

## Intelligence Information and the 1909 Naval Scare:

### The Secret Foundations of a Public Panic

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In early 1909 the British government was shaken by a sudden and severe political crisis. Reports had been received that the German navy, which normally built warships according to a rigid and well-known construction timetable established under the nation's Fleet Laws, had suddenly and in secret ordered a number of battleships of the latest dreadnought type ahead of its published programme, with the result that materials for ships not due to be commenced until April 1909 were already being assembled in November 1908. As it was reasonable to suppose that ships begun in advance might also be completed in advance, these rumours of 'accelerated' German shipbuilding raised a frightening spectre. In the public mind, Britain's security rested upon a simple formula, the two-power standard, which mandated that the Royal Navy should always possess more modern battleships and battle cruisers than the combined forces of the next two strongest naval powers. In all the existing calculations of international maritime strength, it had been assumed that by the spring of 1912 Germany would have no more than 13 such vessels. However, if the rumours of covert construction were to be believed, it now seemed likely that the German navy would possess 17 of the newest battleships; it was even possible that they would have as many as 21.<sup>1</sup> As Britain would have completed only 18 ships of this type by that time, not only was it evident that the two-power standard was under threat, but it was even conceivable that the German navy might

overtake its British counterpart in the number of dreadnoughts at its disposal and thereby find itself in a position to mount a serious challenge for control of the North Sea. Were this to succeed, the invulnerability conferred upon Britain at Trafalgar and subsequently never seriously imperilled might be lost and, in that eventuality, invasion or starvation were catastrophes genuinely to be feared.

The prospect of Britain's maritime supremacy being eroded in this fashion – a prospect that quickly became public knowledge – led to a major popular clamour for an immediate and substantial increase in the nation's shipbuilding programme. Whereas a meagre total of two dreadnoughts had been ordered under the 1908 navy estimates, fears of a German acceleration led to calls for four times that number to be laid down in 1909, a demand famously encapsulated in the slogan 'We want eight and we won't wait.' Although such a course of action was strongly opposed by an influential section of the cabinet – the economist wing headed by the Chancellor of the Exchequer, David Lloyd George, and the up-and-coming Winston Churchill – after months of acrimonious debate, a big construction budget was eventually agreed. What ultimately ensured this outcome was the cabinet's acceptance, grudging in the case of its economist members, of the Admiralty argument that reliable information in their possession proved that the rumours of a German acceleration were true and that, therefore, an immediate response was required. As such, the 1909 naval panic was arguably the first British military-political crisis of the twentieth century to be started, driven and also finally decided largely by intelligence assessments of a foreign threat.

Despite the role of secret information in first causing the acceleration scare and then in helping to determine its outcome, it has not been the intelligence dimension so

much as the impact of the crisis upon domestic politics that has attracted most of the attention of historians.<sup>2</sup> Given that the 1909 naval panic came close to fracturing the unity of the cabinet, massively increased the tension between the Unionist and Liberal parties and necessitated a substantial increase in British armaments' expenditure that led directly to Lloyd George's groundbreaking 'people's budget', this concentration on domestic concerns is not unreasonable. Yet, if understandable, the focus on party strife to the exclusion of a detailed evaluation of the intelligence assessment that lay behind the Admiralty's claims has been very unfortunate. In the absence of such a study, many prominent historians – perhaps taking their cue from Lloyd George who acidly dismissed the evidence of secret German building as 'contractors' gossip' and 'false information to frighten us'<sup>3</sup> – have tended to assume that the whole naval scare rested from the outset on the most insubstantial of evidentiary foundations. A.J.A. Morris, for example, in his excellent study *The Scaremongers* has written that fears of a 'national peril' were 'based not upon irrefutable evidence but upon assumption and suspicion.'<sup>4</sup> Similarly, both Michael Balfour and Paul Kennedy have cautiously downplayed the reliability of the intelligence by noting that in the end no German acceleration took place, a circumstance that could suggest that no such threat ever existed.<sup>5</sup> Some have gone further still, hinting that contrivance and artifice might have rested behind the Admiralty's use of intelligence. Take, for instance, Nicholas Lambert's generalized comment that 'the pre-war Admiralty was not as concerned by the German threat as many have insisted but rather exploited public perceptions of a challenge for political and budgetary advantage'.<sup>6</sup> If applied to the 1909 naval scare, this suggests that it was less reliable intelligence than the prospect of departmental gain that lay behind the navy's claims of a German acceleration.

In the face of these arguments, all of which embody doubts about the quality of the material underpinning the 1909 naval scare, it is time that the nature of that intelligence was examined more thoroughly. This article will do that. The approach taken will mirror the concerns, both underlying and overt, long term and short term, of the crisis itself. Since the long-term underlying issue in 1909 was the anxiety that Germany had developed the productive capacity to build warships as quickly and in as great a number as Britain, the article will begin by looking at the Admiralty's on-going evaluation of German naval shipbuilding capabilities. It will be suggested that this assessment, put together piece by piece over the years from 1905 to 1908, created a picture of German construction potential that, while not menacing enough to cause a commotion on its own, nevertheless served as a foundation and necessary precondition for the crisis that broke out in 1909. Supplementing concerns about German capabilities were suspicions about German intentions. Chief amongst these was the worry that Germany planned to utilize its newly enhanced shipbuilding prowess to mount a serious challenge to Britain's naval supremacy. Specifically, it was feared that, by ordering ships in secret and then collecting the materials for their construction in advance, the German authorities would be able to build the vessels so rapidly that they would overtake the Royal Navy before the Admiralty was able to mount a response. Hence, the article will also look at the intelligence that was received in the Admiralty from late 1908 onwards that suggested that the advanced ordering and covert building of German dreadnoughts was taking place. This new information, it will be argued, in conjunction with the data on productive capacity already in the Admiralty's possession, served as the trigger and driving force for the ensuing panic. Then, in the light of doubts expressed about the

sincerity of the Admiralty, this article will consider how reliable those in charge of British naval policy believed this information to be. It will conclude by comparing the Admiralty's assessment of German actions with what the Germans were actually doing.

### **The Long-Term Intelligence Roots of the Acceleration Scare: Reports on German Shipbuilding Capabilities**

At the turn of the twentieth century, the hub of Britain's maritime information gathering system was the Naval Intelligence Department, commonly known as the NID. Owing to the global extent of the British Empire and the vital part that the nation's extensive sea-borne trade played in its prosperity, the NID had a truly mammoth job. It had to consider potential threats to British interests in practically every sea and ocean and, accordingly, it collected and assessed information on a wide range of topics from every region of the world. Of course, given the scale of the task at hand, it was not possible to give equal attention to every issue and so certain core concerns – principally those touching directly on Britain's naval supremacy – were prioritized. Among the factors most fundamental to Britain's maritime pre-eminence was the nation's superior shipbuilding capabilities. At the start of the twentieth century, the country's naval shipyards possessed the ability to construct warships both more rapidly and in greater numbers than anyone else. This was an enormous asset. Due to this manufacturing advantage, the British government was in the unique position of knowing that, were any power ever to seek to rival the Royal Navy by increasing their shipbuilding programme, Britain would always be able to respond with an even larger increase of its own. The outcome of the ensuing armaments race would, therefore, be a British victory, one made all the more marked by the fact that the

extra British ships, although begun later, would probably be finished ahead of those of the rival powers. Naturally, this was a lead that the Admiralty were keen to maintain and, accordingly, the NID kept a close watch on the efficiency and output capacity of the shipbuilding and armaments industries of all the major naval powers, looking for any signs that this invaluable productive advantage was under threat. For many years this monitoring had provided the Admiralty with the reassurance that, in time of need, it could rely upon the naval shipbuilding industry to produce vessels in greater numbers and at a quicker rate than any potential rival and, thus, see off any challenge to its naval dominance. However, in the four years up to 1909 this comfortable certainty began to change. Intelligence received on the German naval armaments industry suggested that a formidable new competitor had emerged and cast considerable doubts about whether Britain's traditional lead in rapid warship building could be relied upon to counteract a German challenge.

