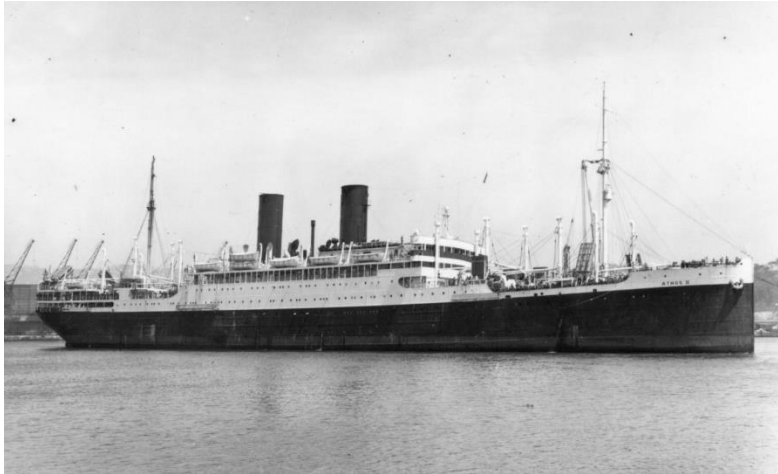
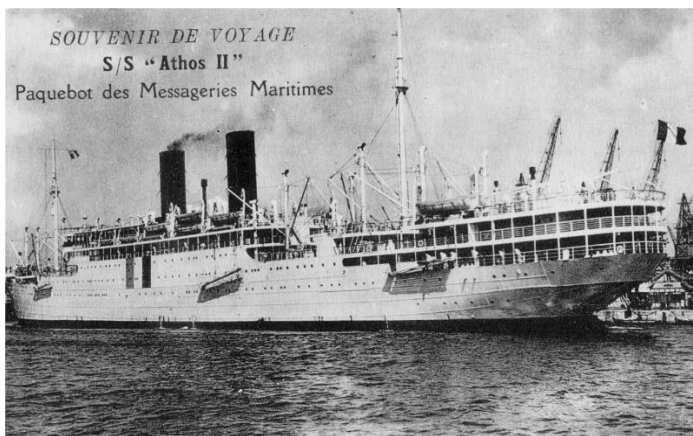


SUSPECTED SABOTAGE – SS *ATHOS II* IN 1944 – CIC INVESTIGATES

On 20 February 1944, the Panama Detachment of the Counter Intelligence Corps (CIC)¹ received a cablegram from the Galapagos Islands regarding potential sabotage operations aboard the SS *Athos II*, a French ship employed by the US Army for transport work. A member of the Free French Liberation Committee of Panama City informed the CIC that pro-Vichy, pro-Nazi elements were aboard the ship.²



*SS Athos II in 1937*³



*SS Athos II in her new white livery after 1937*⁴

The *Athos II* was a French passenger/cargo liner built in 1925 for *Compagnie des Messageries Maritimes*, and made her maiden voyage in 1927 starting on the line's Far East

¹ The former Corps of Intelligence Police, part of the Military Intelligence Division or MID, had been founded in 1917. Quickly reduced in size after the war (by January 1920 only 18 officers remained), it was expanded after 1939, and expanded further after Pearl Harbor - being renamed as the Counter Intelligence Corps on 13 December 1941. It recruited men with legal, police, or other investigative backgrounds, and particularly looked for men with foreign language skills. It carried out background checks on military personnel having access to classified material, investigations of possible sabotage and subversion, and allegations of disloyalty, especially those directed against those of Japanese, Italian or German ancestry.

² <https://www.dvidshub.net/news/464143/cic-panama-detachment-investigates-sabotage-ships-20-feb-1944>

³ <https://www.messageries-maritimes.org/athos2.htm>

⁴ Ibid.

service.⁵ She had been built by AG Weser in Bremen, Germany and had been handed over to the French as part of World War 1 reparations under the 1919 Versailles Treaty. In 1937, she had a refit which included a new white paint scheme, and new boilers, which increased her speed to 19 knots. After the refit she resumed operations on the company's Far East service.



