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From: To:

SUBJE

The Chief of Naval Operations. The Distribution List Appended.

SUBJECT:

French Propaganda and Intelligence System operating in the United States and Contiguous territories. Survey of.

Enclosure:

(A) Survey of French Propagenda and Intelligence System in the United States and contiguous territories. copy of.

1. The enclosure has been prepared by the Counter Intelligence Section, Office of Naval Intelligence, from studie and researches made by it and is transmitted for your informati

For Marie

J.B.W. Waller, by direction.

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Dictated February 19, 1942 by Lieut. Eddy Typed by M. Maurice

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> NAVY DEPARTMENT Office of the Chief of Naval Operations Washington

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FRENCH ESPIONAGE AND PROPAGANDA

INTRODUCTORY:

The collapse of the French resistance marked the end of the era of cooperation and trust between France and the United States. Since the surrender of the French armies, three obvious facts necessitate the reception, with suspicion, of news, offers of cooperation or even visitors arriving from France:

- (1) The Vichy Government, as well as occupied France with its leaders in Paris, is obviously under pressure and direct orders from German officials in France, chief of whom are Otto ABETZ, German commissioner with Ambassadorial rank; General Heinrich von STUELPNAGEL, Commander of the German armed forces in France; General von SCHAUMBURG, military governor of Paris. The German GESTAPO has headquarters in Paris, but its agents operate freely over all occupied and unoccupied France.
- (2) While fully ninety per cent of French people, in France and abroad, still hate the Germans and all that they represent, a very limited number have swung over to a policy of active collaboration, inspired by an opportunist desire for personal gain or motivated by deep-rooted hatred for England, the Jews, or Russia. Those Frenchmen, who have once become attached to the German cause, can never turn back, as they are cordially hated by their fellow countrymen, and there is every reason to believe that the news of the collapse of the German power will see wide-spread revenge both inside and outside of France.
- (3) Barring a complete collapse of German power, internal conditions in France may have become so bad, or food supplies so limited, that the French people may be driven to accept collaboration with Germany in order to live. The old proverb concerning the drowning man, who will grab at anything, might

well be quoted here. At the blackest moment, when the French Government was considering surrender or flight to Africa, France appealed to the United States for help. At that time, American opinion would not have backed an entry into the war and distance and lack of war material in this country barred any offer which might give France the hope of a continued resistance.

THE PROBLEM:

The United States is faced with the question of deciding to what extent a watch must be kept for French espionage and propaganda hostile to our interests, whether directly inspired by Vichy or transmitted from Germany via Vichy. The question of a general policy to cover all relations with France involves two conflicting points of view:

- (A) One group of people believe that no trust should be put in Vichy, taking into consideration German domination and renegade Frenchmen, and these people point out that the remnants of the French Navy and control of the French colonies, especially in Africa, present a real menace to the interests of the democratic cause.
- (B) The other group affirms that there are grounds for limited trust in Vichy policies and that any risk run, in regard to the French Navy and French colonies, might be justified by the importance of keeping alive, in France, the existing resistance to all German efforts toward collaboration as indicated by numerous acts of violence and sabotage. Indications of continued friendship with France would encourage this resistance to the Germans and require the retaining, in France, of large numbers of German troops at a time when they could well be used elsewhere.

It is perhaps needless to point out here the difficulty of maintaining the last named policy at a time when both England and the United States are attempt-

ing to give every encouragement to the representatives of the Free French. Vichy French and Free French forces, having shed each other's blood on the battle fields of Syria, any reconciliation between the two French factions seem impossible.

We should not now consider France and all of her colonies as a single political entity, but as a group of loosely connected units, bound more by tradition than by control. If that tradition involves loyalty to France, it also involves hatred of Germany. Dakar and Martinique, for example, being far from Vichy, are less likely to give active assistance to the Axis than is the homeland.

