
British Espionage in the United States: A Secret Memorandum Prepared by the United States Dept. of Justice, February 15, 1921. †

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JEH-EMR

February 15, 1921.

February 21, 1921.

British Espionage in the United States.

Secret and Confidential.

Major W.W. Hicks,
Office, Military Intelligence Division,
Washington D.C.

Dear Major:

I am enclosing herewith a copy of the memorandum upon the British Espionage System in the United States, together with a copy upon Japanese Propagandists in the United States.‡ I am having additional information prepared upon Japanese Espionage as you will not that the memorandum enclosed refers principally to the propagandists.

I shall be very glad to furnish you with such supplemental memorandums as they are prepared upon this matter.

Very truly yours,

J.E. Hoover,

Special Assistant to the Attorney General.

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It is of course public that the British maintained an extensive secret force in the United States during the war, particularly with relation to German activities. After the signing of the armistice, when radical outbreaks were occurring throughout the world, the British officials in New York turned their attention to the war aftermaths, which, presumably affected Great Britain and her possessions, even though the specific acts occurred within the United States.

There are several classes of investigation which the British were, and I assume still are, particularly interested in. These included Sinn Féin activities, Hindu activities, Negro activities (especially as they affect and became part of the activities of all darker peoples), International radical organizations and individuals, and radical affairs of all kinds in the United States.

In the spring of 1918 a Mr. Robert Nathan made his appearance at the British office in New York. No one seems to have been able to learn his true status or mission. He appeared, however, to be an experienced diplomat, highly educated, a world traveller, and holding a rather important place with the British Government. He made no concealment of the fact that he

†- While a carbon copy of this 14 page memorandum was transmitted to Major W.W. Hicks of the Military Intelligence Division under a signed cover letter of J. Edgar Hoover dated Feb. 21, 1921, it is not at all clear that Hoover was the author of the unsigned memorandum itself. Hoover's comment that he is "having additional information prepared" about Japanese Espionage would seem to indicate a significant probability that this summary of British Intelligence in the US was likewise prepared by another individual in the Department of Justice apparatus.

‡- Handwritten notation on document: "Filed in 1766-Z-436."

was interested in radical activities, and within a short time he was introduced to both Mr. [Raymond] Finch, who was then in charge of the Radical Division of this Bureau, in New York City, and Agent [M.J.] Davis, by Division Superintendent DeWoody, who requested that they cooperate with Mr. Nathan. It appears that at this time the English were much better informed on radical activities in this country, at least in New York, than the United States Government.

Mr. Nathan continued to visit the New York office of this Bureau, until May 1919, when former Agent Finch resigned and we were in receipt of confidential information that Mr. Finch cooperated with Mr. Nathan very extensively, subsequent to his resignation from the Department of Justice and during the time he was in the employ of the Lusk Committee where Nathan apparently found a better source of current material. Mr. Nathan remained in this country until July or August of 1919, at which time he hurriedly left for England and was succeeded in this country by Colonel [Norman] Thwaites.

This office which Mr. Nathan opened was known as the British Provost Marshal's Office of New York City. This office continued in existence after the departure of Mr. Nathan until approximately January 1920, at which time the State Department made a request that same be closed. The Bureau, however, has reliable confidential information to the effect that although this office has been closed, the British continue their espionage in this country, using the Counselor's office at New York and the British Embassy in Washington as headquarters for their agents who are operating in this country. There is also in New York at the present time, a Lieutenant [A.W.] James of the British army, who has stated to our New York office that he has been authorized by the British government to investigate all applicants for visas of people going to England. The operations of this individual are exemplified in the case of Lillian Hannah Moodey, a citizen of this country and well known "red" of New York City, who secured a passport to go to England for the purpose of marriage. On her arrival on the shores of England, she was not allowed to land, but transferred by a representative of Scotland Yard to an-

other boat and returned immediately to the United States. I merely related this incident to show the extent and thoroughness in which the British intelligence is covering this country at the present time.

I desire also to quote from a confidential report of the British Secret Service, under date of May 1920, an article entitled "Armed Extremists in the United States."

In view of the public attention which revolutionary and semi-revolutionary movements have attracted in America, a statement of the reported approximate insurrectionary strength of various parties of the extreme left may be of interest. Their total number of armed men is roughly 600,000. Of these 215,000 may be classed as pure extremists and 182,000 represent advanced labor. The negro rebel strength is reckoned as 100,000; alien groups as 50,000, and the floating criminal population, which may be calculated on to join any violent movement, is roughly 50,000.

