Allen Dulles in wartime

The Exploits of Agent 110

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This is the centenary of the birth of Allen Dulles. Although he is primarily remembered for his active role as Director of Central Intelligence (DCI) during the Cold War, it was in World War I and World War II that he first made his mark as an intelligence officer.

In 1916, after passing the Foreign Service exam and finishing his master’s degree at Princeton, 23-year-old Allen Dulles left for his first posting, as third secretary in the US Embassy to the Austro-Hungarian Empire in Vienna. It proved to be a short-lived assignment, however. On 6 April 1917, the US declared war on Germany and the Austro-Hungarian Empire, and Dulles left for another posting at the US Legation in Bern, Switzerland.

When Dulles arrived at the legation, no one knew what to do with the extra help, so the first secretary took him aside and said, “I guess the best thing for you to do is take charge of intelligence. Keep your ears open. This place is swarming with spies. And write me a weekly report.”

Dulles was elated. “I cannot tell you much about what I do,” he wrote his father that night, “except that it has to do with intelligence.”

Two Painful Lessons

Switzerland was swarming with spies—British, French, Italian, German, and Austro-Hungarian. In addition, Czech, Slovak, Slav, and Croat exiles were scheming and plotting to return home as soon as the Austro-Hungarian Empire collapsed. And then there were all the German and Russian émigrés waiting for the war to end.

In the midst of such intrigue, it took Dulles less than a week to flout one of the oldest rules of intelligence. He was at the office late one afternoon, finishing up as duty officer and looking forward to a tennis date, when the telephone rang. A man with a heavy German accent introduced himself as Vladimir Ilich Lenin and urgently requested a meeting for that same afternoon. Dulles assumed the caller was just another emotionally unstable émigré trying to get back to his homeland, looking for some sort of help. Dulles told him to stop by the next morning. “Tomorrow will be too late,” Lenin replied impatiently, “I must talk to someone this afternoon.” Dulles, however, was unyielding.

The next morning, Lenin was on his way to Russia in the sealed train provided by German officials. On 16 April, he arrived at Finland Station in Petrograd, where he was greeted by a large crowd of workers, soldiers, sailors, and Bolshevik supporters. Shortly thereafter, in one of his first political declarations, he called for peace negotiations with Germany.

Dulles later remarked that, following that episode, he decided he would see “all kinds of queer people, with and without beards.” As DCI, he would often entertain new recruits with the story.

During his first few months in Switzerland, Dulles also learned something about the harsh realities of espionage. He had been dating a young Czech woman, only to learn from British intelligence that the Austrians had blackmailed her into spying. Because of the information she provided, at least two Czech agents had been executed, and an important British source had been compromised. Dulles, following a British plan, took her out to dinner and then strolled into the old section of town, where two British officers were waiting to take her away.

Dulles later remarked, “I never heard what happened to her. I learned that anyone can be blackmailed. And it is often the most patriotic citizen who is turned into a traitor.”
Other Assignments

Following the surrender of German troops in November 1918, Dulles was assigned to the Boundary Commission at Versailles, where he went to work on the newly created nation of Czechoslovakia.

In 1920, Dulles returned home and went from one diplomatic assignment to another: head of the Near East Department in 1922; working on the Dawes Plan from 1923 to 1924 to help Germany make good on its reparations payments; and delegate to the International Conference on Arms Traffic in 1925 and the Disarmament Conference in 1926.

Dulles seemed on track to become an Assistant Secretary, but by the mid-1920s he was ready to leave. He was bored with the Foreign Service, and his salary of $8,000 proved inadequate to support his growing family. He started taking night courses at George Washington University Law School, and he passed the bar exam in 1926. When he was nominated a short while later to the post of Counselor to the US Legation in Peiping, without a salary increase, he decided to resign.

Legal Career

In late 1926, Dulles joined his older brother, John Foster Dulles, as a member of the prestigious New York law firm of Sullivan and Cromwell. He was soon handling cases on his own, and by 1930 he was a partner. He also became known as someone with a knack for solving problems and facilitating negotiations.

Still, Dulles was not completely content with the life of a New York lawyer, and he soon accepted two diplomatic offerings. First, as a legal adviser to the Three-Power Naval Conference of 1927, which led to restrictions on the size of US, British, and Japanese navies. And in 1932 and 1933, he was an adviser to the US delegation at the Geneva Disarmament Conference.

