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DAILY ENTERPRISE



(U) HISTORY TODAY - April 20, 2016

FROM: CCH

Run Date(s): 04/20/2016

(U) COMINT and enforcement



(U) One of the early uses of COMINT in Britain in the 20th century was enforcement of the blockade of Germany. This early use is illustrated by the “*Kim* case,” the central legal decision about the blockade.

(U) Early in World War I, both the Allies and the Central Powers waged economic warfare against their adversaries by attempting naval blockades of essential goods and by legal action against companies that sought to ship material to the adversary. In many cases, the commercial firms involved fought back in the courts.

(U) In November 1914 Britain stopped four American ships, including the S.S. *Kim*, sailing for Copenhagen with a fortune in meat and lard. The British stopped them because of strong evidence from its consuls in Chicago and Copenhagen that when this cargo reached Denmark, it would be transhipped to Germany. Once these vessels were seized, the cargo began to go bad, so Britain confiscated it and shipped it to hungry soldiers. The meat packers in Chicago offered not to protest the seizure so long as Britain paid for the meat -- at the price it would have procured at Copenhagen.

(U) Meanwhile, the meat packers sent smaller shipments of meat to neutral ports and used their formidable political power in Washington, telling the British ambassador that unless their aims were met, they would exert public “pressure” through James Mann, congressman from Illinois and the Republican Party minority leader in the House of Representatives. The ambassador later warned the British Foreign Office that Mann “is a packer’s man and is dangerous. Also packer’s political and financial influence is strong in [the] Middle West, and they are assuming character of protectors of farming interest.” [The text is in telegram style.] Congressman Mann is on the left in the photograph.



(U) To end the squabble, British authorities were willing to buy the condemned meat, but at a lesser price. The value of the cargo was disputed, but estimates varied: one Treasury official placed it at “nearly 3 million sterling,” another at \$15 million (about \$330 million in current dollars). While the Foreign Office was “quite ready to expedite these negotiations,” the firms “intended evidently to string out negotiations and meanwhile to put goods into Germany through every neutral port.” Britain’s offer also depended on, as Crowe wrote, “the probability of obtaining condemnation.” The Procurator General doubted he could win the case if it went to court.

(U) Then COMINT transformed the case. COMINT had been of only secondary importance in the decision to stop the convoys, just providing hints to confirm the reports of the consul in Chicago. But in 1915, when some old cables were re-indexed, analysts discovered proof that two of the six meatpacking firms had planned to sell their goods to Germany. The COMINT data was augmented by letters provided by an informant. The hard-bitten lawyers of the Procurator General’s Department noted privately, however, “the success of the Crown was very largely due to statistical evidence” that the cargoes were too large for any American sales in Denmark, a large meat-exporting country, with

Approved for Release by NSA on 04-12-2019, FOIA Case # 84783

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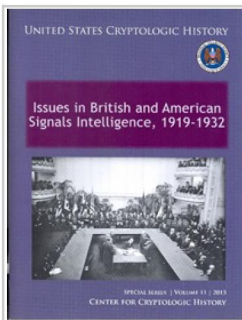
“the intercepted cables supplying the necessary atmosphere of suspicion though affording surprisingly little direct evidence on the question of destination.”

(U) On this basis, the Prize Court, which handled the disposition of captured ships and cargoes, condemned the property of the meat packers. Britain had a hammer against the firms, which it swung like thunder. It declared the shipments which clearly had been intended for Germany to be contraband, expropriating much of the property of those firms as an example. Britain then made a one-time and time-limited offer to the firms.

(U) It would pay for the remaining cargoes, but at the price they would have received in London. Britain would withhold 50 percent of that price until after the war and pay it only to firms which made no further attempts to ship goods to Germany. Britain also insisted the firms report every instance they discovered of attempts to ship contraband. Beyond that, off the formal record, the meatpackers were made to leash their dog in the House of Representatives and press Mann to heel behind the Entente: the Procurator General offered terms even this generous to the meatpackers only because the Foreign Office emphasized the importance of this matter.

(U) A contemporary observer noted that, with the 1916 election looming, Foreign Secretary Edward Grey was “anxious for political reasons to obtain a settlement at the earliest possible date and therefore considers that the sacrifice of accepting the latest offer of the packers as it stands must be made;” but also “that it would be desirable to intimate to the packers in some form that in meeting their demands in this conciliatory spirit we are trusting to their influence in stemming the anti-allied agitation in America.”

(U) The firms accepted these terms. As another observer noted, the meat-packers’ agreement provided “complete control” over the trade, and bought the meat at 75 percent of what it would have cost to buy in London, not to mention Copenhagen. The packers kindly provided their wares to Britain well below the market price, with their political support in Washington thrown in to sweeten the meat.



(U) These events were a model of the value of intelligence both for blockade and economic warfare.

(U) This article is based on an episode related in the newest CCH publication, *Issues in British and American Signals Intelligence, 1919-1932*. The interlocking articles are by Dr. John Ferris, who was scholar-in-residence at the CCH from 2008 to 2009. Dr. Ferris, a professor at the University of Calgary, is one of the historian community’s foremost writers and lecturers on SIGINT in the early 20th century. There have been some delays placing a softcopy version on the CCH page on the high-side web, but, in the meantime, you can order a hardcopy of this new publication at [redacted]

(U) To discuss historical topics with interesting folks, visit the Center for Cryptologic History's blog, [History Rocks](#) ("go history rocks").

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Information Owner [redacted]
Page Publisher [redacted]
Last Modified: April 18, 2016
Last Reviewed: April 18, 2016

~~DERIVED FROM: NSA/CSSM 1-52, DATED: 20180110, DECLASSIFY ON: 20430110~~

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