It can be readily noted from the above that the British have better information concerning radical activities in this country and it is known that to secure this information they must have a very efficient force in operation.†

The following is a list of known British agents and suspects whose activities have come to the attention of this Bureau.

Rev. R.D. Jones or Jonas. This individual, a white man, has been in the employ or was in the employ of the British government from June 1918 until about May 1920, covering Negro, Hindu, Japanese, and Mexican activities in this country. Jonas was one of the leaders of the race riots which occurred in Chicago during the latter part of June of 1920 and when apprehended by the local authorities at Chicago at this time, stated that he had been a regular paid employee of the British government until May 1920, but that he continued to submit information to them on the promise that he would be reimbursed when the British Secret Service was reorganized in America. The activities of this individual Jonas, when in the employ of the British Secret Service in this country, are well known to the Bureau, as the weekly reports which he submitted to Great Britain were secured confidentially by our service.

It may be well to state also that the report which

†- That such a fantastical count of "approximate insurrectionary strength of various parties of the extreme left" is regarded by the Department of Justice as "better information" (than their own) and the product of a "very efficient force in operation" speaks volumes about the DoJ's own internal intelligence capabilities.

Jonas submitted to the British government on the race riots was in my opinion the most complete in information and general survey of the situation that has ever come to my attention.

The most significant indication of Jonas' activities is to be found in the part which he played in the race riot in Chicago in June 1920. At that time he was arrested and stated to the local police that he had been in the employ of the British government. In 1917 he was employed, according to his statement, by the United States Military Intelligence at Chicago. In the middle part of 1918 he entered the employment of Mr. Nathan in New York who was directing the activities of the agents of the British government in the United States. He claimed that he had been upon the regular payroll of the British government for services in this country until May 1920 but admitted that he was sending weekly reports of the negro situation to the British Embassy with the hope of being recompensed after the reorganization of the New York office of the Scotland Yard, which had then been discontinued.

Jonas at various time served in prominent positions in the negro movement. He was secretary of the magazine for darker races and took an active part in the work of the Universal Negro Improvement Association.

Marcus Garvey. President of the Universal Negro Improvement Association of the World. The activities of this individual have been given close attention by confidential agents of the Bureau for some time. He appears to be the main instigator and active leader of approximately 80% of the Negro agitation in this country at the present time.

I desire to quote from a confidential report submitting information concerning Garvey's alleged connection with the British government:

Garvey informed Owens that the solicitation of finances to finance the Black Star Line in this country was but a mere

sham to cover of the real backers of this company. Garvey stated that he was receiving unlimited funds from British financiers, with the backing of the British government; that these financiers and backing were furnished with the understanding that Garvey was to put through an elaborate scheme for the migration to and the settlement in British possessions in South Africa.

Garvey stated that Great Britain today, owing to domestic difficulties, principally their difficulty with Ireland, were prepared to go to almost any length to get the civilized negro into South Africa to work in their interests. Garvey said that he was in a position, through assurances and guarantees of British financiers and the British government, to furnish the negro guarantee of more liberties than he has ever received in the history of the world. They will have the right of franchise and build up their own government of a dominion form, and have absolute freedom. Garvey stated further that he felt that Great Britain was so anxious to have this thing put over in a proper manner that they would almost recognized the right of equality between the negroes and whites to the extent of intermarriage.

It is also notable besides the above, Garvey has been in daily conferences with Jonas (mentioned above as a British agent) since his exposure in Chicago. Further, that the *Yarmouth*, which was purchased by Garvey for his Black Star Line Steamship Company, still remains under British registry.

Louis C. Fraina. I have received confidential information that, sometime ago, approximately 6 months, that a prominent State Department official was advised by Sir Basil Thompson, head of the British Secret Service, relative to the status of Fraina. At this time Thompson informed the official that Fraina had been in the employ of the British Secret Service, but at that time, he was not. When Fraina returned to England after the Amsterdam conference of the 3rd International [Feb. 10-11, 1920] he was placed in jail. I have been confidentially informed that Fraina at this time was subjected to a thorough examination by the British authorities and whether or not he was actually placed upon a salary basis with them is unknown but he shortly thereafter departed for Russia where today he is in the intimate confidence of the Soviet authorities.† He has succeeded in discrediting Ludwig Mar-