Dulles believed that another war was inevitable. "We must do something," he exclaimed more than once as Hitler began to tear up the Versailles Treaty, rearming Germany and reoccupying the Rhineland in 1935. He began to speak out against the neutrality legislation of the mid-1930s. In a speech to the New York Young Republican Club in April 1936, he called for a policy of trade at your own risk and travel at your own risk.5

On to the OSS

In the summer of 1940, at the Republican Party Convention in Philadelphia, Dulles received an interesting offer from an old acquaintance, William Donovan. A World War I hero and Wall Street corporate lawyer, Donovan had recently been to England on a fact-finding tour for President Roosevelt. He predicted the US would be at war before the end of 1941, and he described to Dulles his plans for a wartime intelligence service.

In June 1941, after Roosevelt named Donovan to head the newly established Office of Coordinator of Information (COI), the latter called Dulles and asked him to open the New York office. Dulles accepted, but when he set up the so-called Brueining Committee, a front to support the German resistance, the State Department criticized it for harboring "hopelessly reactionary Generals and Junkers" and "dangerous communists," and FBI Director Hoover complained to Roosevelt that COI was hiring "a bunch of Bolsheviks."6 Donovan, acting on orders from the President himself, told Dulles to disband it.

Shortly after the attack on Pearl Harbor, Donovan pushed for a more powerful intelligence service, which he got on 13 June 1942, the Office of Strategic Services (OSS). Donovan initially wanted Dulles to help open the London office as deputy to David Bruce, but Dulles asked instead for Switzerland. "A less glamorous post," he later wrote, "but one where I felt my past experience would serve me in good stead."7 Donovan approved, and he assigned Dulles to set up OSS/Bern.

Back to Bern

On 2 November, Dulles left New York on a Catalina flying boat bound for Lisbon, carrying a special codebook for communications and a $1 million letter
of credit. From Lisbon, he caught another flight to Barcelona. He then boarded a train for Geneva. When it reached the last station before the Swiss border, a Vichy French official ordered all to disembark for a passport check. A German Gestapo officer observed the procedure and doublechecked some of the passports, including the one belonging to the lone American traveler. Dulles described the scene: “The Gestapo man carefully put down in his notebook the particulars of my passport, and a few minutes later a French gendarme explained to me that an order had just been received from Vichy to detain all Americans and British presenting themselves at the frontier and to report all such cases to Marshall Petain directly.”

For the next half hour or so, Dulles nervously paced the platform. He considered trying to escape into the French countryside, where he would hope to meet up with Resistance fighters, but he decided against it. Finally, with the train about to leave, the gendarme rushed over to Dulles and motioned him to climb aboard. “Go ahead,” he whispered “our cooperation with the Nazis is only symbolic.” The Gestapo officer was nowhere in sight, having gone to the neighborhood bistro for lunch.

**Setting Up Shop**

The day after Dulles—whose codename was Agent 110—arrived in Bern, the *Journal de Geneve*, citing a source in Swiss customs, identified him as “a personal representative of President Roosevelt” assigned to carry out “special duties.” Dulles welcomed the publicity, as OSS did not stress cover for its senior officials. Donovan believed they were better off in the open, where would-be informants could easily find them, and Dulles, in one of his many intelligence axioms, liked to say, “Never try to conceal what cannot or need not be concealed.” That the Germans considered him “the most influential White House man in Europe” would help him immensely over the next few years.

Dulles rented an apartment in a 15th-century home in the old section of town, and he promptly removed the light bulbs from the outside street lamp. He hired a butler, a chef, and a maid so that he was soon living in upper-class European style.

It was not as easy for Dulles to find help at the US Legation, where the only other OSS employee was a secretary. He was able, however, to recruit several US citizens left in the country after Germany and Italy sealed its borders. A Standard Oil man agreed to collect intelligence on the petroleum business; a National City Bank man began secret purchases of foreign currency for OSS operations; a Boston socialite named Mary Bancroft signed on as a reports officer; and a German-born naturalized American named Gero von Schulze Gaevernitz volunteered as an assistant.