The Admiralty's information on Germany's naval shipbuilding capabilities derived from a number of avenues. Some of it came from open sources. The staff of the NID scrutinized German naval legislation, poured over transcripts of the naval debates in the Reichstag, examined notices in the press about the launching, completion or commissioning of new warships, and dissected any articles they could find about shipbuilding in specialist periodicals such as the *Marine Rundschau*. Of course, while much of interest could be discovered in this way, nobody was under any illusion that such channels could be absolutely relied upon and, inevitably, the NID not only sought alternative avenues of information, but also looked for independent verification of open source materials. Acquiring this covertly was not really an option. Britain did not

establish a secret service until the end of 1909. Prior to then, in the absence of such an institution, the navy received the trifling sum of £500 a year for secret service work, an amount wholly inadequate for obtaining ‘special information as to the proceeding of foreign powers in connection with naval armaments’ on anything other than the most occasional basis.<sup>7</sup> Given such limitations, the job of providing such corroboration fell, for the most part, upon the shoulders of the Royal Navy’s man in Berlin, the naval attaché.<sup>8</sup> Accordingly, among other duties, these officers were tasked with supplying information about Germany’s shipyards. To this end they undertook trips along the German coast, visiting such facilities as they could. In the early years of the century, the reports from these inspections were not alarming. Yes, Germany had a capable naval shipbuilding industry, but it did not rival Britain’s either in scale or efficiency. However, as the German navy began to expand, so, too, did the industrial infrastructure that supported it and, consequently, the reports from the attachés began to paint a more frightening picture of Germany’s warship building capacity. At first this took the form of letters about the increase in construction potential of individual companies as they expanded and modernized their yards.<sup>9</sup> In isolation, such information was none too worrying. However, it did not take long for the attachés to recognize that this was a widespread phenomenon and, accordingly, they soon turned their attention to what these various individual improvements meant for the German naval shipbuilding industry as a whole. The first truly startling dispatch was penned by Captain Reginald Allenby. Addressing the question of whether German shipyards could undertake the reconstruction of the Tsar’s navy in the aftermath of its obliteration in the Russo-Japanese war, he concluded that they were quite able to deal with any orders:

Having made the round of all the German Yards, within the last 15 months, and giving a fairly low estimate of their capabilities, I think it may be fairly assumed that 4 of the best private yards could undertake to lay down 5 battleships of the largest size forthwith. At the end of 18 months, 5 more could be laid down and without doubt 10 battleships could be handed over inside 5 years. At the same time 4 Armoured Cruisers could be commenced and 8 vessels completed within 5 years. Also, 4 smaller cruisers (second class) and 12 destroyers could be laid down and naturally completed much sooner.<sup>10</sup>

If true, this represented an enormous output of warships.

Allenby's appraisal, while worrying, was nevertheless quickly out of date. One month after it was written, the keel of the revolutionary new battleship HMS *Dreadnought* was laid down, inaugurating an era of much larger warships. Many of the slips that could formerly be used to build battleships were incapable of launching a vessel of the size of the *Dreadnought* and, thus, a new assessment of German capabilities for the Dreadnought era was required. This was provided by Allenby's successor, Commander Philip Dumas. Appointed in February 1906, he spent much of the summer touring German shipyards. Upon his return to Berlin, he collated this information into a dispatch on Germany's shipbuilding industry, which he believed was extremely efficient. By his reckoning, if the goal was to build to maximum capacity,

the German shipyards could within a period of two years and nine months construct a battle fleet consisting of:

9 Battleships of the largest size,  
3 large armoured cruisers [i.e. battle cruisers],  
34 small cruisers or scouts,  
99 Destroyers.

A different, but no less frightening possibility existed if speed of construction was the priority:

if one 18,000 ton battleship was ordered from each of the following establishments, viz.-

Schichau at Danzig.  
Vulkan Yard at Stettin.  
Imperial Yard at Kiel.  
Blohm & Voss at Hamburg.  
Weser Yard at Bremen.  
Imperial Yard at Wilhelmshaven.

and directed to be completed in the shortest possible time that the whole would be ready in two years time.<sup>11</sup>

If true, Germany possessed a shipbuilding industry that was capable of rivalling Britain in terms of both output and speed of delivery.

Reports such as these provided information on the number of hulls that could be laid down and completed in a given time, vital data for any evaluation of Germany's

ability to compete in an armaments race. However, despite revealing that Germany's shipbuilders could complete an enormous number of vessels very rapidly, these reports did not, initially, cause great alarm in London. The explanation for this calm response to what, on the face of it, was extremely worrying news, stemmed from the logistics of warship construction. In the Dreadnought era, the time-constraining element in the building of a major warship was not the fabrication of the hull – the work of the shipyards – but the manufacture of the heavy guns and their mountings – the work of the naval ordnance industry. Owing to their engineering complexity, the numerous turrets required for a Dreadnought took longer to complete than the ship that would provide the platform for them. Consequently, any country that aspired to the rapid construction of large numbers of major warships needed not only a sizeable and efficient shipbuilding capacity but also a comparable productive capability in terms of guns and mountings.

This was not an industry in which Germany was deficient. Heavy ordnance for the German navy was supplied principally by the Krupp conglomerate, which owned and ran an enormous industrial complex in the city of Essen. This was a company with a well deserved reputation. Its modern, well-equipped and efficient workshops were capable of rapidly turning out substantial quantities of the most advanced and the most complex weapons of the age.<sup>12</sup> While this was common knowledge, precise information on the capacity of this plant and the specific details of any developments that were taking place there were harder to come by and, consequently, data on these points was of enormous interest to the Admiralty. Fortunately, the NID had ways of acquiring this.

The best known of the Admiralty's sources on Krupp was H. H. Mulliner, the manager of the Coventry Ordnance Works. Mulliner's fame derives from the fact that in

August 1909, aggrieved by what he perceived as poor treatment at the hands of an ungrateful Admiralty, he wrote a letter to *The Times* in which he disclosed his history as an informant on the German armaments industry. The story, which raised a violent political storm, also achieved considerable press coverage during the remainder of 1909, not least because Mulliner published several more inflammatory letters in various national newspapers. It then became an issue in the January 1910 election and continued to be controversial during the ensuing parliamentary session. Moreover, it was later given further publicity when in 1935 a Royal Commission on the private manufacture of arms examined his case. Due to the considerable attention afforded to his story, it has long been common knowledge that Mulliner, supplied information to the British government. In particular, it is well-documented that in May 1906 Mulliner informed the Admiralty, through General Hadden at the War Office, that Krupp was massively expanding its plant at Essen and had installed new machinery there that could only be intended to facilitate an increase in its already substantial output of heavy guns and mountings.<sup>13</sup>

While Mulliner's indiscretions make him the navy's highest profile source on Krupp, this does not mean that he was their most important channel. To begin with, as the manager of a firm that stood to benefit directly from any increase in British naval spending – the consequence of his information being taken seriously – he was not regarded as a disinterested party by the Admiralty. A minute by Captain Henry Jackson, Controller of the Navy, on Mulliner's 1906 letter speaks volumes about their attitude towards him. It ran: 'A confirmation of this intelligence from an unprejudiced source is desirable.'<sup>14</sup>

In addition to concerns about Mulliner's impartiality, there are also questions about the value of his information. While some of the specific details he supplied about lathes, cranes and roller paths provided fresh insights, his general point about the enlargement of Krupp was not exactly news. Between 1903 and 1908, at a cost of more than 28 million marks, the plant at Essen grew at an average of 5.2 acres per annum.<sup>15</sup> Regular increases on this scale were not something that could be hidden and it is, therefore, hardly surprising that the Admiralty were aware of this development even before Mulliner first made contact. As Rear-Admiral Sir John Jellicoe explained in an internal Admiralty document from 1909 concerning some of Mulliner's revelations to the press, 'we knew in 1905 that Krupps works at Essen were being extended.'<sup>16</sup> Sadly, the actual paper stating how the Admiralty knew about this is no longer attached to Jellicoe's minute. However, information still available allows for an informed guess as to the basis of this statement.

