

either in possession of the set or aware of the actual identity of its possessor. All we know for certain is that they are attempting to link up our giving a wireless set to dissident Germans with the attempt on the life of the Führer.

Given these facts, and given those set forth in the attached memorandum, what should our present attitude be? It seems to me that, if we are not to fall between two stools, there are two broad alternatives. Either we should profess complete ignorance of the German allegations, and flatly deny ever having been in touch with any dissident Germans by wireless or other means, Or we should make a clean breast of the whole story, which after all contains nothing discreditable from our point of view.

Arguments in favour of the first course are (a) that, supposing that the Gestapo have not yet actually discovered the identity of the culprits, we might continue to shield them and after all achieve some coup d'état; (b) that it is no bad rule on principle to disavow all responsibility for Secret Service activities; (c) that nobody believes the Germans anyhow; and (d) that their muddled announcement contains self-contradictory statements. Against this must be set the fact (a) that we have already told the French that we were in touch with German Generals (though it is true that we never mentioned the wireless to the French, (b) that owing to the glaring indiscretions of Mrs. Stevens and Mrs. Best large numbers of private persons know all about the "negotiations" and the wireless, (c) that the Dutch Government apparently knew all about the activities of the Passport Control Officer long ago; (d) that we have already forbidden the Press here

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