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DAVID KAHN

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# Hitler's Spies

*German Military Intelligence*

*In World War II*

DAVID KAHN



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*To my Birdie*

# Preface

INTELLIGENCE has always interested me, and the German army—that glittering exemplar—has always fascinated me. At the junction of the two lies German military intelligence. I thought it might be of value to see how an army widely regarded as the best in the world handled this task in the greatest of all wars. Was its information as good as its arms? Were its intelligence operations as efficient as Germans are reputed to be? Were its results as solid as the vaunted Teutonic scholarship?

These were among the questions I wanted to investigate. But I sought to do so under three aspects that had never before been used together in a book on intelligence. The study would encompass not just spies but all forms of information gathering. (“Spies” is used metaphorically in the title to represent all these forms.) It would base itself not on the writings of other authors on intelligence, but on primary sources. And it would not stop with the intelligence coups, but would complete the story by telling how the information was used—or ignored—by the generals.

Such a study, interestingly enough, could be done on the German side only for World War II. The Prussian-German army documents for World War I and before were destroyed in a 1945 air raid. It could also be done best for World War II. Although many records were destroyed, both accidentally and deliberately, enormous quantities survive. Repetition and corroboration within them lead me to believe that they accurately outline the whole topic, despite inevitable losses of detail, and that no major episode has been lost. Allied postwar prisoner-of-war interrogations, historical commissions, and war-crimes trials generated vast quantities of additional information. Finally, many of the participants survive and can be interviewed, often with the help of the documents.

People often ask whether the documents are available and whether the interviewees can be believed. The documents are available. After the war,

the Americans and British microfilmed the military, ministerial, Foreign Office, and SS records while they were in their possession. These microfilms lie in drawers—in effect, on open shelves—at the National Archives in Washington, D.C., accessible to any researcher. The originals have since been returned to the three chief German depositories—the Military Archives in Freiburg-im-Breisgau, the Federal Archives in Koblenz, and the Foreign Office's Political Archive in Bonn—where they are in general available to scholars. As for the interviews, they are not, I believe, reliable when the subject tells about his anti-Nazi attitude, how he saved Jews, how he knew where and when the OVERLORD invasion was coming, and how Hitler lost the war by not listening to him. But I have not used the interviews for such things. I have used them for low-level factual data or “color,” such as what the subject's office looked like, how he came to his intelligence job, and what the course of a typical day was. In such matters, I believe, an informant can be trusted.

In looking into World War II German military intelligence, I naturally concentrated on the army. It dominated because of its size and the importance of its results, though, in the last analysis, the intelligence of all the other agencies sought to assure victory on the battlefield, which alone was decisive. The study excludes some areas—weather, mapping, radar—either because they do not deal with enemy intelligence or because the story is rather technical and has been told elsewhere. Likewise, all counterintelligence aspects have been rigorously eliminated, such as the Communist Red Orchestra spy ring and the anti-Hitler resistance, which sometimes fed intelligence to the Allies. The book deals with information coming into Germany, not with information leaving it.

What has come out of all this? First of all, a good deal of material that has, to the best of my knowledge, never seen print before. The work describes the personalities in German intelligence, not only the world-renowned Admiral Canaris but also the obscure naval codebreaker who helped Germany fight the Battle of the Atlantic, not just General Gehlen but also the total unknown who became head of armed forces intelligence. It recounts the exploits of the aerial reconnoiterer who flew high over Suez to bring back aerial photographs of a British naval concentration, of the line-crosser spy who, at the risk of his life, obtained information about an enemy division opposite, of the military attaché whose information Hitler loved, of the statistician who computed Soviet armor production from brass plates taken from the underside of tanks. It provides close-ups of the well-oiled operation of Gehlen's intelligence branch, of the work of the document forgers who provided agents with faked credentials, of the struggles for power among the intelligence chiefs, of how they got money to pay their spies abroad. It examines the effectiveness of German intelligence at three critical junctures in the war: the attack on Russia, the Allied invasion

of North Africa, and the cross-Channel assault on Normandy. It compares German intelligence at many points with Allied.

