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Captain John A. Gade, US Navy: An Early Advocate of Central Intelligence

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Only the most dedicated pursuers of intelligence trivia will have heard of Captain John Allyne Gade, US Navy. Born in 1875, Gade worked as a naval attaché, author, architect, and financier until his death in 1955. His most notable entry in the annals of US intelligence was his prescient recommendation, made in 1929, to establish a national intelligence organization to coordinate intelligence activities and provide analysis of international developments. In the estimation of the late CIA historian Thomas F. Troy, who first discovered Gade’s work, “[Gade] laid out in 1929, ahead of his time, the idea of a central intelligence agency.”

Authoring at a time when America’s intelligence capacity was poorly resourced and viewed suspiciously by many, the Gade proposal was deemed unrealistic and promptly shelved. Decades later, it became prophetic.

It would be easy to characterize the proposal and its author as inconsequential curiosities with minimal impact. Such a view, however, ignores the extraordinary biography of Captain Gade, whose experiences as a naval intelligence officer in Europe during World War I transformed him into a determined and early advocate of intelligence reform. Additionally, Gade’s tour as a State Department officer on the front lines of the Russian Revolution led him to argue for an escalated campaign of covert action targeting the Soviet Union, a view fashionable at the dawn of the Cold War but unusual in 1919. Finally, as an attaché in Europe during the 1930s, Gade observed the expansion of totalitarianism and sought to improve the intelligence structures of Europe’s democracies before the outbreak of World War II. Gade’s lengthy and diverse intelligence career along and his visionary ideas on US intelligence provide several lessons for those now serving in the profession and justify a more detailed look at Gade’s life.


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After the "Great War"

The war and its mobilization of new communication and surveillance technologies had ushered in a revolution in military intelligence.

**Trial by Fire: John Gade, WW I, and HUMINT**

Born in Massachusetts to an American mother and a Norwegian diplomat father, Gade had an extraordinarily worldly childhood that did much to prepare him for a career in intelligence. The young Gade spent most of his childhood in a self-described “fairy tale,” surrounded by the natural splendor of Norway. Educated in France and Germany, he studied alongside Europe’s elite, gaining exposure to their practices and customs and mastering several of their languages. Gade wrote in his memoir that when he returned to the United States to take Harvard’s admissions test, he found that for all his gains in Europe, his grasp of English had slipped and was inferior to that of Chinese exchange students there. Gade quickly reacquainted himself with his native country, however, and graduated in 1896 with a degree in architecture and worked in New York City for the next 14 years.

As war raged across Europe, the 41-year-old Gade grew increasingly dissatisfied with his uninvolved life as an architect and looked for a way to serve his country. In 1916 he joined the Commission for Relief in Belgium (CRB), an American aid organization headed by future president Herbert Hoover. Returning to Europe with the organization, Gade worked to forge relationships with Belgian leaders and to channel food aid to Belgian citizens, who had been living under German occupation since 1914. It was not long before Gade became involved in other activities—which he deemed as “mischief” in his memoirs—that fell well outside of his aid-worker portfolio. The first of these involved helping an agent of the Belgian secret service, a Belgian countess, whom he smuggled aboard a CRB aid barge headed to neutral Holland to save her from being arrested by German authorities.

His first foray into clandestine activity successful, Gade sought in 1917 to make it his profession. The war and its mobilization of new communication and surveillance technologies had ushered in a revolution in military intelligence. In the words of historian David Kahn, “for the first time…intelligence was timely, voluminous, and trustworthy. And so for the first time, it could regularly help win battles.”

However, as European militaries pioneered new techniques, the meager intelligence components of the US government remained woefully unprepared. As one military historian of the era wrote, “US military intelligence was also totally incapable of handling the challenges of modern warfare. Most of the state-of-the-art intelligence processes…did not exist within the American army.” In 1917, the US Army’s newly formed Military Intelligence Section, headed by intelligence pioneer Ralph Van Deman (then a major), had only four employees and lacked access to basic intelligence information. America’s entry into the war brought about rapid expansion, but poor interagency coordination and information sharing would hinder US intelligence efforts for the duration of the war.

