between the end of World War I and the onset of World War II, many intelligence services grew in size, budget and function, and their roles in military, diplomatic and political affairs assumed increasingly greater importance. This period was marked by numerous small, short armed conflicts, and witnessed revolutionary innovations in intelligence-related technologies.

Out of the lingering Great Depression and international conflicts emerged the principal totalitarian states of the 20th Century — Nazi Germany, Stalinist Soviet Union, and militarist Japan. Each created a “police state,” a term describing the use of intelligence and police services for the repression of domestic opposition including exiled opponents abroad. The totalitarian intelligence services also produced propaganda boasting of military prowess to intimidate weaker states. Their intelligence services’ operations abroad were often for economic penetration. Especially good at this were Japan and the Soviet Union. A favored method was saturation by infiltrating both “legal” (with diplomatic cover) and “illegal” spies. The three Soviet secret services (OGPU, GRU and Comintern) were active worldwide. The Soviets favored targeting Western industrial zones and heavily trafficked ports as well as principal economic centers from Berlin to Stockholm to Paris to London to New York and beyond. Despite the propaganda and the post-1934 dispatch of German “tourists” to several continents, the Third Reich’s secret services were less effective in this work than their Japanese and Soviet counterparts.

The 1920s: International Intrigue and Small Wars

The terms of the June 1919 Versailles peace treaty shaped requirements for the intelligence services of Britain and France, which sought to determine if Germany was disarming as required. Germany’s extensive rearmament program, which from 1922 to 1933 was carried out in secret in conspiracy with the Soviet Union, was a major collection target for Western governments, investigative newspapers, and German and other European organizations, which viewed German rearmament as a threat to peace. One sensational scandal in 1935 resulted from a private exposé of the sub rosa German rearmament program by Berthold Jacob Solomon, a German Jew, investigative journalist and Nazi oppositionist, who was kidnapped in Switzerland by the Gestapo and incarcerated in a German prison. The international outrage and Swiss diplomatic pressure forced the Nazi regime to release him, and he left Germany for exile.

European newspapers reported on numerous spy incidents during this period. One of the more curious
cases involved Polish Major Jerzy Sosnowski, who in 1926 was sent to Berlin to uncover the plans and intentions of the post-war Weimar Republic. With a well-funded cover as a wealthy, aristocratic Polish war hero, playboy, racehorse owner and businessman, Sosnowski built a spy ring, which penetrated Germany’s War Ministry. He was arrested in Berlin in 1934 and put on trial as a spy. Several of the aristocratic German women spies he had recruited, who were also his lovers, were also put on trial. Unlike Sosnowski, who was released and returned to Poland as part of a German-Polish spy exchange, the women were executed by beheading. Upon his return to Poland, Sosnowski was arrested and accused of having been “turned” by Germany and was given a fifteen-year prison sentence. The twists and turns of the Sosnowski case illustrate the extent to which deception had become a common practice in the European espionage wars.

The end of World War I and the peace settlements did not bring an end to conflict in Europe or elsewhere. Numerous conflicts ensued —wars of independence, nationalist resistance to European colonialism, frontier readjustments of the new Eastern European states created in the aftermath of the peace treaties, brutal civil wars in Russia and Spain, and territorial aggression by Japan and Italy in Asia and Africa. Consequently, the intelligence services of the European states were busy.