In a more general sense, what has emerged is a picture of Hitler's intelligence apparatus and its results. Or, in other words, the information-gathering mechanism of an entire nation. No one seems to have done this before (and now that I've finished, I know why). In view of the importance of intelligence in the world today, this may be of some use. The investigation of the problem, which troubles all intelligence organizations, of why intelligence is often treated as a stepchild enjoyed the advantage of having as its case history the German army, in which this problem was more severe than in any other. In the comparative operation of intelligence systems, a surprising contrast has emerged: that of the relative effectiveness of the supposedly efficient dictatorship and the traditionally bumbling democracy. In these three matters, the book aspires to contribute to political science.

It hopes to contribute to history as well. It seeks to explain why intelligence rose to its modern importance. It tries to answer why the man who manipulated reality so well that he became master of Europe later petulantly swept unwanted intelligence papers off his desk. It investigates the effect of German arrogance on German intelligence and looks for the roots of that arrogance. And since what was happening in intelligence in the Third Reich was also happening in other sectors of its society—the economic, political, military—the intelligence microcosm may help illuminate the Nazi whole.

Finally, the book offers some theories about military intelligence, and may alert the public to the dangers of unrestricted intelligence operations. During the Third Reich, the party intelligence service began taking over foreign policy, usually with counterproductive results. Parallels with present-day agencies will spring to many a mind.

But the main thing that has come out of all the research and writing is a book that may appeal to any man or woman who likes stories about intelligence, or Nazi Germany, or World War II.

The writing of this book posed an unusual problem: every victory for German intelligence and German guns was a defeat for justice and freedom. I could not sanctify these deeds with a positive outlook or soaring eloquence; I could not end the stories about them with the sense of moral order triumphant that I could have done had I been writing about the Allies. Many times a glorious phrase came to mind or I knew of some vivid image that I could use, such as the one from *Paradise Lost* so perfect for aerial reconnaissance: “. . . and Satan there / Coasting the wall of Heaven on this side Night / In the dun air sublime.” But I could not grace the villains or the nonheroes of Nazi Germany with this ennoblement. Even

to equate Hitler with Satan would imply that he was once an angel. So I have left out the great words and the trumpet-tongued grandeur that can close a chapter so well. I have ended my chapters on downbeats, with flattened prose.

The reading of this book likewise poses a problem. Many operations of intelligence are antiseptic. They involve the passing back and forth of pieces of paper. But the reader must always remember that in Hitler's Germany they existed against a double background of horror. One was the war itself, whose reality was less that of parades and medals and gratifying movielike explosions than of fathers and sons bleeding, going blind, freezing, starving, dying. The other was Naziism, whose ultimate reality is not to be found in the autobahns but among the uncounted millions murdered in the gas chambers.

So the colors of this book are not crimson and gold, its sounds are not of trumpets, its images not of glory. Its color is brown, the color of the Nazi party and dirt. Its sounds are the screams of men with their legs just blown off, and the crying of children as the SS machine-guns first their mothers, then them. Its images are those of mountains of shoes taken from the dead, of emaciated zombies that are Russian prisoners of war, of a little boy wearing a yellow star holding his hands up. These matters will seldom push to the foreground in a book on German intelligence. But they must never be forgotten.

Many people have helped with this book, often simply by acting as a sounding board to my ideas. But some have been especially kind, and it is a pleasure for me to record my indebtedness to them.

Foremost are the Warden and Fellows of St. Antony's College, Oxford, who for two years permitted me to enjoy their hospitality as a senior associate member, and thereby to gain immeasurably through so many conversations with so wide a range of stimulating people. In particular, Anthony J. Nicholls, head of the German seminar, provided friendship and enlightenment. Anne Abley, then the librarian, let me work in her domain and use the as yet uncatalogued collection of Sir John Wheeler-Bennett.