FRENCH ESPIONAGE AND PROPAGANDA:

French espionage activities as have existed seem to have radiated largely from the French Embassy in Washington. Reports on an early effort to organize such a service included the names of three men, of whom two, Lt. Col. BERTRAND-VIGNE, assistant to the French Military Attache, and Charles Emmanuel BROUSSE, Press Attache, were stated to be the only members of the French Embassy to be trusted in this field of activity. These two men were aided in their early efforts by one Jean MUSA, who acted as courier and contact man with prominent French people in New York. MUSA helped the Ambassador meet many socially prominent people in New York and sympathy for France was kept alive and funds raised for French relief. Contacts with already existing French organizations met with little success, pressure brought to bear on French people back-fired, and the first organized effort received wide, undesired publicity in an article published in a New York paper describing their activities in detail.

Another early espionage effort was directed by Xavier GUICHARD, of the French Secret Police, who attempted to follow well-known Gestapo methods in contacting Frenchmen in the United States, who had relatives in France, in an

attempt to obtain their cooperation under threat of what might happen to loved ones on the other side of the ocean. This method also back-fired badly, and GUICHARD was forced to leave the United States hurriedly in October, 1940, as a result of publicity describing his activities.

The Embassy has been requested to supply to France full information on varied subjects. Among the most important of these items was to be information on American shipping, which was to be forwarded in great detail.

Other reports to Vichy were supposed to convey to Marshal Petain a clear picture of the state of American public opinion in regard to his Vichy Government, the extent of the defense preparation and the re-action of our people to the foreign policies of our President. These reports may have seemed unreliable to authorities in Vichy, as one writer, seemingly well informed in this field. suggested that Marshal Petain sent Camille CHAUTEMPS to this country to check on the information he had requested and to report on the activities of certain officials in the Embassy. However that may be, CHAUTEMPS brought with him the reputation of being very clever. One recalls the pre-war French cartoon of CHAUTEMPS, to whom the butler was offering the choice of some ten different uniforms or suits, while asking which one Monsieur would wear today. The implication was obvious, and pointed to what was evidently a well known fact, namely, that CHAUTEMPS changes his "uniform" from day to day to suit his personal interests. Since his arrival on our shores, he has kept very carefully out of the press and little has been reported as to his activities except legitimate efforts to increase aid to France and to promote cordial relations between the two countries. This is perhaps not a complete history of his activities here. It is interesting to note that the lack of cooperation between the various elements in France is reflected in the discord between the representatives of that

country in the United States.

The Huff Duplicating Company of Washington, D. C. has a list of 15,000 names of persons who are apparently recipients of letters from the French Embassy. Many of these letters may go to distant corners of the United States, but it is interesting to note that, in 1930, there were nine hundred and seven white residents of the District of Columbia who were native-born French. Of this number, three hundred and seventeen were not naturalized. According to the 1940 Census figures, there are seven hundred and nineteen residents of the District of Columbia who were born in France.

Richard EATON, former French newsman, and presently a radio commentator and newsman in Washington, tried to persuade HEMRY-MAYE to pose for a newsreel in which he would deny that the French would be used by the Germans to work against the allied democratic cause. EATON pointed out that this would have a far better effect than mere newspaper reports; however the French Ambassador declined to accept the opportunity, evidently fearing to go on record as making such a statement.

It has been reliably reported that the Vichy Government has instructed the French Legation in Mexico to discontinue all pensions to French ex-service men sympathetic to the Free French Movement. All employees of the Legation and Consulates in Mexico were required to swear obedience to orders from Vichy and to accept cooperation with the German Legation. It is probable that similar instructions were given to all French Diplomatic and Consular agents in the Americas,

It has also been reliably stated that French consuls have been instructed to give every encouragement to the formation of branches of LA LEGION PETAIN (French Ex-Soldiers Legion). Reports on the formation of new branches come from all over the Americas, but indicate luke-warm response. The report from Peru included the bitter comment that over ninety per cent of the French there also **-** 5 --

seemed to be sympathetic to the FREE FRENCH cause of Charles DE GAULLE. information points out that former French Veterans Associations in the United States had numbered close to five thousand members, of whom not more than five hundred, at the most, have been persuaded to join the new legion.