Among those overseeing the expansion was the director of the Office of Naval Intelligence (ONI), Captain Roger Welles. Welles—whose agency in 1916 consisted of just 16 officers and clerks—was looking for attachés with foreign experience and relied on a network of associates, including Assistant Secretary of the Navy Franklin D. Roosevelt, to identify suitable candidates. Aided by this distant association with Roosevelt and his Harvard pedigree, Gade was commissioned a lieutenant in 1917 and, after a short period of training, was sent to Oslo as the assistant naval attaché to Norway and Sweden. During this first posting, Gade relied primarily on his family network for intelligence. A year later, he was promoted to attaché in neutral Denmark, an important battleground in the intelligence war between the Allied and Central Powers.

It was in Copenhagen that Gade would be fully initiated into the intense world of wartime espionage. The intelligence agencies of the warring powers were active throughout the country. These included Britain’s relatively young Secret Intelligence Service (MI6), which ran several Denmark-based sources with access to Germany’s naval movements.

Gade’s European background gave him important advantages. On his arrival in Denmark, he used his native-accented Norwegian to establish rapport with merchant mariners who traversed the strategically important North Sea lanes. Gade successfully recruited several as sources, his pitches strengthened...
with gifts of scotch, a rare commodity only procured through special arrangement with the Scottish distiller Mr. Dewar himself.

German intelligence made its own attempts to recruit the Norwegian seafarers; when informed of these overtures, Gade—in concert with British intelligence—encouraged several to accept German offers; he then used the mariners to feed spurious information to their German handlers.¹¹

Gade’s work with the British and exposure to their collection activities impressed upon him the amateurish nature of his—and his country’s—espionage efforts and led him to forge close relationships with his Allied counterparts. Gade remarked years later: “I found it humiliating to realize what a greenhorn I was in comparison with my two [British and French] experienced colleagues.” It fell upon Gade’s fellow attachés to inform the American novice that German intelligence had placed him under surveillance. He responded by staying at a hotel known to be a hotbed for German activity, and he happily discovered that the false documents he was carrying were stolen and copied by German agents.

In 1918, Gade made several recruitments that granted the Allies greater understanding of Germany’s military and diplomatic activity in Northern Europe. Perhaps his most important recruitment targeted Germany’s U-boat fleet, which was inflicting significant casualties on Allied convoys. Here again, Gade’s European learning benefited his nation’s intelligence. Lunching privately with a family friend who commanded the Danish Coast Guard, Gade inquired innocently if the service tracked all ships that came through their territorial waters, including U-boats. The admiral, mindful of his nation’s neutrality, was tight-lipped and attempted to change the subject, but Gade pressed the matter, revealing that he would be recalled to the United States if he were unable to collect the information. The meal ended with a handshake, which Gade described as “a second longer than was necessary.”

The following afternoon, a messenger delivered a slip of paper describing the path of U-73 through Danish waters. Gade also established relationships with senior Danish military and intelligence officers, who rewarded his friendship with useful bits of information and even private meetings with the Danish royal family.¹² Among his close allies was the chief of Danish military intelligence, who provided Gade with a wealth of information concerning sensitive German activities in the country and whose wife, conveniently for Gade, was Norwegian.¹³

Collaboration with the British also exposed Gade to underhanded tactics regularly applied in the intelligence war. Observing a British officer grant a handsome reward to a source whose information he deemed unimportant, Gade objected, only to be told the bills were counterfeit. Such duplicity probably prepared Gade for his most complex—and sordid—collection effort. In the spring of 1918, Gade was ordered to procure the codes used by the German legation in Denmark. Drawing up a dossier on the legation’s counselor, Gade determined the man’s one weakness was “a pretty woman.” He recommended to his superiors that they procure the services of a woman who met certain linguistic and physical requirements. This, Gade wrote in his memoir, led to a sharp rebuke from the secretary of the Navy himself, who indignantly denied his less than wholesome request.