For more than half of the interwar period, British and French intelligence services focused on the emerging Soviet Union, which despite its efforts to foster Communist revolutions either by invading a neighbor (Poland, 1920) or by fomenting internal uprisings of Communist workers, sailors and soldiers (Germany, Hungary, and Austria), remained the only country which practiced Communism. After the Russian civil war ended in 1920-21 with the Bolshevik victory, a secret war proceeded, which pitted the British and French secret services against the expanding services of the Soviet Union. From the Bolshevik’s initial secret police, the CHEKA, grew a larger service with various acronyms such as OGPU and NKVD. Even though OGPU, for example, dominated the intelligence field and was much larger and better funded, it was not the sole secret service; there was also Soviet military intelligence, the GRU, as well as departments of the Communist International (Comintern), which employed agents at home and abroad.² The Soviet Union remained diplomatically

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2. For a history of Soviet and Russian secret services see Robert...
isolated throughout much of the 1920s. It was not recognized diplomatically until the late 1920s (and not until 1933 by the United States) and did not join the League of Nations until 1934. Its foreign and defense policies functioned with the presumption that the main Western capitalist states, which had worked to defeat the Bolsheviks, remained hostile.

Soviet intelligence services sought to discover the military plans and intentions of adversaries such as Britain, France, Germany, and the United States, as well as Japan to which it had lost the 1904 Russo-Japanese War and continued to have territorial disputes in the Far East. In addition Soviet spies sought to obtain Western industrial and economic secrets in order to industrialize and compete with Western powers and strengthen the Soviet armed forces.

The Soviets employed different types of spies: “legals,” who used diplomatic cover at Soviet consulates and embassies and “illegals,” who used all manner of cover, including Soviet press and trade associations established in foreign capitals, as well as a variety of philosophically sympathetic agents who infiltrated workers’ unions, defense industries, and merchant marine crews. The targeting of workers and merchant seamen in major ports in Germany, the Low Countries and Scandinavia had the dual purpose of encouraging the overthrow of capitalism through paralyzing strikes and sabotage in the event of war with the Soviet Union.

Stalin used the long arm of Soviet intelligence to neutralize and murder exiled White Russians (the side which lost the Russian Civil War) and other enemies of the USSR wherever they resided abroad. Such tactics became public knowledge in Paris, a major sanctuary for thousands of White Russians, after 1919 when newspapers wrote stories about opponents or defectors being kidnapped from Paris streets or murdered in Switzerland. Most famously, Stalin’s principal rival, Leon Trotsky, was exiled in 1929 and assassinated in Mexico in 1940 by a Soviet agent recruited and trained by the NKVD during the Spanish Civil War (1936-39).

Two intelligence-related technologies, which were new in World War I, were further developed in the 1920s: signals intelligence, which grew out of the contest between cryptography and cryptanalysis with the use of two-way radios in addition to telegraphy and photography, used from airplanes to locate enemy forces and weaponry. Various intelligence services throughout the world tried to exploit the protected communications of other states. Germany introduced a sophisticated cryptographic machine in the 1920s called “Enigma.” Polish and French code-breakers began to solve Enigma codes, which became a key advantage for Allied intelligence in World War II. In addition, spies and counter-intelligence agents employed concealable cameras with which to photograph purloined documents as well as industrial and military equipment. Furthermore, secret agents could now use portable equipment for recording voices without the subjects’ knowledge or for tapping telephone lines. These technologies became common tools in future international secret wars although even major powers could not always afford to equip their agents with such devices. As of September 1939, for example, Britain’s spies abroad still did not have two-way radios.

In the 1920s US intelligence focus was largely domestic. The anarchist and communist threats at home were the principal focus. Foreign intelligence collection was accomplished by a limited number of military and naval attaches posted in selected European and Asian countries. However, the US developed a significant signals intelligence capacity between the wars, despite setbacks and modest budgets. When World War I ended, Department of State codebreaking pioneer, Herbert O. Yardley, moved the Cipher Bureau, commonly known as the “Black Chamber,” to New York City and was financed by the Department of State and the Navy. In 1921, at the Washington Naval Arms Limitation Treaty conference, Yardley’s reading of the Japanese delegates’ secret diplomatic messages gave an advantage to American diplomats and enabled the United States to constrain Japan’s naval construction allowance in the final treaty. But in 1929, Secretary of State Stimson shut down Yardley’s New York signal intelligence unit with the now legendary comment, “Gentlemen do not read each other’s mail.” That same year, nevertheless, the U.S. Army Signal Intelligence Service was established and used Yardley’s unit’s old files. SIS was headed by codebreaking genius, William Friedman, who by 1939-1940 had achieved successes in reading high level diplomatic traffic from the new Japanese encoding “Red” machine. Meanwhile, in 1924, the U.S. Navy established a code-breaking unit in the Office of Naval Intelligence and began to work on Japanese diplomatic and naval traffic. In signals intelligence there was competition between the Army and Navy units.