As the chances of a German victory increase or decrease, the anti-American activities of that small proportion of the French people who have collaborated willingly with Germany, for selfish motives, will probably change proportionately. A German collapse will find the lowest types enthusiastically waving our flag in the hope that their past actions will be forgotten or forgiven. New German victories may well increase the ranks of those willing to assume a "leading role" in a possible new European order.

An increase in the amount of espionage or propaganda in the United States may possibly become evident, under a French cloak, but with no real French connection. As German sources of information and espionage become more limited, it is only natural to expect the Nazis to use forged French passports for their own agents and they certainly do not lack loyal Germans who speak French natively. Fifth column activities in France and Belgium have already given proof of that fact. What comes out of France today, persons or information, does not necessarily reflect the attitude of the French, as all that leaves, does so with Ger- 0 man permission. What French espionage has been uncovered recently has been so closely connected with German or Japanese interests that it obviously represents a central system leading to Berlin and not to Vichy.

Pierre H. de la BLANCHETAI formerly served as both Charge d'Affaires in the French Legation, Republic of Panama, and French Consul for the Canal Zone, Early in 1941 reports stated that he was having mailed, from Martinique, quantities of booklets in French, filled with anti-British propaganda. A few months later he was the main speaker at a meeting of a French society which met at the CONFIDENTIAL

Y.M.C.A. at Balboa. Here his remarks stressed the stupidities of the democratic form of government. His real importance became more apparent when it was discovered that he had been forwarding, to the French Embassy in Washington, great amounts of information regarding defense preparations and military and naval movements near the Panama Canal and Panama. This information seemed of even greater importance when it was discovered that he was contacting German Consuls and evidently working with them, perhaps under their orders. His recognition as French Consul for the Canal Zone was withdrawn.

Baron Eric de BISSCHOP arrived in Honolulu, August 6, 1941. He was officially listed as French Consul, but it was learned almost immediately that he was also playing an active role in Japanese espionage activities and recognition of his official status was withdrawn before he could more than get his work started.

THE FRENCH CHURCH:

While Axis propaganda appears to have succeeded in infiltrating into the Catholic Church in certain parts of the world, there seems to have been no indication of such results in either Catholic or Protestant Churches, which are labelled as being French and which are found within the limits of the United States. French Canadians offer a poor field for such activity and other French speaking churches represent official connections with too many differences of race and sympathy to permit efficient use for propaganda.

PRESS AND PUBLICATIONS:

Newspapers and magazines in French are to be found only in the largest cities or in the parts of our country in which the greatest concentration of French Canadians is to be found. These show no indication of being used for propaganda with two possible exceptions. A magazine, FREEDOM, editor, Paul SEGUIN, was launched in New York City with the purpose of presenting the Vichy point of

view to the American public. This met with such a cold reception that news stands in Washington soon refused to handle it and it is highly probable that it met a similar fate elsewhere. The old and famous illustrated French weekly magazine, L'ILLUSTRATION, is reported to have again reached our shores, from France, bearing every indication of having been re-organized under German orders.

The HAVAS NEWS AGENCY is reported to be again active and to be under orders from Germans. In spite of denials from HAVAS offices in France, the agency is no longer believed to represent unbiased French views and it is supposed to be rapidly taking over the functions of the German News Agency, TRANSCCEAN. In the United States, HAVAS has offices both in New York City and in the National Press Building in Washington. It maintains very close contact with the French Embassy, reporting to the Embassy the news which it receives and acting also as an agent for the Embassy in forwarding news to France. Frequently representatives have given the impression that they will send no news which is not approved by the Embassy. Often HENRY-HAYE personally dictates to the HAVAS representative the dispatches which are to go to Vichy.