H. R. Trevor-Roper, the Regius Professor of Modern History in the University of Oxford, guided this work through its dissertation stage successfully enough for it to have been accepted for the doctorate of philosophy. I am deeply grateful to him for his encouragement.

Michael Howard, now the Chichele Professor of the History of War at All Souls College, Oxford, deepened my knowledge on many points of military history. Nicholas Reynolds did likewise in our innumerable discussions about the German army. Timothy W. Mason opened my eyes to aspects of German history I had never even thought about.

Ladislav Farago kindly lent me his valuable microfilms of the Abwehr's Bremen outpost records on spying in Britain and America. David Irving



told me of many useful tidbits that I otherwise would never have seen.

The staff of the Militärarchiv provided not only quantities of documents, usually with exemplary speed, during the year I was there, but friendship as well. Especially kind was my advisor, Helmut Forwick. Also helpful were Friedrich-Christian Stahl, Gerd Sandhofer, Alfred Bottlar, Hansjoseph Maierhofer, Martin Ziggel, Wulf Noack, Erich Kroker, Robert Moser, and Oswald Binger.

At the National Archives outstanding performance is routine in the shop of Robert Wolfe. Helping him—and me—were John Mendelsohn, George Wagner, John Taylor, and Timothy Nenninger. At the Army's Center for Military History, Maurice Matloff, Charles MacDonald, Detmar Finke, and Hannah Zeidlik were quick to put their resources at my disposal.

Werner Pix and the late Richard Bauer of the Berlin Document Center made things very easy for me there. Franz Seubert of the Working Group of Former Abwehr Members generously provided me with many addresses. Of the many former soldiers and civilians, in intelligence and out, who responded to my letters and consented to be interviewed, I want to express special thanks to General Gerhard Matzky, General Walter Warlimont, and Captain Heinz Bonatz. Dr. Gerd Brausch gave me many insights.

Without the resources of the New York Public Library, this book would be a great deal poorer. And without the friendliness of its Frederick Lewis Allen Room, where I worked, I would be much the poorer. I remember with thanks the support of my fellow authors: Robert A. Caro, Susan Brownmiller, Joseph P. Lash, Nancy Milford, Lawrence Lader, David Lowe, Waldemar Hansen, Ruth Gross, and the others.

I often blessed my typist, Edgar Stecher, for magically converting an indecipherable draft into a clear, clean, and even beautiful typescript.

I am grateful to all these people. But my gratitude to my wife, Susanne, who has lived with German generals and dusty documents and many a useless idea on intelligence since the day of our marriage is, in feeble words, inexpressible.