Possibly because they hoped to attract orders from overseas, or because the German government directed them to do so in order to obtain reciprocal facilities abroad, Krupp's directors often permitted serving officers from foreign powers, including Britain, to inspect their establishments. Thus, in 1901 Colonel C. H. Scott of the Royal Artillery was taken round the company's works, as was Colonel Gleichen, the British military attaché, in 1904.<sup>17</sup> More significantly, in 1905, Captain Allenby was invited. As Allenby's report is lost, we don't know for certain what he saw, but his diary fills some of the gaps. For example, it tells us that he witnessed armour plate being rolled, the component parts of a 17 cm gun being moulded, as well as various shops for the manufacture of ammunition. It also reveals that he was impressed by the scale of Krupp's

operation, noting that over 50,000 people worked for the firm. Unfortunately, being a private rather than an official record, it dwells less on technicalities than on matters of personal interest. Thus, we learn more about his hotel room – it was large and had a bath en suite – and about his meeting with Bertha Krupp – she was apparently very nice looking and spoke excellent English – than we do about any intelligence Allenby may have acquired.<sup>18</sup> In particular, we do not discover if he noticed or reported the expansion of the works. Despite this, it is likely that he did, for the simple reason that all other visitors to the plant at this time observed that building was taking place. The American naval attaché, for example, who toured Essen shortly after Allenby, reported that ‘expansion is noticeable in every direction and especially in the armor [*sic*] plate and gun shops.’<sup>19</sup> It is barely conceivable that Allenby would have failed to spot and comment on something that was so obvious and so important. And, if he reported it, this would explain how the NID knew about such developments the year before Mulliner sent his infamous letter.

Thus, probably not coincidentally, following Allenby’s inspection, the Admiralty kept a close watch on Krupp. Especially active was Allenby’s successor, Dumas, who first visited Essen in September 1906. He was struck by the massive redevelopment of the facilities, recording: ‘Although they denied that they were undertaking any special increase in their works, yet signs of new construction and rebuilding are visible everywhere...’<sup>20</sup> Eight months later, he reported again, this time focusing on the ‘extension of Krupp’s gun factory.’<sup>21</sup> Then, in August, visiting the works a second time, he once more noted the expansion:

During my visit it was plain that an immense amount of re-construction and re-building work is in progress and I elicited that two huge workshops each with a ground floor of 22,000 square metres, also some smaller ones, are in process of construction for the Imperial German Navy and Prussian orders alone.<sup>22</sup>

Finally, two months later, Dumas wrote to Captain Slade, the new Director of Naval Intelligence (DNI): 'I believe that Krupp is now building shops for German Government work alone which should be fully able to cope with all possible requirements of the future... The new shops, I may say, I saw myself.'<sup>23</sup>

Due to Dumas's endeavours, the NID was well aware of the expansion of the Krupp works and was not reliant on external informants such as Mulliner. This became clear when, in July 1908, Mulliner contacted the Admiralty with further news about Krupp. Mulliner's information was passed to Slade. Citing Dumas, Slade remarked that Mulliner's information merely 'confirms the reports we have been receiving from time to time'; it added nothing new.<sup>24</sup>

As we can see, the Admiralty received intelligence from its own sources on both the capacity of German shipyards and the development of the Krupp plant. This established that if Germany desired to increase or accelerate her naval programme by building additional warships and/or doing so faster, she had the industrial strength to do so. Slade concluded:

The information ... points to the preparation of such facilities as will enable Germany to fully employ all her shipbuilding yards in building the largest type of

ship... The only limitation on her power of doing this has been the difficulty of dealing with the guns and mounting required. ... It is evident that, when the new plant now being erected by Messrs Krupp is in working order, it will easily be able to keep pace with the shipbuilding. ... we may therefore expect that Germany could ... double their present output.<sup>25</sup>

In Slade's view, this meant that Germany could lay down eight or nine battleships each year, with completion assured in two and a half to three years. Given that an assessment by the Admiralty, produced two months previously, had concluded that the maximum British output was '6 per annum ... delivered two years from the date of order,'<sup>26</sup> it was clear that, if Slade's evaluation was correct – a doubtful proposition, as we shall later see – Germany could build battleships in as great a number and at a comparable tempo to Britain.

At the theoretical level, this was a worrying assessment, which might have produced a stir were it not for the fact that the ability to increase production and the intention to do so are not the same. Various factors, say, political or financial considerations, potentially stood in the way of Germany building to maximum capacity. Hence, so long as the NID received no evidence that the German naval programme was actually being increased, the intelligence about enhanced productive capabilities did not unduly worry them. However, it was always evident that, should information emerge that the German naval programme was actually being advanced, then the intelligence already collected would become a factor of the greatest importance. In late 1908, such information began to surface.

## **The Intelligence Trigger for the Crisis: Information about Covert and Accelerated Shipbuilding**

Whispers that Germany intended to accelerate its shipbuilding programme by commencing work on the 1909 vessels ahead of schedule first circulated in Berlin in late July 1908. The American naval attaché was first to record the matter, reporting that the Germans contemplated ‘laying down a fourth battleship this year ... notwithstanding that there is no money in the Budget for such fourth ship.’<sup>27</sup> Interestingly, although the British and American naval attachés consistently pooled information, there does not appear to have been a comparable dispatch from Dumas. The explanation for this appears to be that Dumas never compiled one but decided to deliver this news verbally. This choice, surprising on the face of it, makes sense given Dumas’s position at this time. Recently designated as the new Flag Captain on the South Africa Station, his term as attaché was due to end on 31 July. Thus, the precise moment that rumours of extra German building began to circulate was the beginning of Dumas’s last week in Germany. This was an extremely busy time for the attaché, who was then preoccupied with producing a lengthy final dispatch.<sup>28</sup> Yet, if Dumas had few immediate opportunities to focus on anything other than this report, he knew that on his return to London he would have audiences at Buckingham Palace, the Admiralty and Foreign Office. These interviews provided the perfect opportunity to report anything important that might have happened in Berlin in his concluding week. While no formal written record of these meetings exists, according to Dumas’s diary, his conversation with Admiral Fisher focused on ‘the German navy & the powers of construction there.’<sup>29</sup> Sadly, this is not a very precise entry and, while a

discussion along those lines could have been about accelerated building, the vagueness of Dumas's wording means one cannot say so for certain. Fortunately, Dumas subsequently amplified on the matter. In a diary entry from March 1909 and a private letter from mid-April, he stated that he had reported the extra German construction in the first week of August 1908, telling the Admiralty that the ships were 'commenced to provide work for the German shipyards in a period of great commercial depression.'<sup>30</sup> He made the same assertion in his memoirs: 'I particularly desired to make both [Fisher and the Foreign Office] realise that almost wholly for business purposes and so as not to discharge men, the Germans were slightly anticipating dates in laying down two of their ships for next year's programme'.<sup>31</sup> While retrospective claims are inherently suspect, it is notable that ten days after Dumas's conversation with Fisher, the latter wrote to Reginald McKenna, the First Lord, informing him of 'a report the Germans are going to lay down an extra dreadnought to take advantage of slackness of work in German dockyards.'<sup>32</sup> This is, almost to the word, what Dumas claimed he had told Fisher. Fisher's remark, therefore, lends credence to Dumas's claim.

Fisher's disclosure to McKenna that the Germans were contemplating the construction of an extra Dreadnought is not the only revealing aspect of his letter. The Admiral continued: 'By November we ought to know the truth of this.' Quite how he was going to verify this rumour, Fisher did not say. However, in the light of this comment, the activities of Dumas's successor bear scrutiny. In the second week of August, just after Dumas's audience took place, at the very moment Fisher was writing to McKenna and almost immediately after Captain Herbert Heath's arrival in Germany, the new attaché embarked on a whirlwind tour of the country's naval ports. While this alone does not

prove that Heath was looking specifically for evidence of acceleration, it is notable that, following his visit to Kiel and Hamburg, he reported: ‘In my opinion the [German naval] programme could be accelerated so far as ship building is concerned.’<sup>33</sup> In a report that makes no other mention of building rates, this was a remark out of place; unless, that is, it was an answer to a question that the attaché had been set prior to the start of this tour of the shipyards.