TECHNICAL EXPERTS:

During the year 1941, a number of Frenchmen arrived in the United States and offered their abilities, information and services to our government. Many of these men had left important positions in France and stated that they had escaped to this country with the determination of aiding us to continue the fight against Axis aggression. Some of these men even brought with them quantities of plans, charts, blueprints, etc., which they offered to turn over to the United States. A few of these men may have really escaped from occupied territory, but it is hard to believe that very many could get out of Europe, with important papers, without cognizance of German authorities. As some of this information is of interest to our own technical experts, the possibility

arises that this material was allowed to be taken from France in order to gain entry to positions of trust or importance here and to cover up a mission destined to obtain more important information for the Germans. No general solution has been found to the question of determining the trustworthiness of such men and each individual case must be considered separately. Any such question which presents a doubtful solution must be solved in favor of our own security, but it would be better if some solution could be found which would not discourage the offering of valuable information or service and which would deny the subject access to our own secret defense plans.

FRENCH BUSINESS MEN:

Representatives of French business firms or Frenchmen claiming to represent American firms are reported to be traveling from our borders to Central and South America to an extent hardly justified by the amount of French business they can transact or by the orders they actually obtain for any business connection here. When these men constantly incur the additional expense of air travel, they appear additionally worthy of suspicion. One typical example of such cases is given as a sample of what may prove to be a frequently employed means of procuring or distributing information. Alix G. GARNIER was reported, in October, 1941. as a Frenchman traveling in Central America on a French passport No. 54. issued by the French Consulate in New Orleans. He was supposed to be representing the firm of CHARBONNET, in New Orleans. In San Jose, Costa Rica, he approached a local merchant, gave him maps, and requested the insertion on the maps, of the location of water supply tanks and distributing lines, electric power plants, military barracks, landing fields etc. These spots were to be indicated by runbers to which a separate key was to be supplied. These maps were supposedly to be provided as information necessary to American military authorities, The local merchant filled in incorrect information, informed local officials, who arranged CONFIDENTIAL - 9 -

TOURISTS:

Individual cases of espionage on the part of French tourists, professors and socialites have been reported and, in many cases, have proved to be well founded. Under present conditions, any persons arriving from France must be regarded with suspicion until proven innocent. The routes from France to the Americas via Portugal, Spain, or Africa, are the only ones still open to the Axis powers. This suspicion is to be based not only on the already mentioned German check on such departures, but also on the well-known Gestapo method allowing certain members of a family to leave while retaining one or two members as hostages, until certain missions are carried out. In this manner, even the most unwilling French Jew may be forced reluctantly into the ranks of the German agents.

AVENUES OF COMMUNICATION:

Still worthy of careful supervision and suspicion are: (1) all existing DIPLOMATIC CHANNELS between the United States and Vichy. Many of the pre-war members of this group, who were unwilling to share, in any way, in collaboration with Germany, have resigned; some have returned home, others joined Free French or democratic ranks, but it must not be forgotten that this group may also include old career members who might be only too glad to resign, but who carnot afford such a step. (2) All arrivals from France, especially via MARTINIQUE, AIR CLIPPER FROM AFRICA, or even STOWAWAYS on boats. (3) Arrivals from TATEN-AMERICA who find it easier to gain entry into the United States by furst obleaning citizenship in Latin-American countries than by application for a visa vo come here directly from Europe.

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FREE FRENCH:

Information received, prior to the recent declaration of war, was almost exclusively favorable to the officers and members of the FREE FRENCH organizations in our country. Since that day, attention has been called to accusations against that group by Henri de KERILLIS. This man is stated to have given Alfred BERGMAN, author of "AMERICA NEXT", information to the effect that Henri MAYER, newly appointed leader of the De Gaulle Movement, is not to be trusted and claims that the only member of this organization who might have proved of help to the United States, Jacques de SIEYES, had been ordered to go to Syria. The reliability of this information has not been determined and may possibly represent a selfish attempt, on the part of de KERILLIS, to discredit others to his own advantage. Previous reports had indicated a determined, although not always a united effort, on the part of the FREE FRENCH, to work with the Democratic cause. These efforts had certainly been aided by loyal American groups, such as the FRANCE FOREVER society, and had won the support of prominent U.S. citizens all over our country.