3. Some success against British naval signals was enjoyed by Germany between the wars.
The 1930s: The Not-So-Secret March to World War II

The totalitarian states built up their secret intelligence services during the 1930s. Nazi Germany and Japan, in particular, initiated aggressive subversion on an unprecedented scale. Japanese intelligence played an active role in the territorial expansion into Manchuria (1931) and mainland China (1937), which marked the beginning of World War II in the Far East. Japan’s services conducted subversion, deception and provocations in order to justify military intervention.

While Italy’s takeover of Libya and conquest of Ethiopia (Abyssinia, 1935-36), were sidelines, the Spanish Civil War (1936-39), which began as a domestic conflict and caused at least 600,000 deaths and uncounted injuries and destruction, is viewed by many historians as the prelude and rehearsal for World War II in Europe. The Soviet Union supported the loyalists of the Spanish Republic, while the Fascist powers, Germany and Italy, supported General Franco’s Nationalists. One legacy was the Soviet enlistment of Spanish spies, saboteurs, and assassins who, after the Republic fell, participated in the underground activities of Stalin, including infiltrating various countries and carrying out revenge missions abroad.

One of the most talented secret agents of all was Richard Sorge, a spy for Soviet military intelligence (GRU) who served in the Far East. Sorge was in China and then Japan with the cover of a newspaper reporter. His principal mission was to discover Japan’s plans toward the Soviet Union, but by posing as a German and gaining access to the German embassy in Tokyo he also collected information on the Third Reich’s strength, plans and intentions. Sorge’s father was German, his mother Russian. His warning of Germany’s intentions appear to have been ignored by Stalin but his intelligence on Japan’s intention not to invade the Soviet Far East allowed Stalin to reposition significant forces from Siberia to face west.

In the 1930s the number of arrests of spies and spy trials rapidly grew in Europe. Typically, spy scares heightened concerns about security and trials stirred patriotic feelings. After 1930 in most states espionage during peacetime could result in capital punishment.

By the time World War II began with the German invasion of Poland on September 1, 1939, most of the intelligence services were far larger and better equipped than they had been in 1914. However, assessments of potential enemies in the late 1930s were often wide of the mark. Assessments of many states were more accurate in terms of counting numbers of enemy forces and resources, but less accurate in plotting plans and intentions. Britain’s intelligence system overestimated Nazi Germany’s air force strength by almost 50%, yet came closer in estimating ground forces’ numbers, if not their military prowess.

In the US the Justice Department’s Federal Bureau of Investigation, beginning in 1936, was given presidential authority to devote greater resources against subversives, including foreign spies, especially Nazi and Japanese agents and, to a lesser extent, Soviet spies. With the outbreak of war in Europe in September 1939, the intelligence efforts of the Army, Navy and FBI began to grow rapidly.

READINGS FOR INSTRUCTORS

No comprehensive intelligence history exists of the period between the world wars. Most coverage is by individual country or regime.

GREAT BRITAIN

For an introduction to British intelligence after 1918, there is Christopher Andrew’s, Her Majesty’s Secret Service (originally published in 1984, updated in paperback in 1998 by Viking), but it should be noted that in the late 1990s official histories of MI-6 and MI-5 were published and include materials that cover this era. See Keith Jeffery, The Secret History of MI6, 1909-1949 (New York, Penguin, 2010),

**France**


**USSR**


**Japan**


**America**