†- This DoJ account of Fraina's travels to Moscow in 1920 is at fundamental variance with that given by Fraina's biographer, who writes: "At last vindicated [by his party trial], Fraina felt free to leave for Europe. [British Intelligence agent Jacob] Nosovitsky later claimed that the trip was partially financed by the British Exchequer and Scotland Yard. In any case, Dutch police broke up a first conference in Amsterdam, led by locals who freely sang revolutionary songs in the cafés, and Fraina grew increasingly suspicious of his traveling companion. Pretending to agree to meet Nosovitsky back in London, Fraina crossed the border into Germany and made his way to Berlin, barely escaping the turmoil of the unsuccessful Kapp Putsch. Arrested in Denmark and deported to Germany, he traveled to Russia disguised as a prisoner of war." [Paul Buhle, *A Dreamer's Paradise Lost: Louis C. Fraina/Lewis Corey (1892-1953) and the Decline of Radicalism in the United States*. (Atlantic Highlands, NJ: Humanities Press, 1995), pg. 94.]

tens in the eyes of the rulers of Soviet Russia. I have been informed that information which he obtains is forwarded to the British authorities.

It may be well to state that Louis C. Fraina is one of the highest authorities on International communism in the world today and certainly the ablest writer on the subject who has been active in the United States; his works including the much quoted *History of the Proletarian Revolution in Russia*.[†]

Santeri Nuorteva. I desire to state the singular circumstances under which this individual left the United States, and who also later was deported from England, and I will leave to the reader the privilege of drawing his own conclusions.

Nuorteva left the United States very apparently with the assistance of the Canadian or British authorities and without even our knowledge, succeeded in crossing the frontier into Canada, and according to a published statement of Martens recently published in his official organ [*Soviet Russia*], the details for Nuorteva's trip to England were arranged by Canadian authorities. It is impossible that Nuorteva could have left the country and particularly gone to England without the assistance of British agents in this country.

The purpose of Nuorteva's trip to London was ostensibly for arranging *commercial* relations between Canada and the representative of the Soviet government, Mr. [Leonid] Krassin, who was at that time in London. It has been noted, however, from the press, that subsequent to Nuorteva's arrival in England, Krassin left, apparently without accomplishing his purpose and Nuorteva was deported from England to Soviet Russia via Libau.

James Larkin. The Radical Division has confidential information that this individual was in the employ of the British Secret Service, specializing in

Sinn Féin activities in this country. It is interesting to note that Larkin has made conflicting statements in respect to his birth place. There is considerable doubt that this individual was born in Ireland but it was very definitely shown in his trial before the state of New York that he was born in Liverpool.[‡]

The press of New York City has adverted from time to time to the fact that James Larkin was a British spy. This was brought about no doubt by certain information disclosed by Assistant District Attorney Rorke, in so far as the records in the General Intelligence Division show informal inquiries were made by the British authorities for the purpose of obtaining permission of the United States government for Larkin's departure from the United States when he was under indictment for Criminal Anarchy in New York. The British authorities were apparently under the impression that the charge against Larkin was a Federal charge and thought that the Federal government could commit Larkin to departure but as the offense for which he was charged was committed in New York state in violation of the laws of that state, there was no action which the United States government could take to permit his departure even though it so desired. It was significant, however, that the British authorities should have interested themselves in this matter. And on October 30, 1920, after Larkin's conviction, a letter was printed in the *New York Call* which confirmed to a certain extent the suspicions entertained about Larkin. At that time the controversy as to whether or not Larkin was a British agent was at its height and Archie Crawford, known as a South African Labourite, admitted he was not in England in March 1920 and that he decided to get Larkin to come to South Africa on a speaking tour and that in the furtherance of this plan he had a conversation with "a higher authority, not L.G. [=???" but one with all the necessary power" in

†- N. Lenin and Leon Trotzky, *The Proletarian Revolution in Russia*. Edited with an Introduction, Notes, and Supplementary Chapters by Louis C. Fraina. (New York: The Communist Press, 1918).