Information received from an informant stated to be reliable, expressed the belief that the De Gaulle Movement in New York was under the control of the Gestapo. This report added that the new head of the Free French Headquarters in New York, Henri MAYER, was formerly connected with a Jewish Bank close to the Vichy Government in France. While this information seems hard to believe, because of stated connections between Jewish interests and Vichy and the affirmation that the Gestapo controls the Free French Headquarters in the United States, it does represent either a determined effort to discredit the Free French Movement or else it reflects grave doubts as to the trustworthiness of certain movement of that organization.

AMERICANS WHO HAVE RESIDED IN FRANCE:

A few Americans, who have lived a large part of their lives in France, have CONFIDENTIAL - 11 -

returned home only recently. Of these, certain ones seem to be more French than American, in spite of nationality. Why these few individuals should decide to come home now, instead of earlier, is a matter worthy of suspicion, especially when the arriving American states that he kept two jumps ahead of the invading German armies, but later had to take at least one trip back to occupied Paris, bribe German officials, that he had been arrested and detained for two months, that he eventually traveled in disguise. One such man, Clarence GLOVER, claims to have been approached by German agents in Paris who offered him a chance to join German Intelligence. These men all seem willing, perhaps too willing, to talk of their experiences. They talk rapidly and do not seem very willing to explain certain moves or to clear up obscure facts. What is more suspicious, they seem to have failed to attempt to contact proper American officials in France even in the midst of most serious and supposedly legitimate difficulties.

FOREIGN EXCHANGE:

In spite of rates of exchange quoted in American papers, not even United States banks offer that rate to the stranger who walks in and presents foreign money. Information from a highly confidential source reveals that "BLACK MARKETS" in New York have offered as high a rate as one hundred and eighty-five francs to the dollar and that, in France, an American dollar has been exchanged for over three hundred francs. With this information, it is impossible to regard without suspicion foreigners who arrive on our shores and who are reported to have \$20,000.00 in U.S. money on their person.

FRENCH ARRIVALS FROM AFRICA:

One Frenchman from North Africa, Major Adolph AUMERAN, recently arrived in this country and requested a monthly allowance, from blocked French funds here, in order to finance an anti-Nazi revolt in North Africa. This man may be sincere in his offers of friendly services to our cause, but each such case

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necessitates an independent evaluation and even cases of evident esplonage active ity seem to represent individual missions or independent assignments rather than any big group of agents working in co-operation with each other. This "lone wolf" policy may soon be a matter of past history, if, as seems highly probable, the Germans depend more and more on French agents. This should also offer us a wonderful opportunity for using Frenchmen who could be induced to enter this field, posing as German agents, while really serving the Democratic cause. new air route from Africa to Natal, Brazil, had hardly been open two weeks when there arrived the report that the first Vichy agent was planning to arrive that way. Another arrival from French North Africa, who is under the suspicion of espionage, had formerly held important posts in Spain, had been Secretary to the Spanish Ambassador in Paris and more recently stated that he had been employed on a French newspaper in Algiers. This might be an additional link between Vichy and Falange espionage activity for Hitler, but might also indicate the relative importance of increasing the Totalitarian espionage ring in our country even at the cost of weakening the African number of agents.