If, as seems likely, Dumas reported in early August that accelerated building was taking place and Heath was immediately given instructions to verify this, unsurprising the new attaché did not take long to find the evidence. On 13 October 1908 the *Berliner Tageblatt* reported that orders for two battleships of the 1909 programme, due to be awarded after 1 April 1909, had already been assigned. This story was promptly confirmed by Heath in a private letter to the DNI.<sup>34</sup> This would be only the first of many such communications. A week later Heath reported:

The estimates for /09-/10 are not yet published, but there seems no doubt that the contracts for two of the battleships for that year’s programme have already been placed. This is six months at least before the usual time, and before the money has actually been voted.<sup>35</sup>

Then at the start of November he told the British chargé d’affaires that ‘there seems to be a good deal of truth’ in the rumour ‘that the three battleships which according to the Naval programme are to be laid down in the financial year beginning on the 1st of April 1909 had already been taken in hand.’ He continued: ‘the preparation of the material – a

lengthy part of the business – has ... already begun, although normally no money should be available for these ships until next financial year.’<sup>36</sup> This verbal report was naturally forwarded to the authorities in London, to whom Heath also reported in person two days later.<sup>37</sup> This was followed up two weeks later when Heath, now back in Berlin, supplemented this with the information ‘that material is now being collected, and preparation being made to start building early in the new financial year.’<sup>38</sup>

What Heath had begun in 1908, he continued in 1909. In January, he wrote that ‘Schichau have commenced collecting their material for a battleship of the [19]09-[19]10 programme.’<sup>39</sup> He also reported that, while money had yet to be voted by the Reichstag for this work, this represented no obstacle, as ‘sums not spent in one year may apparently be carried over to succeeding years without further question.’<sup>40</sup> Then, in March, he stated that a German naval officer had informed him that ‘all private shipbuilders ... if they thought there was a “possibility” of getting an order for a battleship, they would probably prepare material in “anticipation”.’<sup>41</sup> Finally, in May, he reported that measures were being taken to prevent him visiting Schichau’s works in Danzig, which had become the main focus of British suspicions. Heath’s first application to inspect this yard had been made in August 1908 and had met with a blanket refusal. An application made in early 1909 was likewise turned down. Heath entertained no doubts as to the reason. Referring to the 1909-1910 programme year battleship that had allegedly only just been started there – the ersatz *Frithjof* (future SMS *Oldenburg*)<sup>42</sup> – and which he was unable to inspect, he sarcastically remarked: ‘It would have been interesting to see how far she had advanced in seven weeks.’<sup>43</sup> Clearly, he believed his visit had been prevented because the Germans needed to keep their accelerated building out of sight.

The documents cited above demonstrate that a considerable corpus of information on acceleration came from Heath. While necessarily taken seriously in the Admiralty, some form of independent corroboration was obviously desirable. For such intelligence the Admiralty turned to one of its most consistent and reliable channels of information, Sir Trevor Dawson.

Dawson was a former naval officer, who had resigned from the service in 1896 to become first Superintendent of Ordnance at Vickers and later chairman of the company's Artillery and Shipbuilding Management Board. Yet, despite transforming into a full-time businessman, Dawson maintained close contacts with the navy. Indeed, he became a major conduit of intelligence, presumably being trusted – unlike Mulliner – because of his naval background. His information was obtained by three methods. First, as someone who visited the establishments of other armament manufacturers, Dawson was in a position to supply the Admiralty with his own observations about developments on the continent. Some of these observations were serendipitous, in that Dawson always carried out his job with his eyes open and recorded what he saw. However, his work also provided him with the perfect cover for conducting dedicated intelligence missions and it is clear that several of Dawson's trips to Germany were not undertaken for business purposes, but were made specifically at the Admiralty's request. As well as acting directly on the Admiralty's behalf, Dawson also ran agents for them. Some of these men conducted industrial espionage on his behalf with Dawson passing the results on to the NID. In other cases, he appears to have introduced potential agents directly to the Admiralty. Finally, Dawson was also in a position to hand to the Admiralty commercially sensitive information acquired in the normal course of Vickers' business. All of these

means of acquiring information were utilized on the Admiralty's behalf in 1909, when the need arose for independent corroboration of Heath's reports.

Beginning with the issue of intelligence collected through missions undertaken by Dawson himself, there is evidence that from at least 1906 Dawson was a regular visitor to continental Europe, travelling there on many occasions on the Admiralty's behalf.<sup>44</sup> Much of the information he supplied from these trips related to the ballistic properties of foreign ordnance, on which Dawson was an expert, but he also visited shipyards. In early 1909, with several of the most important shipbuilding firms barred to the naval attaché, Dawson's ability to find out about the goings-on in these facilities was much in demand. In particular, it was hoped in the Admiralty that he would be able to cast some light on the rumour that ships had been ordered ahead of schedule at Blohm und Voss of Hamburg and at the Schichau works in Danzig.<sup>45</sup> Accordingly, in late February, he set off for Germany. Stopping first in Hamburg, he was, to his surprise, allowed by Blohm und Voss to inspect the commercial, if not the naval, part of their yard. While this was obviously restricting, the vistas from the commercial areas were more than adequate for seeing what was being built in the rest of the yard and, thus, Dawson was able to state categorically that no additional warships beyond those already known about had been laid down. At the same time, he also reported two suspicious facts. First, that work was being hurried on one of the ships under construction, possibly with a view to clearing the slip quickly for a new vessel; second, that material was being assembled in advance for a vessel that had yet been laid down. The plating shop, in particular, seemed to be more active than the existing orders would have merited.

Leaving Hamburg, Dawson proceeded to Danzig, where he called at the Schichau Works. Here he was not so lucky: 'I was met here with a frank refusal to be allowed to enter the works on any pretext without a written order from the Minister of Marine.' Undeterred, Dawson 'walked on the rough ice in front of the Shipyard and made the best inspection possible by this and other means.' What he saw was significant. The yard was known to have recently commenced the building of a small cruiser. To Dawson's surprise, this vessel had already been launched and on the vacated slip work had already commenced on the keel of a large battleship.<sup>46</sup> Dawson's conclusion, confirmed by a local resident who helped him 'across some somewhat dangerous looking ice', was that the cruiser 'appeared to have been launched in advance of her proper time so as to make room for the battleship.'<sup>47</sup> As the contract for the battleship was not due to be settled until 1 April, the fact that it had already been laid down – which could only have happened if the process of gathering material had begun even earlier still – was clear evidence of accelerated building.

In addition to undertaking reconnaissance for the Admiralty, Dawson had been a source of agents for them since the Boer War, during which Dawson had put them in touch with a certain Mr Schauenberg, who, according to Fisher, undertook 'very secret work' and was 'absolutely trustworthy'.<sup>48</sup> Just how many agents Dawson handled for the Admiralty is unknown, but during the 1909 scare, Dawson provided information from a 'friend' in Germany, who appeared to have inside knowledge of the Krupp works as well as access to the German shipyards. Sadly, only one of his memoranda survives. However, in it, he related that Germany possessed the capability to expand its shipbuilding

programme and that finance and politics were unlikely to stand in the way of this.<sup>49</sup> In May 1909, with other sources suggesting the same thing, this may have been influential.