Shortly after receiving the secretary’s note, Gade received a direct message from ONI’s New York office—probably authored by Spencer Fayette Eddy, a Harvard classmate of Gade’s—¹⁴ recommending he speak to a young German-American nurse who was traveling to Europe to care for her sickly father. Meeting surreptitiously with the nurse in a Norwegian hotel, Gade determined she was willing to render any service, including sacrificing her chastity, for her adopted country. Directed against Copenhagen’s German diplomatic community, it was not long before the beautiful amateur secured an appointment as the counselor’s secretary and, according to Gade, delivered the codes, which were forwarded to Herbert Yardley’s famed cryptologic unit, MI8, in Van Deman’s growing Military Intelligence Section.

However, several weeks after the nurse’s appointment, the lovestruck counselor caught her copying new codes. He threatened her with arrest.
but didn’t confine her. She contacted Gade, who, with the help of a friendly Danish naval officer and a Danish agent, smuggled her out of the legation in a large suitcase. Then, using a local yachting race as cover, Gade and the nurse successfully made for Sweden.

By war’s end, Gade could count himself among an extremely small number of Americans who had become intimately familiar with the intelligence tradecraft and processes of the Allied and German services. This knowledge would serve as the foundation for his critique of US intelligence and his prescriptions for its reform. Although he had little formal intelligence training, Gade deftly utilized his own cultural skills and contacts in the intelligence organizations of the countries in which he served to advance US intelligence efforts in Northern Europe.

For his efforts he was awarded the Navy Cross, his citation praising his recruitment of sources “most valuable to the Commander of Naval Forces operating in European waters and to the Naval Information Division of the British Admiralty.”

Perhaps concerned that the United States would forget the hard-fought lessons of the intelligence war in Europe, Gade recommended that Washington bolster its intelligence network in Northern Europe by establishing a covert information bureau, maintaining a roster of Danish intermediaries, and using cultural organizations as conduits for press stories favorable to American interests. These recommendations were ignored.

Our Man in the Baltics: Gade and the Communist Threat

The armistice of November 1918 gave Gade only a short respite from his official duties. Just weeks after the guns fell silent, he was sent on behalf of the State Department to Finland and the newly independent Baltic republics. The tour brought him into direct conflict with agents of international communism. Like his views on intelligence, Gade’s insights into the danger posed by Moscow and his advocacy for an aggressive Western response would prove prescient.

Gade’s first exposure to communism had occurred in 1917, when an informant—a Danish police officer—told him of ongoing meetings between German officials and exiled Russians. In his memoirs, Gade admits he felt the information was irrelevant and fell outside of his collection requirements. Unbeknownst to Gade at the time, Bolshevik agents had established at least two front companies in Copenhagen to serve as cover for their activities and maintained contact with the German ambassador, and others were watching closely. During a wartime visit to London, Gade met with the legendary head of British naval intelligence, Admiral William Hall, who abruptly asked, “What mischief are Trotsky and the Germans in Copenhagen up to?”

In Finland, Gade met with government officials who had recently crushed their own communist rebellion and were eying events in neighboring Russia with concern. The situation was far less stable in Estonia, where numerous White (anticommunist) armies, their Western Allies, and ethnic German forces staged offensives against increasingly powerful Bolshevik forces. In a detailed after action report written in early 1919, Gade urged the West to support Estonia’s fight against the Bolsheviks, characterizing the coun-

Above, Gade in Navy bridge coat, meeting in April 1919 with Estonian troops near Narva, Estonia, not far from the Russian border. About seven months later he became US commissioner to the Baltic States. Image on the right shows him arriving with this staff in Narva in November.
try as a valuable bulwark against communism: “[I]t is unquestionably worthy of assistance in various forms. It has fought its own hard fight against Bolshevism with courage and persistency. It feels it has fought it for the rest of the World as for itself…it is hindering Bolshevism from spreading through its harbors to Scandinavia.”  

Gade’s work in the Baltics would by the end of 1919 earn him a more permanent appointment as US Commissioner to the Baltic States. Arriving in Latvia that November, Commissioner Gade was instructed by Secretary of State Robert Lansing to simply “observe conditions.” Gade’s assignment came as the Wilson administration pursued what historian David Foglesong has described as an “undeclared war against Bolshevism” involving the covert support of White forces.