**Communications**

Getting information out of Switzerland was a time-consuming task. At first, Dulles and his staff relied on US Legation and Swiss commercial radio facilities to send diplomatic messages, with two staffers spending about 90 percent of their time enciphering and deciphering cable traffic.

After the liberation of Corsica in October 1943, they began to send secret information via the diplomatic pouch. The reports were microfilmed in Bern, sent to Geneva, and handed to an engineer on the Geneva-Lyon run, who hid the film in a secret compartment over the fireplace so that if German troops searched the train he could open the trapdoor and destroy the film.

At the Lyon station, the film was passed to a courier, who took it by bicycle to Marseille. From there, it was given to the captain of a fishing boat bound for Corsica, where it was picked up by a plane from Algiers. This circuitous route took approximately 10 to 12 days.

Collecting information was easier. Switzerland was filled with travelers, refugees, international businessmen, and various anti-Nazi German exiles. Dulles found Catholic and Protestant clergymen willing to provide information on church movements in Germany, and German laborers able to reveal details about heavy industry in the Rhineland. A German-Austrian businessman told him about the structure and capabilities of the midget “Beetle” tank a year before the Germans first used it at Anzio.
Switzerland was not neutral in the strictest sense of the word, and it certainly was not as neutral as it was in World War I. German officials regulated all of its exports with transit permits so that approximately 85 percent of all Swiss trade was conducted with Germany and Italy. Swiss industries collaborated with the German military in developing machine tools, precision machinery, guns, diesel engines, airplane parts, and torpedoes. Swiss banks freely serviced German banks, lending them money, providing them with US dollars and other foreign exchange, and acting as intermediaries for German accounts.\textsuperscript{10}

**The Most Valuable Spy**

To conduct this trade and diplomacy, a number of German officials lived in Switzerland or frequently traveled there. One such intermediary, Fritz Kolbe of the Foreign Office, would become the single-most-important source for the Allies—and Dulles did not even have to recruit him. Like most of the valuable German sources in World War II and most of the great spies in history, he was a walk-in.

Kolbe had joined the Foreign Office in 1925, serving overseas for a dozen years, before returning to Berlin in the late 1930s. When he saw Hitler’s anti-Semitism and aggressive militarism, he thought about resigning, but a Catholic priest persuaded him to fight Nazism from within. Shortly thereafter, Kolbe was assigned as an assistant to Ambassador Karl Ritter, who handled liaison between the Foreign Office and the Supreme German Military Command, and he was told to screen all incoming Foreign Office cables. Before long, he was making courier missions to Switzerland, an ideal location to contact British or US intelligence operatives.

On 17 August 1943, Kolbe cleared Swiss customs carrying a 12-inch by 18-inch envelope with two red wax seals bearing the imprint of the Foreign Office and addressed to the German Legation in Bern. Inside was a smaller envelope, which he delivered to the Legation. He then headed for the British Legation, the large envelope filled with Top Secret cables. But the British were not interested. No high-ranking diplomat, in their view, would offer to provide state secrets without first establishing contact through an intermediary. Kolbe had to be a crackpot or a double agent trying to deceive them with false information.

Later that evening, a British military attaché told Dulles about Kolbe, “a cove with a fanny name,” whom they had dismissed. “He’ll undoubtedly turn up at your shop in due course.”

Instead of going himself, however, Kolbe sent an intermediary this time. Dr. Ernesto Kocherthaler, a German-born Spanish citizen arrived at the US Legation early the next morning and told temporary OSS staffer Gerald Mayer that a German diplomat traveling through Bern with classified documents was prepared to meet with US officials. He then handed Mayer 16 Foreign Office telegrams, all classified Top Secret. He told him to study them and to respond as soon as possible because the diplomat would have to return to Berlin in two days.