Finally, Dawson also forwarded commercial intelligence obtained by Vickers in the course of its business. In the past this had included such sensitive matters as details of French and American submarine construction.<sup>50</sup> Additionally, for many years, Dawson had been able to pass on information about German nickel purchases. This was important because nickel was an essential ingredient of armour plate and heavy ordnance. Thus, any increase in purchases of this metal normally indicated an increase in either current production or intended production of war materials. At times of international tension this could be vital information and, for this reason, Dawson had forwarded information about German nickel orders at such key moments as the First Moroccan Crisis.<sup>51</sup> He would also do so during the acceleration scare. It was through Dawson that the Admiralty learnt that one of Germany's principal nickel producers, the Franckenstein Works, had stopped exporting the metal, and was now only selling it within Germany, thereby adding some 700 tons to domestic stockpiles. Dawson also reported that for the second half of 1909 Krupp was making unusually heavy purchases of nickel – a staggering 1020 tons, a figure that approximated to the entire annual consumption of all the principal British armaments firms put together.<sup>52</sup> The Admiralty drew the obvious conclusion: 'the manufacture of armaments and armour is proceeding on a great scale,' one commensurate with an accelerated naval shipbuilding programme.<sup>53</sup>

As demonstrated, Dawson provided a great deal of intelligence to the Admiralty. His information concerning a German acceleration arrived after the initial alarm had been raised by the naval attaché and acted as an important source of corroboration. What made

it especially valuable was that Dawson was able to report on shipyards to which Heath was unable to gain access. He also supplied agents' reports, as well as information on German stockpiling of essential raw materials.

Given the volume and quality of the information that Heath and Dawson provided, it is hardly surprising that when Sir Vincent Baddeley, a senior Admiralty official, reflected in later life on the 1909 panic he recalled that the most important sources were the naval attaché and Dawson.<sup>54</sup> While this judgement is consonant with the evidence, the story would be incomplete without acknowledging that additional data was supplied by a variety of other informants, many of whom provided useful intelligence on a one off basis. One such conduit was the British military attaché in Constantinople, Colonel Conyers Surtees. In December 1908, he had a discussion with a representative of another German armaments firm, Erhardt, who told him that Krupp had recently purchased 'enormous quantities of heavy machinery ... for ... manufacturing big guns and big naval mountings ... far in excess of any requirements for the existing naval programme of Germany.' This had been done so that Germany could 'secretly prepare all the mountings, ships' plates, ammunition, &c., at Krupp's, and then to suddenly commence the creation of a number of battleships sufficient to, at least, equal the naval strength of England.'<sup>55</sup> This was startling news, but it was news that was also emerging from other sources. For example, the NID heard in January 1908 that Krupp had ordered a 4,000 ton forging press from Davy Brothers of Sheffield.<sup>56</sup> There was also foreign corroboration. In 1909, an Argentine commission sent to visit foreign shipbuilding facilities with a view to future orders, inspected the Krupp works and various German shipyards. Upon reaching Britain, they shared their impressions with the Admiralty,

imparting the news that approximately one hundred large naval guns were ‘nearing completion’ at Essen. Additionally, they reported that at least 12 battleships were already under construction; that building slips would soon be vacant for a further four; and that facilities existed to complete the guns and mountings for these and any further vessels the Germans desired to lay down. Finally, they stressed that one of these vessels, although not due to be ordered officially for a further month, was already four months into construction.<sup>57</sup> In other words, they provided confirmation both that acceleration could take place and that it was already taking place. In the context of the information already supplied by Heath and Dawson this extra material meant that the Admiralty possessed data from several different avenues, independent as well as in-house, all pointing to the fact that ships of the 1909 German programme had been ordered in advance, with materials being collected and keels being laid months before the designated time.

### **Admiralty Assessments of Intelligence on German Acceleration**

It is clear that the Admiralty received data pointing to accelerated building. However, intelligence is not only about gathering information, it is also about assessing it. Just because the Admiralty was in possession of reports, does not mean that it regarded them as credible. This fact is relevant to the 1909 naval scare, because it has been suggested that the Admiralty never really gave credence to these reports, but utilized them to frighten a sceptical Cabinet and a gullible public into authorizing a large naval building programme. Does this accusation stand up to scrutiny? To answer this, it is necessary to determine whether the key players among the naval authorities believed the intelligence they received and circulated.

That the First Lord, Reginald McKenna, sincerely believed in the existence and dangers of an accelerated German shipbuilding programme is hardly open to doubt. Not only was McKenna a man of the utmost integrity, but by instinct and political background he was the last person one would expect to find arguing for naval increases. A former Financial Secretary to the Treasury, who had always been a strict advocate of retrenchment, particularly when it came to defence spending, he had been appointed First Lord by Herbert Asquith in early 1908 largely because the new Prime Minister wanted someone who would take a sceptical line on the navy's burgeoning appetite for funding. McKenna understood his expected role and fully intended to carry it out. It represented a major and potentially embarrassing political u-turn, as well as a big blow to his economist credentials when, as Fisher put it, McKenna agreed 'to eat every word he has said at the Treasury and Cabinet' and accept that a big building programme was needed in 1909. Indeed, so great was the transformation in McKenna's position that an ecstatic First Sea Lord described this outcome, with customary modesty, as 'perhaps the greatest triumph ever known'.<sup>58</sup> Yet, if calling for six battleships was risky, the demand for eight that McKenna embraced in 1909, a demand that needed to be backed by the credible threat of resignation, put both his reputation and his future political career on the line. No politician takes such steps lightly and the fact that McKenna did so can only be explained by a genuine conviction in the value of the intelligence presented to him. Fisher certainly believed that this was McKenna's motivation, explaining to the King: 'Herculean efforts of which we know secretly and *certainly*, are being made by Germany to push on their Dreadnoughts – so much so that McKenna, who when he came here was an extreme "little Navy" man, is now an ultra "Big Navy" man'.<sup>59</sup> McKenna's private

correspondence reinforces this impression. Throughout the crisis, he repeatedly argued that it was solely German actions that propelled him to turn his political career on its head and advocate unpalatable increases in the estimates. Thus, in December 1909 he informed Asquith that he was convinced of three facts: first that ‘Germany is anticipating the shipbuilding programme laid down by the Law of 1907’; second, that ‘she is doing so secretly’; and finally that ‘German capacity to build Dreadnoughts is at this moment equal to ours.’ Likewise, he told Sir Edward Grey, the Foreign Secretary, ‘speaking for myself I have no doubt whatever that Germany means to build to the full extent of her capacity.’<sup>60</sup> He clearly meant it.

Another believer in the intelligence underpinning the 1909 naval scare was Slade, the DNI. As the main recipient of much of the information coming into the Admiralty, he had, for two reasons, long been uneasy about a possible German effort to contest British naval supremacy. First, he was more worried than most that the output capacity of Germany’s armaments industry gave them the means to contest British naval supremacy. As he wrote, it was a ‘false assumption’ to believe ‘that we can build faster than Germany. We may have been able to do so in 1905 but we cannot do so now.’<sup>61</sup> This calculation would not have mattered if Slade had been persuaded of Germany’s friendly disposition, but he was not. Germany, he feared, ever desirous of more power and influence, might one day make an ‘irrational attempt to cut the Gordian Knot with the sword.’<sup>62</sup> Consequently, when he received the news of Germany secretly ordering battleships in advance, he took the matter very seriously. Not only did he believe it, noting in his diary his certain conviction that ‘Germany intends to lay down 8 ships between now and next Christmas year,’<sup>63</sup> but he was also extremely worried by the

implications. If Germany started her ships 'six months ahead of the financial year, about eight months before the money is voted and about fourteen months before the British ships of a corresponding year are allotted,' he minuted, there was 'no reason why Germany should not complete her ships in little more than two years ...'<sup>64</sup> In that event, Britain's lead in dreadnoughts could easily be endangered.