By now an ardent anticommunist, Gade was a more than willing participant in the effort, regularly urging his superiors to provide needed foodstuffs to White forces in support of their operations against the Red Army. Through regular visits to the front and consultations with Allied and Russian generals, Gade determined by the end of 1919 that anticommunist forces were near collapse, and he provided Lansing with a lengthy catalog of their shortcomings. Although US aid failed to reverse the fortunes of anticommunist forces in the Baltics, Gade was decorated by White generals for his efforts, which included arranging passports and transportation for their units.

Although ostensibly a diplomat, Gade would later describe his work in Riga as “principally intelligence service.” Using skills honed during the Great War, Gade conducted numerous espionage operations that brought insights into the nature of the emerging Bolshevik state. Gade’s private papers contain detailed descriptions of the Soviet Army and Navy provided by Latvian sources and a lengthy proposal for a new Bolshevik internal security apparatus, somehow procured from Soviet representatives in Estonia. In December 1919, he debriefed—using intelligence requirements he most likely drafted—a Lithuanian citizen who had lived in Moscow and offered extensive information on conditions in the new Soviet state. Reports of discontent within the Red Army were sourced to Gade’s reading of captured Russian mail. For his assessments of the Red Army, Gade relied on observations made during his tours of the front, writing, “I have talked to dozens of them [Red Army officers] in the front lines, immediately after their capture.”

Gade’s presence did not go unnoticed in Moscow. In order to address the concerns of Russia’s flailing provisional government that the United States was supporting “separatist trends” among the Baltic nations, the State Department briefed the Russian ambassador in Washington on Gade’s mission. The coded Russian cables describing the discussions were intercepted by a Bolshevik agent and were triumphantly read aloud by Lenin in a speech in February 1920.

At the same time as he was describing the consolidation of Soviet power inside Russia, Gade also reported on the expansion of the Soviets’ international operations. In March 1919, several foreign communists, along with leading Soviet government officials, attended the first meeting of the Communist International (Comintern), a coordinating body charged with exporting the revolution. Later that year, Gade observed from his post in Latvia the Comintern’s intensifying propaganda operations and the travel of their agents through the Baltics and into Europe and North America. A detailed letter from Gade to Lansing in December 1919, sourced to “a friendly intelligence officer,” listed the names of prominent Comintern agents in Europe and their suspected Bolshevik couriers. Additionally, an undated line-and-block chart detailing the structure of Soviet espionage and covert action elements included in the US legation’s records evidences a growing interest in the threat of communist subversion.

In an effort to combat what he later deemed “the attempts of the Soviet Government to strike at American institutions,” Gade relied on the methods that had served him well during wartime, including the establishment of ties with local police forces to enable him to identify suspected communists applying for passports. In a March 1920 cable to the State Department, Gade profiled “Muller,” who held a partially forged Hungarian passport and had been attempting to enter the US before he was captured and executed by Latvian intelligence. On his person, “Muller” carried letters, purportedly from Comintern chief Grig-
In 1921, Gade, alarmed by what he perceived as a growing sympathy among Americans for the Soviet government, wrote “The Truth About Soviet Russia” for the New York Times.

After the “Great War”

Gade’s firsthand experiences, official US documents, and his analysis of communist publications. “This is Bolshevism. We need not go to its opponents to know the system; the Bolsheviks publish it clearly and boldly.” Gade went on to catalog the Soviets’ excesses and assess their internationalist designs. Another article, which he published in the North American Review, concluded that the Soviet government had cemented its gains and was now immune to Western military encroachment. In the article, Gade wrote, “those of us who believe Bolshevism to be a world peril must fight it with other than military means.”

