-9; HLRO, Lloyd George papers. F/9/2/16, W. S. Churchill 'Reduction of Estimates for Secret Services', 19 Mar. 1920, p. 3 ('Counter-Espionage').



## Appendix B

### *The expansion of the Security Service, 1914-1918*

Date	Entire staff:	Total of officers:	Total of admin. staff:	Officers at H.Q.:	Female clerks:	Police at H.Q.:	Ports police:
July 1914	14	4	7	4		3	
Precautionary stage	17	7	7	7	4	3	
[4] August 1914	19	9	7	9	4	3	
February 1916		58			104		
June 1916			150	52			
March 1917		80					
May 1917					130		
October 1917	701	91	360			23	227
December 1917		97			240		230
[11] November 1918	844	133	433	84	325	23	255

SOURCE: Derived from Liddell Hart Centre for Military Archives, King's College, London; Edmonds papers, II/2/71a, V. G. W. Kell to J. E. Edmonds, 11 June 1916, and II/2/102a, V. G. W. Kell to H. M. I. Edmonds, 29 Mar. [1917]; PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, Section (III); WO 32/10776, 'Historical Sketch of the Directorate of Military Intelligence during the Great War, 1914-1919', May 1921, p. 13; Kell papers (Frost), lecture dated June 1939 [probably by E. Holt Wilson], p. 4, 'History': Lecture by Major C. E. Dansey of MI5(e) delivered in May/June 1917, quoted in Read and Fisher, *Colonel Z*, p. 110.

## Appendix C

### *Domestic counter-espionage, 1914–1918*

(a) Prosecutions for espionage.

The best figures available suggest that Kell and Thomson brought thirty-one German agents to trial between Oct. 1914 and Sept. 1917. The fate of these agents was:

Executed: 12

Sentenced to death, with sentence  
commuted to penal servitude: 7

Imprisoned: 10

Discharged 'for various reasons': 2

TOTAL: 31

(b) 'Cover' occupations used by agents.

Most of the German agents sent to the United Kingdom during the First World War used business ventures as cover for their work. A later Security Service analysis of "Covers" used by spies' summed them up as (*in percentages*):

Businessmen: 55

Journalists: 25

Workmen: 10

'People with no occupation or  
travelling for their "health"': 10

SOURCE: Kell papers (Frost), extract from lecture headed 'NUMBER OF SPIES CAUGHT (n.d.), pp. 19–20.

## *Appendix D*

### *The Security Service and the Defence of the Realm Regulations, 1914–1919*

Investigations by the Security Service brought ‘conviction or executive action’ under the Defence of the Realm Regulations in some 1,742 cases between 1914 and 1919. This was only a small percentage of all action taken under emergency legislation – more than 136,000 people being proceeded against in 1916 alone – but it was spread over the following categories:

	Approximate number of cases:
(A) ‘Suspected persons removed, restricted or excluded from certain areas by local Competent Authorities’:	650
(B) ‘Aliens recommended for deportation’:	354
(C) ‘Persons of hostile origin or association (other than alien enemies) interned by order of the Home Secretary’:	226
(D) ‘Persons convicted of espionage, treason, &c’:	65
(E) ‘Hostile persons subjected to personal restrictions other than internment’:	25
(F) Individuals dealt with under the following main charges (no detailed breakdown available):	
(i) Distribution of seditious pamphlets.	
(ii) Statements likely to cause disaffection.	
(iii) Incitements to strike or down tools.	
(iv) Incitements to, or attempted, sabotage.	
(v) Intimidation of munition workers.	
(vi) Statements likely to interfere with the success of His Majesty’s Forces.	
(vii) Conduct prejudicial to recruiting.	
(viii) Pacifist propaganda.	
(ix) False statements of hospital ships being loaded with munitions of war or troops.	
(x) Spreading false war news.	
(xi) False alarms of air raids.	
(xii) Fraudulent use of passports or documents of identity.	
(xiii) Evasion of censorship.	

(xiv)	Abuse of the Royal Family.
(xv)	Insulting language and creating disturbances.'

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TOTAL:

1,742

SOURCE: Cmd.215 (1919 Session, Vol. 51), 'Judicial Statistics 1917/Offences against emergency legislation'; Kell papers (Simpson), 'Certain Offences against the Defence of the Realm Regulations 1914-1919' (n.d.). In Oct. 1917 the figures for the first three categories were apparently (A) 628; (B) 169; (C) 201: PRO, INF 4/9, 'The Organisation of the Services of Military Secrecy, Security and Publicity', Oct. 1917, section (III).