FEMALE AGENTS:

While female agents in espionage work have been relatively few in reports already received, no report of this nature would be complete without mention of one, Franciska KRUPNOVA, alias Danielle KARINE. Born in Czechoslovakia, but brought to France as an infant; she grew up in Paris and became a show girl. She left Paris for the West Indies after the German occupation, leaving a mother, two brothers and two sisters in Paris. This may be cited as an almost perfect case, as it concerns a physically attractive woman, with no deep-rooted ties to France, but who can easily pass as of French nationality. What genuine ties of deep-rooted love may exist, the probability points much more clearly to the mother, brothers and sisters still in the German power and to whom harm might come if

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German interests were ever betrayed. This woman's travels have been traced through various stopping places in the West Indies and South America, a prolonged visit in Panama, where her friendship with Ex-President Arnulfo ARIAS was more than casual, to Mexico where she rejoined her ex-President lover. Before meeting Arnulfo ARIAS, she had been reported as contacting well-known agents at every stop and was stated to be actually in the pay of Admiral ROBERT, dictator of Martinique.

Another woman of an entirely different class, Elsa SCHIAPARELLI, one of the best known Parisian style dictators, came to the United States after the start of the war, but even before the surrender of the French forces. She has been traveling extensively, visiting Mexico, Central and South America, supposedly on business. At almost every city visited she is reported to have very carefully, but not too skillfully, dropped hints that France and South America well might enter into fuller collaboration with Germany and that this course of action might well prove to be the best course for her sad country. In this case, we have glamor, an appeal to a higher type of society and a legitimate excuse for trips which were ostensibly (and possibly truly), for the purpose of maintaining her prominent position in the field of feminine styles.

FRENCH ACTIVITY ON THE WEST COAST:

Late information, received since the declaration of war, seems to indicate a new center of questionable French activity in the neighborhood of San Francisco. In this connection, the 1930 census states that the total French born population in the State of California is over thirty-seven thousand of whom over seventeen thousand are located in the French Colony of San Francisco and present estimates consider the number for the whole Bay Area to be approximately thirty-thousand. However, this number includes American born citizens of French descent who are active in French Circles.

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Raymond RICAUD has been for a number of years the head of the FRENCH TRADE COMMISSION, Kohl Building, San Francisco. It has been reported from various sources that this commission is not the usual Chamber of Commerce, but that it is actually a bureau under the direction of the French Embassy in Washington. In spite of the fact that trade with France is practically non-existent, RICAUD recently stated that they were very busy at the office. Another source believed to be reliable adds the information that this office is now busy making a study of the fruit industry in California with the aim of adopting similar methods for Northern Africa. This latter source also states the conviction that neither RICAUD, his office staff, nor any of the personnel of the local French Consulate would collaborate with the Germans.

Augustin LUSINCHI is the editor of LE COURRIER DU PACIFIQUE, published in San Francisco, stated to be the oldest daily newspaper in that city and having as its masthead "the organ of the French speaking people on the Pacific Coast".

LUSINCHI owns the greatest amount of stock in this paper and is believed to be the only member of the staff who is not one hundred per cent pro-DE GAULLE. It is also stated that he receives a subsidy from the French Government through the French Consul General in San Francisco.

Grave doubts have been cast on several members of the San Francisco branch of the ALLIANCE FRANCAISE, special mention being made of Leon BOCQUERAZ, one of several Honorary Presidents and wealthy banker whose name appears on membership lists of the CERCLE DE L'UNION, which is supposed to have many pro-Vichy members. BOQUERAZ has voiced approval of closer collaboration between Vichy and Germany. FRENCH PEOPLE IN THE WESTERN HEMISPHERE:

In spite of increasing cases of French-Vichy espionage on this side of the Atlantic, it must not be forgotten that fully ninety per cent of the French all over the world hate the Germans and hope for the defeat of her cause. They may

not love the English, they may not seem too cordial to Americans who often question them none too tactfully on the cause of the poor showing of the "finest army in the world", but most French citizens are convinced that there is no hope for France unless the German invader is driven from French soil and left in such a position that he cannot again destroy the peace of Europe.

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