Advocate of a “National Intelligence Service”

He was fully engaged in the world of international finance by the mid 1920s, but Gade had not abandoned his intense interest in intelligence. Relying on his own experiences, as well as his discussions with US military intelligence officials, Gade developed several concepts remarkable in their similarity to those that later influenced the formation of the OSS and the CIA. Gade’s interest in intelligence reform can first be glimpsed in a 1926 letter to the Director of ONI, in which he expressed his concern over the weak state of US intelligence and suggested using reserve officers and US nationals living overseas. Three years later, while dining in New York with two military intelligence officers, Gade called for the creation of a “national intelligence service” that would serve as the “hub of the wheel” for a US intelligence community and would operate under the direction of the executive.
branch. Noting that Gade “appeared very sanely in earnest in connection with the ideas prescribed,” his dinner guest passed the idea to his superior, Colonel Stanley H. Ford, assistant chief of staff for the Army’s Military Intelligence Division (MID).

Meeting the officers again four days later, Gade gave them a typed, seven-page proposal that identified several weaknesses of the US intelligence system and prescribed radical reforms, chief among them: the creation of the “national intelligence service” he had mentioned earlier. US intelligence services, Gade charged, suffered from “a lack of organization,” had no “clearing house” for the analysis of information, and often pursued their respective activities with little coordination or unity of effort. While recognizing the shortage of funds and the antagonism of Congress, Gade suggested that the creation of a central intelligence group was of the utmost importance. The proposed agency would enjoy access to all US intelligence streams, enabling it to quickly piece together high-value intelligence and facilitate its dissemination: “Information immediately can be sifted and passed out and assumes its true value, and with this is forthwith retransmitted by the center office to the office where it is most urgently needed.”

Operating as an independent department within the executive branch, the agency would help prevent duplication of effort, boost information sharing, and more efficiently utilize the various elements of America’s intelligence system. This agency would also be responsible for providing assessments to the president and improve information sharing among federal agencies and state and local police forces. For guidance, Gade recommended that US officials study the operations of European agencies. He praised the British in particular, and perhaps excessively, for their sophistication and expertise. The US should streamline intelligence efforts during peacetime rather than wait until the next conflict, as “the possession or dissemination of information in peace often hinders the most dangerous of misunderstandings.”

Gade’s promotion of greater centralization, coordination, and improved analytical and operational capabilities may seem quaint to the modern reader exposed to decades of similar intelligence reform efforts. However, Gade’s sophisticated proposal, penned during an era when America’s understanding of intelligence bureaucracy was rudimentary, is remarkable; it would be more than a decade until Gen. William Donovan would pen a letter to then President Roosevelt advocating reforms nearly identical to those Gade had envisioned. In 1944, looking beyond WW II, Donovan suggested “the establishment of a central authority reporting directly to you [the president] with responsibility to frame intelligence objectives and to collect and coordinate the intelligence material required by the Executive Branch.”

Unfortunately, it is difficult to envision a more inopportune era in American history for Gade’s proposal. The administration of newly elected President Hoover was uninterested in maturing US intelligence capabilities, and the nation’s already limited intelligence capacity would continue to atrophy throughout the late 1920s. Indicative of this trend, Secretary of State Henry L. Stimson in May 1929 deemed American codebreaking efforts as “highly unethical” and closed down Yardley’s “black chamber.”

In the case of Gade’s proposal, Colonel Ford passed the idea to a subordinate who penned a scathing review—suggesting that Gade underestimated the costs of creating a national agency and was overly influenced by “story books”—and concluded, “I see nothing to be gained and many difficulties to be overcome.” Ford agreed and had Gade’s work filed away. Gade’s former organization, ONI, was similarly dismissive. According to Thomas Troy, “[the proposal] failed, because the intelligence chiefs said no, and their negative reflected their unwillingness to be coordinated.”

Although his proposal was disregarded, Gade continued his work in intelligence. In 1933, a Harvard classmate was appointed US ambassador to the Netherlands and asked him to serve as naval attaché to both the Netherlands and Belgium. Over the next nine years, Gade worked in several European capitals. In Belgium, he renewed his practice of establishing strong information-sharing relationships with host-country services—“liaison partners” in today’s parlance—and worked with
Both the British military attaché and the Belgian secret police. He made friends with local newspaper reporters and collected information on suspected communist agents who passed through the port of Antwerp. Gade also provided guidance to Dutch naval officers seeking to establish their country’s naval intelligence service, a positive development in light of shared US-Dutch concerns over Japanese aggression in the South Pacific.