DAVID KAHN

*Great Neck, New York*  
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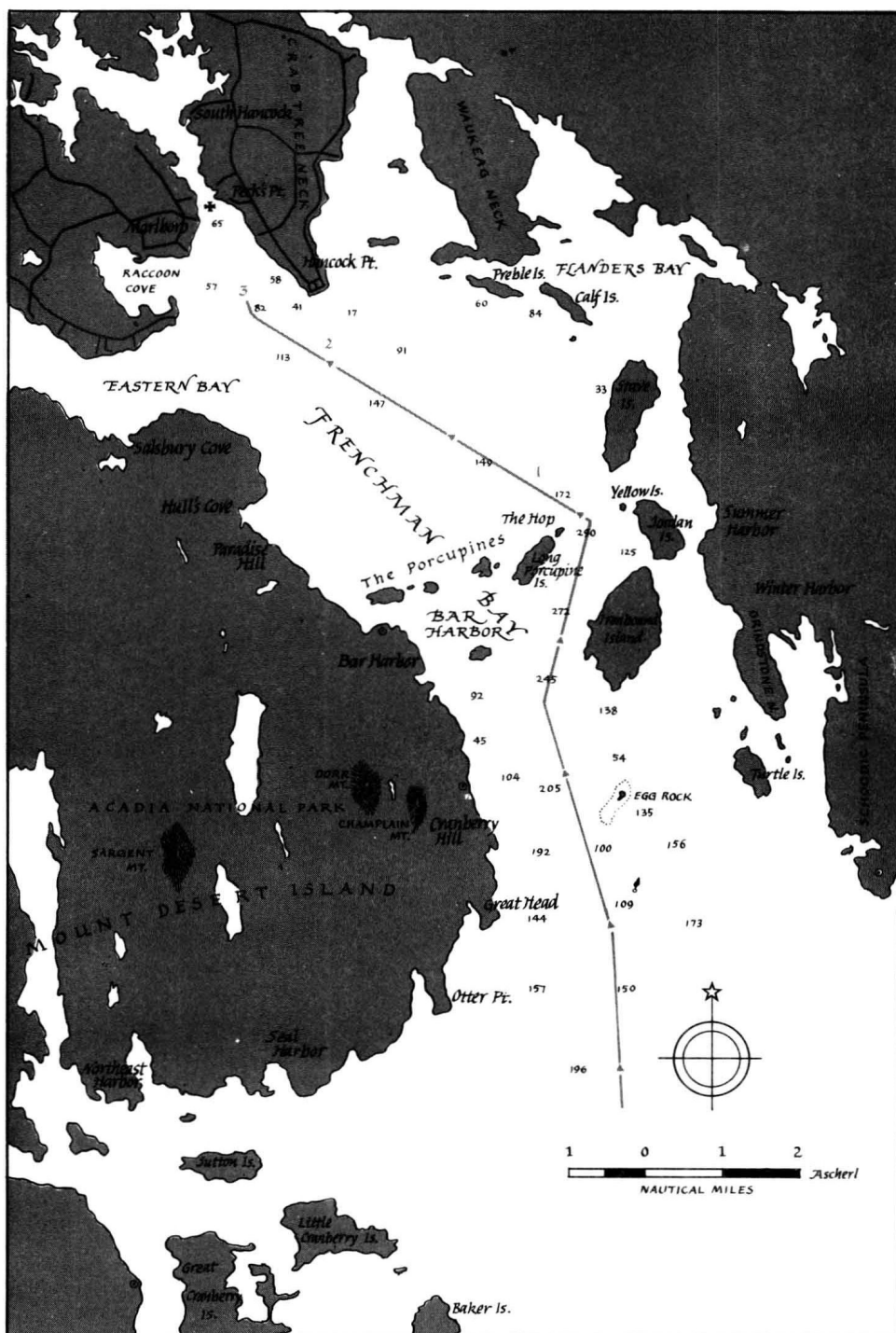
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# I PROLOGUE



Map of Frenchman Bay, Maine, showing route of the U-1230 to land two German spies at Peck's Point with position of morning stop at 1, of afternoon stop at 2, and of disembarking of the agents at 3



# *The Climax of German Spying in America*

**A**T about 4 o'clock in the afternoon of Tuesday, 28 November 1944, the screws of U-1230 began turning. The submarine rose slowly from the murky Atlantic seabed off the Maine coast. Staying submerged, it moved north, toward the hulking American continent—and the culmination of its secret mission.

On the darkening surface the wind whipped the sea. The temperature stood in the low twenties. After several hours, the U-boat's master, 27-year-old Lieutenant Hans Hilbig, saw through his periscope the sweeping flashes of lighthouses, for, though it was wartime, these continued to operate. They helped him navigate into the five-mile-wide mouth of Frenchman Bay, a body of deep water that indented the land to a depth of 10 miles. With first light, Hilbig steered for the red can buoy before Egg Rock, in the mouth of the bay. To port, Mount Desert Island thrust up a succession of peaks; to starboard loomed the hills of the mainland. Submerged to periscope depth, the U-1230 slipped undetected between the naval patrol base at Bar Harbor and the little naval reserve station across the way at Winter Harbor. Moving at only one or two knots even with the push of the rising tide, Hilbig threaded his way past Egg Rock, past Ironbound Island, past The Porcupines, The Hop, and Yellow Island. Mostly he had plenty of water—more than 200 feet—but in one dangerous place a rocky ledge pushed up to 54 feet from the surface. When he rounded the last island of the chain in the bay's mouth, he headed northwest to near the middle of the inner bay before lowering his vessel into the muck of the bottom. He had to wait for the light to fade.