Dulles took a careful look at the cables when he arrived at the office that afternoon. He said there were three possibilities:

This could be an attempt to break our code. The Germans figure we’ll bite, cipher this stuff, and radio it on to Washington. They monitor everything, including the Swiss commercial radio channels. They’ll be listening for these dispatches in the hope that a foreknowledge of the contents will give them the clue they need to decipher it. Or perhaps our friend is an agent provocateur. He plants information with us and then tips off the Swiss police that we are spying. His rendezvous with us is proof and we are kicked out of the country. Still, there is just the glimmer of chance that this man is on the square.\textsuperscript{11}

Dulles told Mayer to set up a second meeting. this time with Kolbe, at Dulles’s apartment at 10:30 a.m. the next day. Kolbe arrived on time, bringing the rest of the classified material, 186 pages in all, including a map of Hitler’s headquarters at Rastenburg. When Dulles asked Kolbe about his motivation, he said, “I hate Nazis. . . . All I need for my services is help, encouragement, and support after the war.”
“It’s hard to say what will happen after the war,” Dulles cautioned. “It’s got to be won first.” That night he sent several of the more sensational cables to OSS/Washington with the designation “eyes only” for Donovan.

Dulles and Kolbe met again the next morning, and Dulles gave him the alias “George Wood.” For cover purposes, he arranged for a young Swiss girl named Emmy to pose as Kolbe’s girlfriend. If Dulles needed to see Kolbe, he would have Emmy send a postcard that read something like: “Missing you. Wish you were here.” If he needed information on a particular subject, there was a code system: for example, Emmy would request information on Japanese military matters by asking Kolbe to buy some more “Japanese toys and trinkets,” and the next batch of documents would include up-to-date telegrams from the German Legation in Tokyo. Dulles also gave Kolbe a special OSS camera so he could photograph documents and send the rolls of microfilm in an envelope addressed to Emmy.

Kolbe traveled to Switzerland as often as possible in late 1943 and early 1944, using the double envelope and other tricks to smuggle classified documents. By the spring of 1944, he had provided over 1,200 documents—none of them more than two weeks old. Among other things, Dulles learned that a secret radio transmitter in the German Embassy in Dublin was directing submarine raids on Allied shipping, that President Franco of Spain was about to smuggle large amounts of badly needed tungsten to German war plants, and that the valet to the British Ambassador in Ankara was a Nazi spy.

Skepticism at Home

The only problem with the “George Wood” cables was that few people in Washington or London were taking them seriously. Dulles had acquired a reputation for sending information that contradicted what was being learned from ULTRA, the special codebreaking program, which had gone into effect in late 1942. On 29 April 1943, Donovan had warned him:

It has been requested of us to inform you that: “All news from Bern these days is being discounted 100 percent by the War Department.”

It is suggested that Switzerland is an ideal location for plants, tendentious intelligence, and peace feelers but no details are given. As our duty requires we have passed on the above information. However, we restate our satisfaction that you are the one through whom our Swiss reports come and we believe in your ability to distinguish good intelligence from bad with utmost confidence.

When the first of the “George Wood” cables arrived in August 1943, there had been plenty of skeptics. Donovan ordered a survey of the material, and he then sent a large sample to British Intelligence (SIS), whose deputy chief, Sir Claude Dansey, dismissed the source as “obviously a plant” and said, “Dulles had fallen for it like a ton of bricks.” Kim Philby, head of the Iberian section of SIS and later revealed to have been a Soviet spy since the mid-1930s, also dismissed the cables. Of course, this was perfectly consistent with the Soviets’ postwar plans: they did not want “good” Germans to overthrow Hitler and surrender before Soviet troops were on the scene. To investigate the material once and for all, Donovan set up a special panel.

Vindication

Over the next few months, OSS/Bern and OSS/Washington exchanged a series of cables on the new source. Finally, on 29 December 1943, Dulles sent the following message to Donovan: “I now firmly believe in the good faith of Wood, and I am ready to stake my reputation on the fact that these documents are genuine.” On 10 January 1944, Donovan passed 14 examples of the “George Wood” reporting to Roosevelt with the comment that it represented the first major penetration into the German Government. Dulles had persuaded Donovan, and that was all that mattered.

For Dulles, vindication came later in the war when the British concluded their survey of the “George Wood” cables and pronounced them genuine. SIS went so far as to call their source the prize catch of World War II. Kolbe would provide over 1,600 documents, most of them cables from German military
A Second Key Source

Dulles would also pick up another valuable German source—Hans Bernd Gisevius of the German Consulate in Zurich. Gisevius, who came from an old family of civil servants, had been ousted from the Gestapo in a 1933 purge and then later dismissed from the Berlin police force for criticizing the SS. But somehow he had been hired by Abwehr, the German intelligence service, which sent him to Zurich in early 1943. Like Kolbe, he first contacted the British, who quickly lost interest once they learned that he would not steal documents from the German Consulate. "The British," he wrote after the war, "above all, stuck to the old-fashioned scheme in which the enemy was considered solely as an object of espionage."