Gade’s European postings also allowed him to report on the escalation of tensions throughout the continent and to observe firsthand its descent into war. Traveling to Portugal in 1934, he documented the intensifying diplomatic and intelligence war between the UK and Germany as both sides sought to increase their influence over the Salazar regime. Crossing the Spanish border in civilian clothing, Gade witnessed the siege of Madrid and sought intelligence on the German Luftwaffe’s “Condor Legion,” which was supporting the army of General Ferdinand Franco and refining tactics it would later employ with devastating effect across Europe. Later, during his conversations with Belgian political leaders, Gade recorded growing alarm among European governments concerning the unchecked expansion of German power.

Gade’s worst fears were realized in May 1940, when, from the American embassy in Brussels, he watched regiments of German troops march through the capital.

Conclusion

Although his government career was now completely over, Gade did not fade into inactivity. He went on to earn a Ph.D at Columbia University and authored several books on European history. Nor did Gade abandon his advocacy of strong American intelligence; he wrote in 1942 on the need for ONI to identify promising young officers—specifically those with language capabilities and cultural knowledge—and to offer them special training and service opportunities. In 1951, he wrote to Allen Dulles and recommended a graduate student and WWII veteran for consideration by “the Intelligence Service.” Dulles replied, addressing him as “John” and asking that the young man in question pay him a visit.

Gade measured his role in history, prefacing his autobiography with his “feeling that the narrative of the events in which [he] played a modest part might have a good deal of general human interest.” His effect on intelligence history is indeed modest; he engineered no revolutionary reform or spectacular victory. However, no individual, whatever his credentials, could have had much impact on American intelligence in the interwar period; only World War II and the Soviet threat could help realize the reforms he broached in the 1920s. Gade should be appreciated for his foresight and his successes as an intelligence officer rather than the fate of his proposals. With sparse training and no experience, he operated efficiently by recognizing his and his country’s weaknesses and overcoming them through a mixture of skill and adaptation. He then used these hard-fought lessons to pressure American leaders to ensure that the shortcomings he observed would not be felt again.

Finally, Gade’s life as portrayed in his memoirs and cables conveys lessons relevant to intelligence practitioners today, particularly regarding the
importance of native language skills and deep cultural knowledge among collectors. Ironically, Gade’s foreign background and associations would have complicated his participation in American intelligence if modern security standards had been applied. These connections and skills, however, allowed Gade to effectively recruit sources and interact with European elites. His aggressive courting of local security and military figures and his establishment of positive information sharing relationships with Allied intelligence figures further benefited his mission, highlighting the usefulness of effective liaison relationships in conflict environments.

Endnotes

2. John A. Gade, All My Born Days: Experiences of a Naval Intelligence Officer in Europe (New York: Charles Scribner’s Sons, 1942).


23. United States Department of State, “Russia Chapter IV. The Baltic provinces,” 739.


26. Gade’s File, Records of the US State Department, Record Group 84, P820 (US National Archives, College Park, MD).


33. Viburg file, Records of the US State Department, Record Group 84, P820 (US National Archives, College Park, MD).

34. Photo credits: Image on left: (Estonian national archives, http://riigi.arhiiv.ee/fotod-7?highlight=Gade); image on right: (Eesti Filmiarhiv Estonian history group, used by the State Department at http://photos.state.gov/libraries/estonia/99874/History%20stories/John-Patrick-Hurley.pdf)

35. Gade, Letter to State Department, 18 December 1919.


38. Gade’s File.


43. Gade, “Russia from its Baltic Window.”

44. Leshuk, *US Intelligence Perceptions of Soviet Power*, 47.

45. Memo to Colonel Ford from Major O. H. Saunders, 27 April 1929, Records of the US Military Intelligence Division, Record Group 165, 9944-zz-6 (US National Archives, College Park, MD).


47. Christopher Andrew, *For the President’s Eyes Only*, 72.