The evident conviction of Slade with regard to the reality of German acceleration was shared by the junior Sea Lords, who collectively took a very robust attitude during the 1909 scare. At one level this was not surprising, since it mirrored the position that they had taken in December 1907 when the cabinet had sought to trim the 1908 navy estimates. As Ruddock Mackay has demonstrated, during these debates, the junior Sea Lords, led by Vice-Admiral Sir William May, had proven more willing than Fisher to press the case for higher naval spending, even going to the extent of drawing up a memorandum for the Cabinet warning of the consequences of the proposed cuts. Furthermore, they pushed a reluctant Fisher into signing this document.<sup>65</sup> They showed a similar resolution over the 1909 programme. Again it was May who took the lead. He informed Fisher as early as September 1908 that, if the First Lord was resolute in pushing for a big construction programme, he could rely upon the backing of the Sea Lords.<sup>66</sup> As we have seen, McKenna did stick to his convictions and the Sea Lords did back him. On 15 January 1909 they collectively signed a statement vouching for the reality of the German acceleration and pressing the case for appropriate countermeasures.<sup>67</sup> To emphasize the seriousness of the issue, they also let it be known that they would resign *en masse* if their warnings were not heeded. Why did they go to this extreme? The reason the junior sea lords took this step was a firm conviction in the accuracy of their

intelligence. This is confirmed by a private letter by Sir Alfred Winsloe, the Fourth Sea Lord, to Sir Henry Jackson, who had formerly been a colleague of Winsloe's on the Board. Winsloe had promised to keep Jackson 'au fait' with events at the Admiralty and, accordingly, wrote him a long letter explaining the background to what he called the Sea Lords' 'ultimatum':

There has lately been enormous activity in Germany. The Gov[ernmen]t have been lending money to contractors to advance the ships before the contract time and they also gave the orders in Nov[ember] for the ships which should be laid down in March next, thereby advancing them by 4 months. ... They have also made enormous purchases of Nickel for armour. We now calculate that by April 1912 she will have 17 Dreadnoughts completed and if she were to go on again next year as this, it would be possible for her to have 21. ...Consequently we cannot afford to hesitate.<sup>68</sup>

As Winsloe had no reason to misrepresent matters in a private letter to another senior officer, we can accept this as clear evidence of the Fourth Sea Lord's perspective, and of the junior Sea Lords in general.

While it is clear that the First Lord, the DNI and the junior Sea Lords all believed in a German acceleration, what of Fisher, the First Sea Lord? The difficulties of ascertaining Fisher's true opinions are well known. This is not for want of documentary evidence. Fisher was a prolific writer, who never hid behind ambiguities. Indeed, few could express themselves as strongly as he. Unfortunately, Fisher was also someone who

chose his arguments to fit the moment, altered them at will, and expressed views that contradicted previous statements whenever it was expedient to do so. Consequently, his utterances need to be treated with care and no statement, however emphatic, can be taken as a gospel indication of Fisher's opinions. Consequently, just because he was adamant in 1909 that Britain 'ought to build as fast as ever we can' because 'the Germans could certainly have 21 dreadnoughts in April 1912 if they wished it,' does not prove his conviction.<sup>69</sup> Likewise, the fact that in later life he vigorously denied having 'engineered a German Naval scare ... in order to get bigger British Naval estimates', telling Tirpitz, his accuser, 'you lie Sir, and you know it!', cannot necessarily be accepted at face value.<sup>70</sup> Nevertheless, while one cannot always judge Fisher by his words, his deeds do suggest that he believed the rumours of a German acceleration. In particular, there is the extremely robust position he took over the 1909 estimates, a stance that contrasted markedly with the accommodating attitude he had adopted in previous years when haggling needed to be done over naval funding. Appointed First Sea Lord in 1904 because he was the only senior Admiral who promised economies, he had served on a series of Boards that had lowered the estimates and kept them at a substantially reduced level. On top of this, for several years he had agreed to a sizeable reduction in the construction budget. Moreover, as we have seen, in the battle over the 1908 estimates, Fisher had been extremely circumspect in pushing the case for naval spending, proving far less willing than his fellow Sea Lords to take a stand against the Cabinet's demands for cuts and far more willing than they to accept a compromise solution, even if it involved unpalatable reductions in expenditure. Yet, if his previous history as First Sea Lord had shown Fisher as a willing accomplice to 'economist' measures, his actions in

defence of the 1909 estimates were of a different order. On this occasion, he fought tooth and nail for first six and then eight dreadnoughts. '[W]e are not going to accept 4 ships!' he wrote with considerable emphasis to Viscount Knollys, the King's Private Secretary.<sup>71</sup> This was a course of action that was certain to erode Fisher's support in the Cabinet, much to his disadvantage in connection with his long-running rivalry with Lord Charles Beresford, which was then coming to a climax. That he took it regardless suggests that he felt it was warranted by the information available.

It is worth emphasising that, if the key individuals within the British naval hierarchy were convinced by the intelligence of a German acceleration, the Admiralty as a corporate entity was no less certain. An examination of the Admiralty's various printed appreciations of German naval shipbuilding, documents that had no propagandistic purpose, but were created purely for internal distribution within the navy in order better to inform key officers, reveals that it was an article of faith within the Naval Intelligence Department that in late 1908 Germany covertly accelerated its shipbuilding programme. One example comes from the entry on Germany in the April 1909 edition of the NID's regular publication *Reports on Foreign Naval Affairs*. It states that in respect of 'two large ships of this year's (1909-10) programme ... preparations were undoubtedly made in advance to commence their construction at the beginning of the financial year.'<sup>72</sup> Admittedly, this assessment was made at the height of the 1909 naval scare, when one would not expect an Admiralty document to do anything other than advance the official line. However, it is revealing that even four years later, when the scare had long since subsided, the same position was taken. Thus, one find that in the January 1913 edition of the NID print 'Shipbuilding Capabilities of the Principal Naval Powers' it is stated as

indisputable fact that both the *Oldenburg* and the *Goeben* had their contracts ‘conditionally allotted in Autumn 1908.’<sup>73</sup> Clearly, belief in German acceleration not only ran deep in the Royal Navy, but was also a conviction that was long lasting.

## **Conclusion**

At the end of March 1909, Admiral von Tirpitz made a statement in the Reichstag. He was forced to admit that in the autumn of 1908, several months before they were due to be given out, contracts for the battleship ersatz *Frithjof* (the future SMS *Oldenburg*) and the battle cruiser H (subsequently SMS *Goeben*) had been promised to the Schichau Works at Danzig and Blohm und Voss of Hamburg.<sup>74</sup> As he explained it, this action was not an underhand attempt to deceive the British, but had been done simply to secure a better price. It did not imply that the ships were to be built more quickly and the contractors were aware that no money would be handed over until it had been voted by the Reichstag. If the shipyards began work early – in order, say, to retain workmen who would otherwise be discharged, as Tirpitz claimed was the case in regard to Schichau – this was not at the instigation of the *Reichsmarineamt*, which expected delivery of the vessels 36 months from the official contract date of 1 April 1909.

Tirpitz’s statement was significant because it proved that the Admiralty’s information that contracts had been awarded ahead of schedule and that work had been started in advance was neither ‘contractors’ gossip’ nor ‘false information to frighten us’. They really did have intelligence on the topic, it came from a multitude of sources and, by Tirpitz’s own admission, it was right. Thus, when the naval authorities pressed for an immediate British response, there are no reasons to suspect insincerity.

On the other hand, the inference drawn in London that ships begun ahead of schedule would be completed ahead of schedule did not prove to be true. Neither the *Oldenburg* nor the *Goeben* entered service early. Part of the reason for this was that both vessels were built at a leisurely pace. However, it must also be recognized that the NID significantly overestimated the speed at which the Germans could construct and equip large warships. Although Tirpitz had long sought to reduce the time needed to complete ship orders, much to his displeasure, it was still true in 1909 that Germany's shipyards took between 36 and 40 months to complete large vessels. A German acceleration in the sense of faster building rates was, therefore, impossible. This begs the question why the Admiralty so substantially misjudged this. It is difficult to be absolutely certain about this, as the full basis for the Admiralty's judgement of German capabilities is not spelt out in the surviving documentation, but the most likely answer is that the error related to the nature of the available intelligence. As we have seen, the reports on German constructive capacity received in NID focused, unsurprisingly and, indeed, accurately, on the excellent facilities available in the German shipyards and ordnance factories and on the superb organization of the firms that ran them. Taking no other issues into consideration, it is easy to see why Admiralty officials might conclude that these admirable qualities would translate into a rapid output capacity. However, the reality was that two other factors countered and overturned these advantages. First, there was the German navy's rather onerous and complex procurement system, which tended to cause significant construction overruns as a result of hasty design changes, the necessary correction of avoidable errors and failed or late inspections of important parts. Secondly, there were the particular circumstances surrounding German armour manufacturing.