Compagnie des Messageries Maritimes house flag

The *Athos II* was 172 metres (564.3 feet) in length, with a beam of 20.17 metres (66.17 feet), a gross tonnage of 15,276 tonnes and displacement of 21,380 tonnes. In peacetime, after 1936, she could accommodate 84 first-class, 108 second-class and 112 third-class passengers. As a troop transport she would be able to carry 3,000 men. Propulsion came from two Curtiss steam turbines of 16,000 horsepower, driving twin propellers for a maximum speed of 18.5 knots.⁶

At the outbreak of World War 2 she was impressed for national service until captured in November 1942, following the Allied invasion of Vichy North Africa in.⁷ She was repurposed as a supply ship for the US Army, being turned over to US War Shipping Administration (WSA)⁸ control by the French Authorities at Casablanca on 8 March 1943 and, on 1 April, for

⁵ Serving Marseilles, Malaya, Indo-China, Hong Kong, Shanghai, Kobe and Yokohama.

⁶ <https://www.messageries-maritimes.org/athos2.htm>

⁷ She was still serving on the far East service when war broke out, then ferried troops back to North Africa, and then operated Marseilles – Egypt – Syria until France signed an Armistice with Germany on 22 June 1940. She was laid up in Alexandria, with other French ships seized in the Suez Canal and in Egyptian waters. On 13 July, with 1,000 French naval and some merchant navy personnel aboard, she sailed for France to repatriate them. In September, she repatriated French troops home from Syria, and then sailed to Algiers, where she remained as guardship.

⁸ The WSA took over from the US Maritime Commission virtually all of the latter's major statutory functions with the exception of shipbuilding. Its responsibility was described in 1944 as being for "*all phases of shipping including the purchase or requisition of vessels for its own use or the use of the Army, Navy, or other Government agencies; the repairing, arming, and degaussing of WSA controlled vessels and Allied vessels under Lend-Lease provision; conversion of vessels to troop transports, hospital ships, and for other special purposes; training and providing ship personnel, operating, loading, discharging and general control of the movement of these ships; administering and marine and war risk insurance laws and funds, and the control of terminal and port facilities, forwarding and related matters*". It allocated vessels to either to commerce, or to Army or Navy use.

operation as a WSA transport allocated to the US Army and operated by French Lines Inc as the agent.⁹ She would remain in use by the US Army as a troop transport until returned to the French Government's French Shipping Mission in New York in March 1946.¹⁰



SS Athos II decommissioned in Algiers in June 1942¹¹

Her first service for the US Army involved a voyage to Dakar in French West Africa in December 1942-January 1943. This involved her civilian crew but some of the company's officers (who remained loyal to Vichy France)¹² defected on 27 February 1943 and the ship left Dakar with a crew of volunteers. When she arrived in Casablanca on 8 March 1943, she was sent to the US, to be transformed into a troop transport and fitted with a defensive armament.¹³

By coincidence, given her involvement in the events of February 1944, on 19 December 1943, she was in Gourock in Scotland, on her way to the US, when she collided with USAT

⁹ Despite sometimes being described as USAT *Athos II*, indicating it was a "US Army Transport" ship, it was never actually taken on charge by the Army, never bareboat chartered to, or operated by, the Army.