It was freezing in the U-boat, for to save electricity Hilbig kept the heating off. It was silent, for the officers and men spoke only when they had orders to give, and then as quietly as possible. But though enemy territory encircled the vessel, an air of confidence pervaded it. The crew was

tough and well-trained, and Hilbig felt secure in his careful preparations.

Late in the afternoon of what was now Wednesday, 29 November, while there was still light, Hilbig raised his vessel to periscope depth and moved it a few miles closer to a peninsula, Crabtree Neck, that jutted into the upper end of the bay. Then he put it on the bottom again.

Inside the U-boat, two men bustled quietly about. They shed the submariners' uniforms that they had been wearing for the past seven weeks and put on civilian clothes. From a briefcase containing \$60,000 in American money wrapped in packets of plain brown paper, they took out \$8,000 and divided it equally, each putting a thick sheaf of bills into his wallet. They checked the contents of their airplane suitcase. They spoke in English, one in native American tones, the other with a German accent. They discussed whether to take with them a 10-pound package including a microscope that they had brought across the Atlantic with them, and decided to leave it behind.

Some time after 10 p.m., Hilbig started his motors again and lifted U-1230 until its glistening conning tower barely emerged from the water. Snow was falling. Mostly submerged, the submarine glided with extreme caution up the western side of Crabtree Neck into a kind of inlet. Now the water shelved rapidly—87, 67, 41 feet. Finally, about 500 yards from the shore, not too far from the wharf at Peck's Point, the U-boat stopped, then swiveled to face south, ready for a fast getaway. The waves splashed against it. Some crew members clambered out and readied a rubber boat with oars, to which was attached a light line for pulling it back to the submarine. Into it they put the two men's suitcase and briefcase.

Then the pair emerged, hatless, and wearing light topcoats. The one with the American accent was six feet two inches tall, weighed 150 pounds, and had brown hair and eyes. He bore papers identifying him as William C. Caldwell, but he was in fact William C. Colepaugh, born 26 years earlier in Niantic, Connecticut. The other spoke a native German to the crew members. His real name was Erich Gimpel, though false documents said he was Edward G. Green. He stood six feet one inches tall, but was rather heavier at 177 pounds, with blue eyes and a fair complexion. He was 34, eight years older to the day—25 March—than Colepaugh.

During the launching of the rubber boat, the light line parted and two sailors got in to row the boat back to the submarine. Colepaugh and Gimpel shook hands with Hilbig and the crew, spoke their farewells in hushed voices, and climbed into the boat. The sailors pushed off. The tiny group rowed away from the submarine over the slapping black water. The wooded shores ahead gave no sign of life. In a few moments, their boat scraped a pebbly beach. It was around 11 p.m. Colepaugh and Gimpel sprang onto the shore. The waves lapped at their feet; the wind blew the snowflakes past them. The vast gloom of the enemy land menaced them. But though lights twinkled here and there, they could see no other sign of

life. The woods seemed empty. The sailors handed them their luggage, then jumped onto shore themselves so that they could boast that they had invaded the United States. They hailed Hitler, bade farewell to the two men, and quickly returned to their submarine.

Colepaugh picked up the suitcase, Gimpel the briefcase. They turned their backs to the sea and began walking up the beach. Soon the snow and the woods had swallowed them up. Two German spies dispatched by the highest authorities of the Third Reich had begun their secret mission inside the United States of America.

The impetus for the mission had come from the Reich foreign minister. Joachim von Ribbentrop, a former champagne salesman, was pompous, not especially bright, and concerned above all to protect his prerogatives from the abrasions of other and mightier Reich ministers. He had conceived the mission in part to reinforce some of his powers, which dealt with foreign propaganda. He had some say in this, although the main effort was that of Josef Goebbels's Ministry for People's Enlightenment and Propaganda. German radio broadcasts had sought to disaffect the Irish, Polish, Czech, Yugoslav, and Italian minorities in America. Ribbentrop particularly wanted to test the effect of this propaganda during the 1944 presidential election. More generally, he wanted to know what was being done right and what wrong in German broadcasts to America so that he could increase their effectiveness. The best way to do this, he reasoned, was with spies.

