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Subject: Discovery of German Code in Curaçao.

When I received my instructions in Fort Erie that we were to proceed to Curaçao in the Dutch West Indies, I was a good deal disappointed as I had hoped that I would secure a post of more interest. Little did I realize what interest would develop there. Before proceeding to Curaçao I went for a few days to Washington and saw the then Assistant Secretary of State, Wilbur Carr, who was in charge of the Foreign Service. I told him that I was very glad to go anywhere that the Department wished me to go and realized I was a very junior officer and just a beginner, but I wondered why I had been sent to this little island in the Dutch West Indies. Mr. Carr said that he thought that I would find plenty of interest there and that there was no doubt that the island would become more important, especially as the war got nearer to us.

Shortly after we arrived in Curaçao in 1916, we began to put into effect the controls over fuel for ships and the controls on the movement of goods so far as it was possible for the United States, as a country still not in the war but collaborating with the allies, was able to do so. The British government which had never had, up until a short time before, a consular representative except a consular agent in Curaçao, had sent a career civil servant from British Guiana to Curaçao as consul. We naturally collaborated together from the outset, but he was not a particularly intelligent man. I found that the agent for the Red D Line, which was an American steamship company running between New York, Puerto Rico, Curaçao, and Venezuela, had as its agent in Curaçao at that time a German by the name of Fensohn. He was a short, dapper little fellow and, I recall, very intelligent and active. He had been on the island for many years. He was also the agent for quite a number of other shipping companies, mostly European. He had quite a large office. I was told that when the war broke out, his per-

sonnel had increased very rapidly. One of the things which intrigued the better informed people in Curaçao was that, although the number of ships which Fensohn had to deal with had decreased, his personnel was constantly increasing. Almost every month there arrived from somewhere a new German to join the staff of his office.

From the beginning, the work of Fensohn's office in the clearing of ships and the many things having to do with an American steamer coming into port which had to be taken care of by the agent of the Line, was done with the Consulate by a young Dutchman. He was a tall good-looking young fellow and I recall having formed a certain instinctive aversion for him because of his use of perfumes; he seemed a very agreeable fellow though. After some months, he came into the office one day on the morning of the arrival of one of the *Red 15* steamers from New York. He was very much excited. He had had a letter in the mail which arrived in that steamer from an insurance company in Baltimore. He said that he was sure that somebody was trying to get him into trouble. He was a Dutchman and his country was neutral and he was neutral. It was true that he was working in the office of Fensohn, who was German consul, but his sympathies were entirely with the allies. This was known in Fensohn's office where he was working and he was very unpopular there. He showed me an envelope which was addressed to him, in care of Fensohn's office. It had in the upper left-hand corner the name of an insurance company in Baltimore which I do not recall and which I remember at the time I did not know. Inside was a simple letter over the letterhead of this insurance company in Baltimore stating that they had received his instructions for the shipment of a package to a certain place in South America and that his instructions had been followed, and that the goods had been shipped, and that the insurance company had issued the

usual policy and that the policy would be forwarded in another letter which was to follow. The young Dutchman was exceedingly disturbed because he said that he had never engaged in any business of his own, that he had not ordered any shipment to be made, he had not asked for any insurance to be issued, and he had had no touch whatever with this insurance company in Baltimore. He was sure that someone was making shipments in his name and endeavoring to get him into trouble. I thanked him for his good intentions in informing me and said that I would take note of what he had told me and that he could be assured that he would not get into any trouble.

The week following, when the usual weekly steamer arrived from New York with the mails, the young Dutchman appeared in my office even more excited than before. He had another letter. The envelope was identical and contained the copy of, apparently a duplicate, an insurance policy covering a shipment to a port in Latin America. The letter of the previous week mentioning that the policy would be forwarded, had indicated that when he received the policy he should give careful attention to the parts underlined covering new requirements which it was necessary to place in war risk insurance policies. The policy seemed to be the usual form of ^{marine} insurance policy. Certain lines in the policy were underlined in red ink. The Dutchman was more disturbed than ever because he said that now he was certain that someone was using his name to do improper things. He did not want to get into any trouble. I repeated my assurances to him ~~that~~ as I was confident that he was all right and asked him to leave the policy with me. I examined the first letter and the policy very carefully. Every day for a week I looked at them and tried to figure out what it was all about. I took the letter and the copy of the policy home and my wife and I tried to see what it

was all about. I felt sure there was something behind it. I must have kept it for at least a month trying to figure out the relationship between the letter and the policy, and I felt increasingly confident that there was some kind of message conveyed in the policy; but I was totally inexperienced in this sort of thing and after a month I decided the only thing to do was to send it to Washington where it would be sent to one of the intelligence services which had more experience, naturally, in this sort of matter.