‡- In a biographical lecture prepared in 1997 for Radio Telefís Éireann, Prof. Emmet Larkin of the University of Chicago, a biographer of "Big Jim" Larkin, clearly noted his place of birth "in the slums of Liverpool." ["James Larkin, Labour Leader" in Donal Nevin, ed., *James Larkin: Lion of the Fold*. (Dublin: Gill & Macmillan, 1998), pg. 1.] Soon after his 1923 pardon by Gov. Al Smith of New York and deportation back to Ireland, "Big Jim" Larkin became embroiled in a bitter factional struggle in his Transport Workers Union, facing a personal nemesis, union President William O'Brien head to head. Charging that the union hierarchy had fixed the election to an annual conference of the union, Larkin appealed to a mass meeting of the Dublin branches of the union and attempted to gain the suspension of O'Brien and other top officials. After a bitter battle in the courts (in which Larkin yet again represented himself) the O'Brien faction won the day, however, and the "tempestuous" Larkin was expelled from the union he founded on March 14, 1924. [Donal Nevin, "Titan at Bay," in *James Larkin: Lion of the Fold*, pp. 77-80.]

the British government.† He took up the matter of passports for Larkin to South Africa and what might be done in the matter in America, and Crawford, following the incident, wrote Larkin assuring him that he believe that Larkin would be certain to get passports if he applied for them.

At the time the formal inquiry was made by the British authorities for Larkin's passports it was intimated that he desired to visit South Africa but would go there by way of London where it was hoped that his views upon radical matters might be changed after talking with certain "persons." Needless to say the passport was not granted.

Larkin is generally held by persons high in the Irish movement to be disloyal to the cause of the Sinn Féin element and from confidential sources this division has learned that he was even suspicioned in Ireland of being a spy. He was arrested several times for activities while in the British Isles but never served his entire sentences, being released after a few weeks in prison. This created suspicion in the minds of some of the Irish sympathizers.

Margaret Mellin. In respect to this individual I desire to quote the following, received from a confidential source:

Peggy Mellin is quite active and has stated to my informant that she is interested only in the Irish and Hindu movements and that she is working for the British government and reports to our friend "Finch" as well as to another party who lives on Long Island.

This individual was in court each day during the trial of James Larkin and even appeared the day he was sentenced to Sing-Sing.

R. W. Finch. It is known to the Bureau that this individual was in close connection, while he was in the employ of the Lusk Committee, with the British government, and at the present time he occupies a suite of rooms at the Prince George Hotel, New York City. It is interesting to note that his name is mentioned in the paragraph which is quoted above, concerning Margaret Mellin.

P.S. Irwin. (Miami, Florida) This individual is the active head of an organization at Miami known as the "Overseas Club," which is an international British

Society with headquarters in London. Irwin is the only white man connected with the branch at Miami, all the others being negroes. He appears to be greatly interested in collecting data concerning both the black and white races which will interest the British government.

Kathleen O'Brennan. Information has been received that Kathleen O'Brennan, an active radical agitator upon whom there is a voluminous file, is suspicioned of being a British agent. The investigation in this matter has not as yet been completed.

Doctor Maloney. This individual, active particularly in New York, said to be a dentist and whom is often called Captain Maloney, is looked upon by certain elements in intimate contact with Sinn Féin activities as being a British agent. This phase is being investigated.

Benny Levy. A former employee of ONI, MID, and Department of Justice. Was also in the employ of the British in New York.

Captain Marris, New York City. Marris was a Captain in the British Intelligence Service in the Scandinavian countries during the war and arrived in this country about the middle of September 1920.

Marris approached one Ange Hansen, a Dane, whose activities are known to this Bureau, to act as a confidential informant for the British government, but Hansen advises that he declined the offer.

It is the understanding of the Bureau that Captain Marris is located at the office of the British Consul, New York City.

Arthur O. Hasling. On April 4, 1919, the American Legation at Stockholm issued Mr. Hasling an emergency passport No. 1355, valid for a period of 3 months only. The date of expiration of the passport was therefore July 3, 1919. On February 16, 1920, the British Consul General at Gothenberg verified this passport for a journey to the United Kingdom. This visa was affixed to the passport without reference to the fact that the American Consul at Gothenberg had never extended the period of its validity, nor given it a current verification. The British Consul General's endorsement contained the following statement: "Good only for the single journey to the United Kingdom

†- The words "not L.G. but one with all the" are superimposed in different type in a blanked out section of the carbon copy, as though the identity of "L.G." was expurgated at a later date, perhaps at the time of declassification.

within 20 days from the date hereof. Business for one month." Mr. Hasling actually made the journey with the visaed but expired passport as shown by the endorsement 23 Feb. 20, endorse on the pass port by the immigration officer of the Tyne Ports.