The idea occurred to him at the end of 1943. It was a time of incessant German defeats. Early in the year, just after the agonizing loss of Stalin-grad, Goebbels had demanded of an audience in the Sports Palace in Berlin, "Do you want total war?" The people had roared back a thundering "Ja!" But although a year of full commitment and of economic control by Albert Speer had indeed improved war production, Germany's military situation had worsened. Her Axis partner, Italy, had defected, and the Allies were advancing up the boot. Her last great offensive in the east had failed at Kursk, and now the Red Army was hammering the Wehrmacht back inexorably toward the borders of the Reich. Her cities were bombed-out wastelands.

The leaders of the Third Reich professed no concern, however, about its ultimate victory. Adolf Hitler told a visiting statesman that he wished the British and Americans would attack in the west so that he could destroy them. To his armies and his people, he spoke of the ancient Hellenes against the Persians and Germany against the Asiatics, of holding out like Frederick the Great until the enemy gave up from exhaustion, of glorious new cities springing from the ruins of the old, of weapons of revenge, of the war's leading ultimately "to the greatest victory of the German Reich."

His soldiers and his subjects were not always so optimistic. Letters from



the front spoke despondently of regiments reduced to company strength, of severe shortages of ammunition. At home, people ate turnips and made comments like "I'm not so easy to shake up. But now the situation in the east is starting to get really nasty." An increasing number no longer believed in a final German victory. Cynical lines circulated.

"What's the shortest joke?"

"I don't know. What is?"

"We're winning!"

This sort of thing was, however, kept down by the fear of the SS and the police, both of whom were commanded by the schoolmasterish Heinrich Himmler. A businessman once remarked to an acquaintance that things were going to get even worse because the country's leaders "are all incompetent: Göring's a dope fiend, Goebbels a sex maniac, Adolf a hysteric, and Keitel [head of the Armed Forces High Command] an old aunt." He was sentenced to a year in jail. During 1943 and 1944, the SS spread its dominion over increasingly large areas of German life—including the concentration camps—and tightened its hold on them all.

Its Security Service, the Sicherheitsdienst, or SD, was the Nazi party's only permitted intelligence organ. The SD had a domestic and a foreign arm. Both were incorporated with government police agencies into a party-state amalgam called the Reichssicherheitshauptamt, the RSHA, or Reich Security Administration. Its Department III, for example, was the domestic SD; Department IV was the Gestapo, the secret state police. SD foreign intelligence was RSHA VI. Its head was a boyish, charming SS brigadier, who looked well in his black SS uniform with silver trim: Walter Schellenberg. He was only 34, but his brains, his flair, and his loyalty had gained him the post three years earlier. He commanded not only VI's headquarters in Berlin, but also its outposts throughout the Reich and the conquered territories and, after June 1944, a major new element. This consisted of the foreign sections of the military espionage agency, the Abwehr, long headed by the almost legendary Admiral Wilhelm Canaris. After one of its members defected to the Allies, Hitler, fed up with its incompetence and corruption, ordered it merged into his party's more aggressive, more trustworthy agency. Canaris was fired; Schellenberg came to control all German espionage, military as well as political.

It was to Schellenberg that Ribbentrop passed his request for a spy to gather political intelligence in the United States. But RSHA VI had no sources for this. A few former Abwehr agents sometimes radioed bits of military data. In South America, a well-organized ring provided some technical information from the north. Schellenberg had long considered sending agents to the United States, but a bad experience and a difficulty had deterred him. The experience was the failure in 1942 of an Abwehr sabotage mission to the United States. Canaris had had a submarine land eight men near the eastern tip of Long Island. They were to blow up some fac-