Then, after making contact through an intermediary, Gisevius called on Dulles at his apartment. "I will not demean myself by being a thief, stealing trivia from office filing cabinets," he said, "but I will give you a list of every general in Germany who wants to see Hitler dead, and I will help you communicate with them. In the meantime, I will tell you when my friends are planning to assassinate the Fuhrer.''

On 13 March, Gisevius continued, an explosive device would be placed in Hitler's personal plane for a flight from Berlin to Poland. Would the US Government openly support the anti-Hitler movement in the event of a putsch?

Dulles hesitated: "How do I know you can be trusted?"

The German produced a black notebook and began to read from it. Dulles was astonished—here were messages recently sent from OSS/Bern to OSS/Washington and OSS/London. Gisevius explained that the special German codebreaking component, the B-Dienst Group, had broken the US Legation code system. Dulles knew then that he had a legitimate source.

Gisevius, Kolbe, and a variety of other sources provided Dulles with a steady supply of order of battle information. By early 1944, nearly half of all OSS/Bern reports dealt with battlefronts in northern Italy, Germany, and the Balkans: troop movements, supplies, military-related transportation, tanks, guns, German weapons, and the results of Allied air raids. Most requests from OSS headquarters took only seven to 10 days to answer, and US military intelligence described the information as "timely and of value."

Paramilitary Operations

Dulles also took an active part in supporting guerrilla groups in Italy and in a number of German-occupied countries. In Campione, a small piece of Italian territory located 250 yards inside Switzerland on Lake Lugano, he and his staff provided 20 rifles and 100 handgrenades for local partisans, who then carried out a bloodless revolution on 28 January 1944. In the months following D-Day, Dulles set up a sub-base on the Swiss-French border to establish direct contact with advancing US troops of the 12th, 6th, and 7th Armies and to support Charles de Gaulle's Free French guerrillas.

With all this activity, Dulles had acquired a reputation in Switzerland, London, and Washington as a real operator. Although his two most important sources, Kolbe and Gisevius, had been volunteers, Dulles had stood by them despite the objections of British intelligence and widespread skepticism back home. Sir Kenneth Strong later wrote, "What Switzerland needed during World War II was a well-known market for intelligence, and this is what Dulles provided."

Germany's Secret Weapons

Of all the reports sent from OSS/Bern, few would be read with more interest than those pertaining to Germany's secret weapons. In early 1943, Hitler had promised to hit England by the end of the year with a new "vengeance" weapon, which everyone knew was an intercontinental rocket. At the same time, there also were reports that German chemists and physicists were working feverishly on an atomic bomb project at the Kaiser Wilhelm Institute in
Berlin. Allied leaders feared that the rockets, if they really existed, could be equipped with atomic warheads. For OSS stations, this was top priority.

The first clue came in February 1943, when a Swiss industrialist told Dulles that the so-called V-1 and V-2 rockets operated somewhat along the lines of an aerial torpedo. The next breakthrough came when Gisevius, in one of his first meetings with Dulles, revealed that the V-1 was a pulse-jet-powered cruise missile, capable of carrying 1 ton of explosive for 250 miles at a maximum speed of 450 mph; the V-2 was a liquid-fuel rocket, weighing 13 tons with a 1-ton warhead. Gisevius also revealed that the rockets were being produced and tested on the island of Peenemunde in the Baltic Sea.

Another source, an Austrian named Kurt Grimm, added to the data on the V-1 and V-2 rockets with photographs of camouflage rocket factories, which had been smuggled to Vienna by Austrian scientists working at Peenemunde. Grimm passed the photographs to an accomplished skier and mountain-climber named Fritz Molden, who journeyed through the Alps into Switzerland—evading Nazi ski patrols the whole way—and delivered them to Dulles at a safehouse.

None of these reports led to the bombing of Peenemunde, however. US and British war planes were already operating at full tilt in mid-1943, bombing German cities and supply lines or dropping paratroopers into combat. Peenemunde might not have been bombed at all if Dulles had not decided to send a rather peculiar report to OSS/Washington in early August 1943.

