In reply refer to Initials and No.

## NAVY DEPARTMENT

OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON

(SC)A8-5 Op-16-B-7(G) A8-5/EF74 CONFIDENTIAL Serial No. 0724116

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March 18, 1942

From:

Director of Naval Intelligence.

To:

District Intelligence Officers, All Naval Districts

(except ND16).

Intelligence Officer, Potomac River Naval Command. Intelligence Officer, Severn River Naval Command.

SUBJECT:

Landing of Enemy Agents on Coast of the United States.

- l. A confidential reliable source in Germany advises that early in January, German submarines began transporting two or three agents on each trip to North and Central American coastal waters. It is reported that German "cruiser" submarines are used for this task and further that the agents are familiar with the areas in which they are to work. They are well supplied with dollar exchange obtained in Switzer-land or Sweden.
- 2. These agents are reported to be couriers and promoters of sabotage. As such, they bring instructions and explosives with them on their voyage. The "cruiser" submarines proceed to points very close to shore where, during darkness, the agents are rowed ashore by crew members of the submarines using hard rubber boats with outboard motors. It is further reported that some of these submarine commanders have told about seeing the glare of the New York skyline.
- 3. It is indicated that detailed plans exist for the agents and their accomplices in America to inaugurate simultaneously an all embracing wave of sabotage, the main purpose of which will be to cause the greatest number possible of troops to be kept on the Home-Front and thus reduce to a minimum the number free to be sent abroad. The German High Command is supposed to believe that the United States is not yet in a position to undertake transportation of large numbers of troops outside of the Western Hemisphere, and the organized wave of terror mentioned above will only be put into effect when United States troop movements abroad of a substantial number become apparent.
- 4. The informant adds that even though only a few agents be landed from submarines, tremendous harm will accrue therefrom because "just as there was formerly in the Sudetan Land, Austria, and German-Poland, there are in the United States widespread organizations of

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German SA and SS Standarten which have been recruited not only from among the German citizens there but from among close blood-comrades as well."

- 5. The files of the Office of Naval Intelligence reveal no evidence that German submarines of the "cruiser" type have been operating along the American coast, and it is not probable that Germany has in operation more than one or two submarines larger than 750 tons. It is, however, quite possible that 500 or 700 ton submarines could deposit agents along the North American or Central American coast.
- 6. There have been frequent rumors to the effect that various German political organizations like the SA and SS are operating in this country and have a fairly widespread organization. There have also been rumors concerning the existence of supplies of explosives in Nazi hands in Central and South America.

/s/ J. B. W. WALLER

J. B. W. WALLER By direction

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