(West) I recall crossing from one desk to another desk in my office where I had a typewriter, on which I typed some of my own dispatches. It was while walking from one desk to the other with these two documents in my hand that the whole thing immediately became clear as crystal. In ten minutes I had deciphered the message contained in the insurance policy. I noticed that the red lines, underlining certain phrases in the policy, did not begin with the first letter of each word. The red line was broken so that certain letters were not underlined. The whole thing was really exceedingly simple; by simply reading the letters which were not underlined the message was clear. It was a message directed to a German in Fensohn's office whose name I will be able to insert later in these notes when I look at the correspondence of the time. It directed him, as I recall, to watch the activities of certain persons, expressing appreciation of the reports he was rendering, and impressing on him the necessity for vigilance. This German in Fensohn's office to whom this message was addressed, was a young German whom I had seen from time to time and who had every appearance of not being a clerk or an appropriate person to be sent merely as a clerk in the office of a shipping agent in Curaçao. He was obviously an officer of the German Secret Service.

I immediately wrote a dispatch relating the circumstances to the Department and sending the original documents and said that if this Dutchman received any further of these communications, I would send them along. I suggested to the Department that the dispatch with its enclosures be sent to the appropriate agency of our government.

Not long afterwards, this German disappeared from the office of Fensohn as mysteriously as he had arrived. I never received any acknowledgment of the dispatch to the Department. It was at least a year afterwards when I arrived in the Department that I was told that on the receipt of my dispatch it had been referred, I believe, to Military Intelligence. The mails in the United States were watched for similar letters from this so called insurance company in Baltimore. Within a couple of weeks the watch on the mails in the United States had led to the discovery of some fifty or sixty agents of the German Embassy in Washington. The same method of communications through these insurance policies was being used by Von Papen and Boyer, then the two well known attachés of the German Embassy in Washington, and who were the heads of the espionage activities of the German government and Embassy in the United States, for communication with their agents in all parts of our country. These letters were so innocuous that they had passed unnoticed. It was this altogether accidental incident in Curaçao, which was so far away from the theater of war, which led to the discovery of the means of communication of the German Embassy in Washington with its agents.

When our people felt that no more names were being developed through the following of the mails in the United States, they swooped down on these agents and this was the beginning of the end of the espionage out of the German Embassy in Washington. Von Papen, for this

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reason and for other espionage activities in the United States, including the fostering of sabotage, was obliged to leave the country. I had read months before and some time after I had forwarded this dispatch to the Department, of the arrests of these German agents in the United States, but I did not in any way connect it with the dispatch which I had written. I was commended by the Department for the way in which I had discovered this code. I told them that it had been entirely accidental.

I had never met Von Papen, naturally, up to that time. I did not see him until I went to Germany in 1930 as Consul General in Berlin for all of Germany. Von Papen was back in the country. I saw him only very occasionally. He had no public position of any kind but was interesting himself increasingly in politics. The first time I saw him in the house of a friend I had the feeling from the look on his face that, in some way or other, he knew that I had been connected with the discovery of this code which he had used in Washington. I will in another section of these notes set forth the way in which Von Papen's life and mine touched each other in Berlin and in Vienna.

Just for the record in these notes, and having no connection with the foregoing, I wish to record that when Von Papen was named Chancellor immediately after Hitler came in, merely of course as a straw man, one of my friends who frequented the home of Frau Von Papen, the mother of Franz, said to me that when his mother heard of her son having been made Chancellor she said: "What is going to happen to our country when the most stupid of my sons is made Chancellor?"