Chapter 4 Offering Secrets

Although the Transfer Agreement helped neutralize the international boycott of the Reich, its relationship with the Zionist movement remained lopsided. There was little the movement could do to contribute materially to Hitler's regime. The Zionists did not control significant amounts of weapons or raw material that could advance Berlin's rearmament and war aims. They did not have territory that could be shared with the Wehrmacht. Zionist plans to invest in Germany appeared dubious at best. The one area that the Zionists could genuinely help Nazi war aims was intelligence. This had been a Zionist specialty from the moment the British drove Turkey out of Palestine in World War I. The Zionist leadership fostered an excellent network that tracked and analyzed developments both in Palestine and much of the Arab world. For Germany, intent on restoring its colonies and conquering others, such an intelligence network could be enormously valuable.

The British also recognized, albeit grudgingly, the usefulness of the Zionist intelligence network. Throughout the mandate, the network had closely monitored Arab communities and their leaders. In the 1930s, the Zionists supplied intelligence to the British that helped suppress the Arab revolt.1 Most active in the Zionist intelligence community were the Jewish Agency and Haganah. The Haganah worked with everybody from journalists to civil servants to the charwoman for information.

The Jewish Agency's Political Department provided extensive coverage of the Arab world through both open and classified sources. The department also ran agents and developed the Arab Branch, which informed the British and others of Arab policies and intentions. The department issued a weekly report in English on the Arab world. This opened doors — first with Britain and then with other countries with interests in the Middle East. Even more important for London, the agency supplied intelligence on the Jewish underground in Palestine Offering Secrets and Europe. The level of detail on the Irgun and Lehi would have been impossible to attain by gentiles. This led to numerous requests by mandate officials, particularly the high commissioner, for help in solving suspected insurgency attacks.

"He knew that the Intelligence Department of the Jewish Agency was at least as good as that of the Government if not much better."2

For the Germans, the most valuable element of the Zionist intelligence network should have been its monitoring of the British. The Jewish Agency worked with Sherut Hayediot, Hebrew for "information service," later known by the acronym Shay. Shay began as a volunteer group, but by 1940 became formidable in its reach. The service intercepted and decrypted British cables and other signals intelligence in Palestine. Shay unraveled British codes and broke elementary encryption systems. With headquarters in Tel Aviv, the service was aided by agents who worked in the mandate administration, particularly postal and telegraph clerks. Eventually, Shay trained a cadre of officers that penetrated the British government and intelligence agencies. These officers learned how to use wireless equipment and cryptography.

Indeed, Britain and the United States agreed that the Zionists had helped the Germans in trying to undermine the Allied war effort. And evidence has emerged to support this conclusion. But the overwhelming volume of testimony and correspondence shows that Zionist data was used by German intelligence agencies to accelerate the Final Solution. Through the Zionists, the SS and Gestapo were able to pinpoint the Jewish underground, its leadership and bunkers throughout occupied Europe. In many cases, the Zionists didn't have to relay much information. The German agents themselves were instructed on how to reach the underground in the ghettos throughout Poland.

Even before they attained power, the Nazis looked to the Zionists for intelligence. And when Hitler gained power, the Reich reciprocated. In 1937, the SS agreed to help overcome increasing British restrictions on Jewish immigration. It arranged for ships to penetrate the British blockade of Palestine. The smuggling campaign was overseen by the Mossad L'Aliyah Bet, an arm of the Haganah and led by Shaul Meyerov. Meyerov oversaw an extensive network throughout Europe. Between 1934 and late 1939, about 15,000 Jews, on 43 boats, set off from ports in the Balkans and arrived illegally in Palestine. From the spring of 1939, Revisionist agents in Vienna sent 14 ships to Palestine, in all 12,000 people. In the fall of 1939, 500 Jews left Prague for Romania through a Revisionist mission called Sakarya.3

Feivel Polkes was a Haganah liaison with Berlin. Based in Tel Aviv, Polkes maintained extensive contacts in Germany. He was said to be fluent in 12 languages and wielded an acumen for business. In February 1937, Polkes was sent to Berlin to negotiate with the SS on behalf of the Jewish Agency. Whether the aim was intelligence or other cooperation, the Nazi leadership was certainly intrigued. The holy land was becoming increasingly important to Berlin. That October, Polkes was assigned to serve as Eichmann's host when he arrived in Palestine for what turned out to be a visit cut short by British authorities.