A Crucial Report

Stanley P. Lovell, the Director of Research and Development for OSS, who was better known as “Professor Moriarity” because of his sabotage and assassination devices, was the first to realize what the report meant. Like most OSS officials, he began his day reading carbon copies of radio messages received over the preceding 24 hours and stacked according to a code number designating their importance. At the top of his in-box on this particular morning was a report on German troop movements in Russia. Lovell read it carefully and then skimmed through the others. Near the bottom of the stack was a cable from Agent 110 in Bern:

One of my men got dry clothes and a breakfast for a French worker who swam the Rhine to Rehen last night. Told following story. Said he was forced labor guard for casks of water from Rjukan in Norway to island of Peenemunde in Baltic Sea.

Lovell tossed the cable aside, and then he suddenly snatched it back. The week before he had attended a seminar on nuclear fission during which scientists had emphasized the importance of heavy water. Approximately 11 percent heavier than normal water, heavy water slowed down fast neutrons so that they could fission uranium, the chief component of atomic bombs.

As Lovell reread the cable, he knew the “water” had to be heavy water. He pulled out several OSS maps and encyclopedias and found out that Rjukan had the largest hydroelectric plant in Europe. It was also believed to be the only place in the world that produced heavy water.

Lovell rushed down the hallway to see Donovan and told him that the radio message from Dulles “may be the most important message we will ever receive.” He also said he believed the information tied into the mysterious “ski sites” on the French coast. Forty feet long and curved at the end like a ski, there were at least 70 of them from Hazebrouck to Valognes. Lovell pointed out that every ski site was pointed directly at London, Bristol, Birmingham, and Liverpool. According to Lovell, they had to be launching sites for unmanned missiles containing enough nuclear fission bombs to destroy each of those cities. “If we bomb the very hell out of Peenemunde,” he said, “we could stop it cold before it has a chance to start.”

Donovan checked the information with American scientists Dr. Vannevar Bush and Dr. James B. Conant, both of whom confirmed the importance of heavy water in nuclear fission. He then sent Lovell to London to brief OSS station chief David Bruce, who then briefed the commanders of the Royal Air
Force and the US Air Force. Both agreed on the need for immediate action and, on 17 August 1943, the RAF carried out a massive air raid on Peenemunde, killing at least 1,000 Germans, including many scientists and technicians.

The attack, which took place less than 10 days after Dulles sent his report to OSS/Washington, would set back the first V-1 and V-2 launches from November 1943 to June 1944. As it turned out, Dulles was in London, having a drink at the Savoy Hotel, when the first of the V-2 rockets landed in June 1944, causing a complete panic.

During the next 10 months, until the German surrender in May 1945, over 20,000 V-1 rockets and 3,000 V-2 rockets were fired, with most launched against England and Belgium. They killed 8,588 Britons and wounded nearly 50,000, and they destroyed nearly 30,000 homes and damaged another 102,000. On the Continent, the rockets killed approximately 3,700 persons and wounded over 6,000 others. According to one estimate, the damage would have been eight times greater without the air raid against Peenemunde."}^{21}

Ironically, Peenemunde had nothing to do with the German atomic bomb project. Workers were helping to transport heavy water out of Rjukan, but from there it was being shipped to Wolfgast, not Peenemunde. It was then transported by train to the Kaiser Wilhelm Institute. Peenemunde was merely a cover.

**Operation Sunrise**

Dulles was to score other intelligence coups before the war’s end. In particular, he was instrumental in the success of Operation Sunrise, which culminated in the surrender of all German forces in northern Italy on 1 May 1945. Operation Sunrise represented a fitting final achievement as Dulles prepared to leave Switzerland and return to Sullivan and Cromwell, still eight years away from being named Director of Central Intelligence.

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**NOTES**


10. OSS Archives: Board of Economic Warfare, “Record on Control of Swiss Imports from Overseas,” 7 April 1942.


13. OSS/Director’s Files: Telegram 8/19, WJD to Dulles, 29 April 1943.


15. OSS Director’s File: Telegram 1477/79, Dulles to WJD, 29 December 1943.


18. OSS Archives: “Memo for the J.C.S.,” 6 May 1944.