The American Consul at Gothenberg states that he has been unable to obtain information of a convincing character to support the charge that Mr. Hasling is in the British Intelligence Service, but invites attention to the fact that Mr. Hasling apparently has no difficulty in obtaining British visa on his invalid passport.

Mr. Hasling is reported to have left the United States during the month of May 1917.

This information was submitted to the Department of Justice by the Department of State.

Captain A. W. James. It is the understanding of the Bureau that this individual is head of the British Secret Service force in the United States, that he has assumed the alias of Charles Fox, and receives reports from his various operatives at Box 1232, City Hall Station, New York City.

C.L. Converse. Resides at 230 Pearl Street, New York City; is ostensible engaged in local express and trucking work, has been in communication with Mr. Nathan of the British Secret Service, for the purpose of obtaining employment with Nathan. The Bureau learned from a strictly confidential source that Converse stated that James alias Fox was receiving the bulk of his information from the Department of Justice office in New York City, and mentioned his sources of information, Agent Davis and Agent [Charles] Scully.

Raymon Finch. Formerly of the Department of Justice is now located at the Prince George Hotel, New York City. He is stated to be in the employ of Mr. Fox and to be obtaining information for the use of the British government.†

Malcolm R.J. Reid. Subject claims the official title of Special Immigration Officer for Western Canada, with headquarters at Vancouver, BC.

He was born in Scotland and is a citizen of Great Britain. He occasionally operates in vicinity of San Francisco, and such operations indicate that he is at least one of the chief secret agents for the British government on the Pacific coast. He was quite active in

the vicinity of San Francisco during the Hindu-German trial, and occasionally visits that district on investigations pertaining to a wide variety of matters.

Edward Gammons. Born in Dublin, Ireland; son of a saloon-keeper; now claims to be a naturalized citizen of the United States, having come to this country from Ireland some 10 years ago. For a time he was connected with Irish Societies and radicals in New York City, coming to San Francisco about 1914, where he has continued his radical efforts; was secretary of the Schmidt-Kaplan Defense League at Los Angeles, and was also closely connected with the Mooney Defense league, he having been accused of being connected with the Preparedness Parade Explosion, San Francisco. Was formerly a member of the IWW and was reported to be an anarchist and an atheist. Until very recently was connected as a writer for the Hindu-Gadar Party, and is now Secretary of the California Defense League, organized for the purpose of combating a state Criminal Syndicalist Law, and has recently allied himself with the "Farmer-Labor" Party. He recently agreed to act as an informant for Mr. Malcolm R.J. Reid, British Secret Service Agent, and to keep Mr. Reid advised of developments, particularly with regard to Hindu and Irish questions.

Balfour, Guthrie & Co., 300 California St., San Francisco. This is an English Import and Export firm, with local headquarters at San Francisco, and with similar subagencies throughout the country.

Reports have reached this office from time to time, which were not verified, but which are regarded as authentic, that the various officers of this company acted as clearing house for the purpose of obtaining information of interest to the British government, and it is also reported that John Lawson, manager of local office, acting on instructions which are identical with those furnished the various other offices, is continually forwarding information which he believes will be of interest to the British government, to his home office in England.

"Overseas Club." There is in the possession of this division a book entitled *Overseas Club and Patriotic League*. This book contains a list of subscribing members during the year 1919-20, together with basis and rules. Same was secured from a very confidential

†- This is a second listing for "R.W. Finch," see above.

source. It portrays the manner in which the British Empire keeps in touch with its citizens in various parts of the world. The Bureau has reason to believe that this is the medium through which Great Britain secures a great amount of its information, also distributes pro-British propaganda.

The above are the principle persons whose activities have been noted by this division. The British have beyond doubt had a very efficient organization in this country and a year ago had a list of all "reds" in the United States and those suspicioned of having Bolshevik tendencies. This list was seen by one of the agents of the department.

In connection with the British Espionage in this country, it is, I believe, pertinent to this inquiry to refer to the activities of the Sinn Féin forces in the United States, which while exceedingly anti-British are nevertheless continuing an espionage system of their own.

Two individuals, high in the councils of the Sinn Féin in this country, within the last 4 weeks have approached a representative of the Department of Justice for information in its files concerning British agents in the United States and activities against Sinn Féin. These individuals have in fact gone so far as to pay for certain information which has been given them. This investigation is being conducted at the present time, with of course a view of eventual prosecution.

Edited with footnotes by Tim Davenport.

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