Almost all the protective plating used by the German navy was made by the Krupp-Dillinger combine, whose monopoly position made it next to impossible for the *Reichsmarineamt* to pressure them to adhere to, let alone improve, their delivery schedules. As a result, this most vital of components rarely appeared to deadline, retarding the entire warship-building process.<sup>75</sup> It is notable that, while the superb organization of German ordnance factories and shipyards was well known in London, the surviving Admiralty intelligence papers show little recognition either of the bureaucratic hurdles created by the *Reichsmarineamt* or of the construction bottlenecks caused by the slow delivery of armour plate. With only one part of the picture before it – and that the part most favourable to Germany – it is not surprising that the Admiralty concluded that the Reich possessed a greater constructive capacity than was really the case. It was an error, but an understandable one.

The significance of this error is twofold. First, while real and accurate intelligence underlay the 1909 naval scare, it shows that, as ever, the way in which intelligence is assessed is more crucial than the underlying information. As we have seen, the Admiralty consistently applied the worst possible interpretation to the news they received from Germany, assuming hostile intent and a desire to deceive on the part of the German naval authorities. Again, in the absence of definite information on this point, it is hard to say why they did this. Simple paranoia is one potential explanation. However, given how hard-nosed and calculating many of these decision-makers were, this cannot be considered likely. It is also conceivable that the information before them allowed the members of the Board, many of whom were deeply suspicious of Germany already, to express with certainty that which they already believed about German hostility. If so, and

this is far from certain, then they fell into the trap that raw intelligence data often creates, of allowing people to believe what they want to believe rather than guiding them to a new or alternative understanding. While all of this is, of course, possible, it would be more charitable and probably more accurate to suggest that, in concentrating on a worst case scenario, Britain's naval leaders were simply being prudent. Having discovered that Tirpitz had done what he had always previously denied, namely ordered warships in advance of the published German schedule, they were simply no longer willing to believe his assurances that this had no implications for time of completion. Indeed, his robust assertions to the contrary and overly pained response to the evident British disbelief probably reinforced the conviction that a German acceleration, if it had not occurred already, would certainly take place in the future. As Fisher explained the matter in rather forthright terms to Sir Arthur Davidson, King Edward VII's Assistant Private Secretary: 'The fact is we must have a large margin against lying!'<sup>76</sup> Gerald Spicer, an assistant clerk at the Foreign Office, put the matter more delicately, but no less appositely. 'The really important point to us,' he explained, 'is not what the Germans say they have done in the way of shipbuilding or what they intend to do, but what they can do when the need arises.'<sup>77</sup> This was also the point that both Grey and Asquith made in the House of Commons.<sup>78</sup>

Second, in terms of the historiography of pre-war British intelligence, the fact that the British Admiralty possessed any significant information on German constructive capacity, even if the full context was not appreciated, and that they received timely and accurate warning of advanced German warship ordering provides a useful corrective to some of the negative assessments that exist of pre-war British intelligence. In 1983, in an

influential article, Nicholas Hiley argued that there was a general failure of British intelligence against Germany before 1914, largely due to the lack of any systematic means of acquiring information.<sup>79</sup> The opportunities for obtaining naval intelligence were, in his estimation, particularly poor.<sup>80</sup> In another important work, Paul Kennedy echoed this view, referring in general to the ‘thin diet of information’ on naval matters acquired during the pre-war era and making particular note of the deficiencies in intelligence during the 1909 naval scare.<sup>81</sup> Without exaggerating British intelligence success, it is clear from the range of sources used by the Admiralty during the 1909 panic that Hiley and Kennedy paint too negative a picture. Not only were naval attachés systematically gathering useful data, but valuable product was also coming in on a regular basis from a range of other special agencies, most notably Trevor Dawson. At the same time, the filtering process was sufficiently acute to ensure that sources that might be considered suspect, such as Mulliner, were being assessed and disregarded, even when the news they brought might have been considered supportive of Admiralty policy. Collectively, this represents a much more competent and thorough naval intelligence system than historians have previously given the Admiralty credit for.

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<sup>1</sup> As it happened, none of these fears turned out to be valid. Germany only had ten Dreadnoughts by the spring of 1912 and did not reach the figure of 21 until after the outbreak of the First World War.

<sup>2</sup> An exception is Phillips Payson O'Brien, whose *British and American Naval Power: Politics and Policy, 1900-1936* (Westport, CT., 1998), while not examining intelligence, does consider the matters of naval policy that were at stake.

<sup>3</sup> Memorandum by Jellicoe, 24 February 1909, in A. Temple Patterson (ed.), *The Jellicoe Papers* (London, 1967), I, p.17; Lloyd George to Churchill, 3 January 1909, in Randolph S. Churchill (ed.), *Winston S. Churchill Companion Volume* (London, 1969), II, pt.2, p.938.

<sup>4</sup> A.J.A. Morris, *The Scaremongers: The Advocacy of war and Rearmament, 1896-1914* (London, 1984), p.179.

<sup>5</sup> Michael Balfour, *The Kaiser and His Times* (New York, 1972), p.298. Paul M. Kennedy, 'Great Britain before 1914', in Ernest R. May (ed.), *Knowing One's Enemies: Intelligence Assessment before the Two World Wars* (Princeton, 1984), p.182.

<sup>6</sup> Nicholas A. Lambert, 'Review of *Spies in Uniform*', in *International Journal of Maritime History*, XVIII (2006), 609.

<sup>7</sup> Graham Greene to Charles Harding, 30 January 1909. The National Archives of the United Kingdom (hereafter TNA): HD 3/139.

<sup>8</sup> Matthew S. Seligmann, *Spies in Uniform: British Military and Naval Intelligence on the Eve of the First World War* (Oxford, 2006).

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<sup>9</sup> For example, Allenby's 1904 assessment of the Germania Yard, which suggested that the firm, which had never had more than two battleships on the slips at once, could now cope with six. *Reports on Foreign Naval Affairs*, 1904, Vol. II (NID 745). TNA: ADM 231/42.

<sup>10</sup> Memorandum by Allenby, 5 September 1905. TNA: FO 244/650.

<sup>11</sup> Dumas NA 52/06, 3 October 1906. TNA: FO 244/666.

<sup>12</sup> In 1914, Krupp could manufacture 280 light and 4 heavy guns, 154,000 shells and 230,000 fuses per month. Michael Epkenhans, 'Military-Industrial Relations in Germany, 1870-1914', *War in History* X (2003), 5.

<sup>13</sup> Mulliner to Hadden, 11 May 1906. TNA: ADM 116/3340.

<sup>14</sup> Minute by Jackson, 21 May 1906. Ibid.

<sup>15</sup> Jeremy Black, *Introduction to Global Military History* (London, 2005), p.90; Epkenhans, 'Military-Industrial Relations', 12.

<sup>16</sup> Minute by Jellicoe, 24 December 1909. Churchill Archive Centre (hereafter CAC): MCKN 3/35.

<sup>17</sup> Scott to the India Office, 23 December 1901. India Office Library: L/MIL/7/12427. Gleichen's report, MA 17/04, sent 26 March 1904, has not survived. TNA: FO 64/1593.

<sup>18</sup> Allenby Diary, 15 June 1905. National Maritime Museum, London (hereafter NMM): MSS 87/033.

<sup>19</sup> Z (Lieutenant-Commander William Howard) to ONI, No.100, 7 September 1905. National Archives and Records Administration, Washington, D.C. (hereafter NARA): RG 38, 05-303, E-11-d.

<sup>20</sup> Dumas NA 45/06, 14 September 06. TNA: ADM 231/47.

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- <sup>21</sup> Digest entry for Cap D52, 2 May 1907. TNA: ADM 12/1442.
- <sup>22</sup> Dumas NA 43/07, 7 August 2007. TNA: FO 371/262.
- <sup>23</sup> Dumas to Slade, 18 October 1907. TNA: ADM 137/3858.
- <sup>24</sup> Minute by Slade, 15 July 1908. TNA: ADM 116/3340.
- <sup>25</sup> Ibid.
- <sup>26</sup> 'Report by the Controller as to the Maximum Output of Dreadnoughts', enclosed with Fisher to McKenna, 7 May 1908. CAC: MCKN 3/4.
- <sup>27</sup> Belknap to Rodgers, 23 July 1908. NARA: RG 38, General Correspondence ONI, Case 9485. The 1908 German naval budget had authorized funds for three battleships and a battle cruiser. A fourth battleship would, therefore, have been additional to the programme.
- <sup>28</sup> Dumas, NA 34/08, 30 July 1908. TNA: ADM 116/940B.
- <sup>29</sup> Dumas Diary, 4 August 1908. Imperial War Museum, London (hereafter IWM): PP/MCR/96.
- <sup>30</sup> Ibid., 29 March 1909; Dumas to Boyd, 12 April 1909. Bodleian Library: Milner papers, DEP 35, f.183.
- <sup>31</sup> Dumas Memoirs, vol. VI, p.75. IWM: 65/23/1.
- <sup>32</sup> Fisher to McKenna, 14 August 1908. CAC: MCKN 3/4.
- <sup>33</sup> Heath, NA 39/08, circa 25 August 1908. TNA: FO 371/461.
- <sup>34</sup> Digest entry for British Consul 14 October 1908. TNA: ADM 12/1454.
- <sup>35</sup> Heath, NA 47/08, 21 October 1908. TNA: FO 371/462.
- <sup>36</sup> De Salis to Tyrell, 3 November 1908. TNA: FO 800/61.
- <sup>37</sup> Slade Diary, 5 November 1908. NMM: MRF/39/3.

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<sup>38</sup> Heath, NA 48/08, 16 November 1908. TNA: FO 371/463.

<sup>39</sup> Heath NA 4/09, 21 January 1909. TNA: FO 371/671.

<sup>40</sup> Heath, NARS 10/09, 27 January 1909. TNA: ADM 137/3859.

<sup>41</sup> Heath, NA 8/09, 17 March 1909. TNA: FO 371/672.

<sup>42</sup> The *Oldenburg* was the last of the *Helgoland* class battleships. Although her three sister ships (*Helgoland*, *Ostfriesland* and *Thuringen*) had all been laid down as part of the 1908-1909 programme, the *Oldenburg* was the first ship of the 1909-1910 programme. In the normal course of events, she would not have been ordered until 1 April 1909 at the earliest and building would not have commenced until several months thereafter. She should not be confused with the ersatz *Oldenburg* (future SMS *Ostfriesland*), her sister ship and a battleship of the 1908-1909 programme. For a comprehensive list of which battleships fell under which budgetary year, see the appendix to Arthur J. Marder, *From the Dreadnought to Scapa Flow* (Oxford, 1961), I, pp.441-2. For a contemporary Admiralty assessment of the mechanics of the German building programme, see 'Germany. The Fleet Laws of 1898, 1900, 1906 and 1908', January 1911. Admiralty Library, Portsmouth: P.806.

<sup>43</sup> Heath, NA 15/09, 24 May 1909. TNA: FO 371/674. At this stage, the only progress one would have expected to see would have been the collection of some of the materials.

<sup>44</sup> 'Secret Reports by Commander Sir A. Trevor Dawson, R.N. to Admiralty, 1906-1914'. CAC: MCKN 3/29.

<sup>45</sup> Note by Baddeley, 3 July 1935. TNA: ADM 116/3340.

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- <sup>46</sup> This would have been the ersatz *Frithjof* (future SMS *Oldenburg*). As the first of the 1909-1910 battleships this should not have been ordered, let alone begun, until 1 April 1909 at the very earliest.
- <sup>47</sup> Dawson to McKenna, 1 March 1909. CAC: MCKN 3/31.
- <sup>48</sup> Undated comment by Fisher on Albert Vickers to Trevor Dawson, 4 January 1906. British Library: Add Mss 41231, f.112-3.
- <sup>49</sup> Dawson to McKenna, 3 May 1909, enclosing report from Berlin, 23 April 1909. CAC: MCKN 3/14.
- <sup>50</sup> Lieut. D14/1902 and Lieut. D15/1902, 29 December 1902. TNA: ADM 1/7628.
- <sup>51</sup> Albert Vickers to Dawson, 9 December 1905. TNA: FO 64/1630.
- <sup>52</sup> Report of 17 June 1909. CAC: MCKN 3/29.
- <sup>53</sup> 'Battleship Building Programmes of Great Britain, Germany, France United States, Italy, and Austria (June 1909)'. TNA: CAB 37/100/97.
- <sup>54</sup> Baddeley to Barnes, 12 July 1935. TNA: ADM 116/3340.
- <sup>55</sup> Surtees, MA 66/08, 18 December 1908. TNA: FO 371/561.
- <sup>56</sup> Minute by Slade, 15 July 1908. TNA: ADM 116/3340.
- <sup>57</sup> Fisher to McKenna, 2 March 1909. CAC: FISR 1/7.
- <sup>58</sup> Fisher to Esher, 5 May 1908. Maurice V. Brett (ed.), *The Journals and Letters of Viscount Esher* (London, 1934), II, p.309.
- <sup>59</sup> Fisher to Edward VII, 3 January 1909. Arthur J. Marder (ed.), *Fear God and Dread Nought* (London, 1956), II, p.220.
- <sup>60</sup> Stephen McKenna, *Reginald McKenna 1863-1943* (London, 1948), pp.71-3.

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<sup>61</sup> Slade to Corbett, 15 October 1907. NMM: CBT/13/2 (14). Slade was, in fact, wrong about this.

<sup>62</sup> Minute by Slade, 9 September 1908. Marder, *Dreadnought*, I, p.149.

<sup>63</sup> Slade diary, 22 October 1908. NMM, MRF/39/3.

<sup>64</sup> Minute by Slade, 21 October 1908. Marder, *Dreadnought*, I, p.154. Slade was, of course, wrong about this.

<sup>65</sup> Ruddock F. Mackay, *Fisher of Kilverstone* (Oxford, 1973), pp.388-90.

<sup>66</sup> May to Fisher, 17 September 1908. Royal Archives: VIC/W59/64. All material from the Royal Archives is reproduced by permission of Her Majesty Queen Elizabeth II.

<sup>67</sup> Memorandum by the Sea Lords, 15 January 1909. CAC: MCKN 3/31.

<sup>68</sup> Winsloe to Jackson, 19 January 1909. NMM: JAC/82. As stated at the outset, Winsloe was wrong in this prediction. Germany did not have 17, let alone 21 Dreadnoughts by spring 1912. However, it is equally evident from this letter that Winsloe genuinely thought they would have.

<sup>69</sup> Fisher to McKenna, 2 March 1909. CAC: FISR 1/7.

<sup>70</sup> Lord Fisher of Kilverstone, *Memories* (London, 1919), p.29.

<sup>71</sup> Fisher to Knollys, 25 February 1909. Royal Archives: Knollys Papers, Add C/29.

<sup>72</sup> Admiralty, *Reports on Foreign Naval Affairs, 1908-9*, April 1909. Admiralty Library, Da483.

<sup>73</sup> Admiralty, 'Shipbuilding Capabilities of the Principal Naval Powers', January 1913. Admiralty Library, P813.

<sup>74</sup> Michael Epkenhans, *Tirpitz. Architect of the German High Seas Fleet* (Washington, D.C., 2008), p.42.

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<sup>75</sup> Gary Weir, *Building the Kaiser's Navy: the Imperial Navy Office and German Industry in the von Tirpitz Era, 1890-1919* (Annapolis, 1992), pp.89-90 and 106-7.

<sup>76</sup> Fisher to Davidson, 27 March 1909. Marder, *Fear God*, II, p.237.

<sup>77</sup> Minute by Spicer, 29 March 1910. TNA: FO 371/901.

<sup>78</sup> E L. Woodward, *Great Britain and the German Navy* (London, 1964), pp.234-5.

<sup>79</sup> Nicholas Hiley, 'The Failure of British Espionage against Germany, 1907-1914', *The Historical Journal*, XXVI (1983), 867-889.

<sup>80</sup> *Ibid.*, 879.

<sup>81</sup> Kennedy, 'Great Britain', p.179.