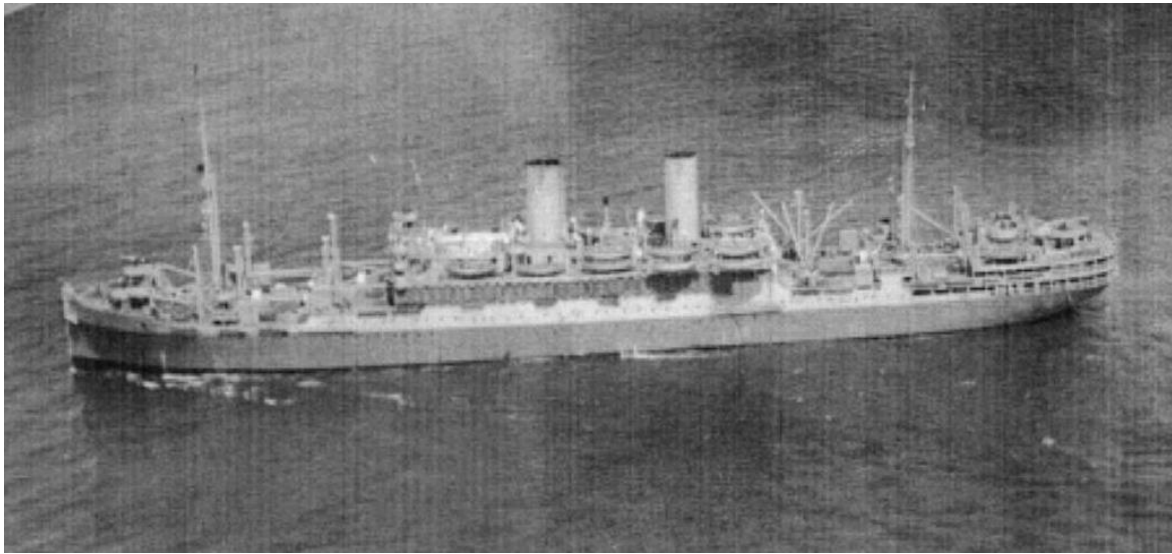
¹⁰ She would see further war service transporting French troops to French Indochina the Korean War in the 1950s, for the Anglo-French Suez invasion in 1956, and the Algerian war.

¹¹ <https://www.messengeries-maritimes.org/athos2.htm>

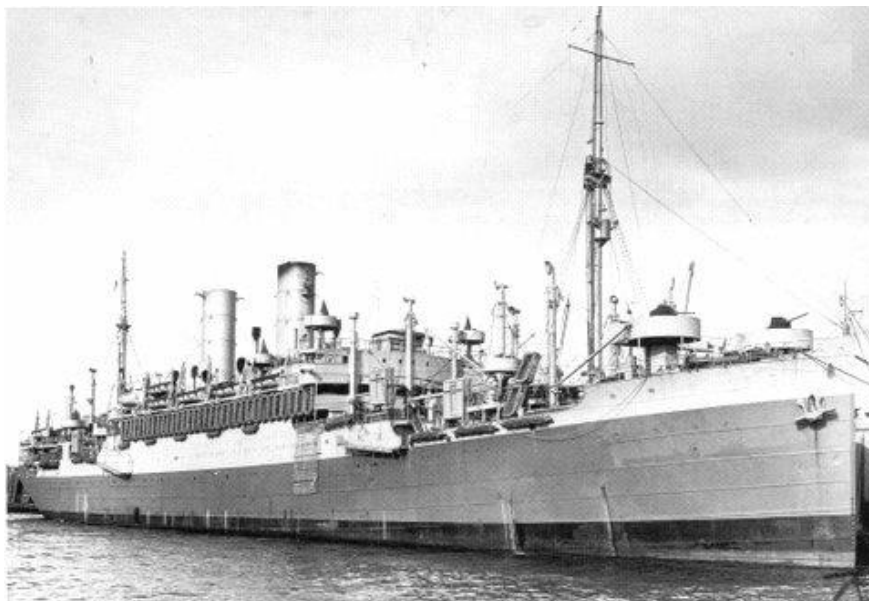
¹² The relationship between the US and Vichy France was more complicated than one might have expected. After the armistice following its defeat by Germany in 1940 the US initially recognised the new government in Vichy as the legitimate French government. President Roosevelt had a personal representative sent to France who met with Petain, the leader of the Vichy government each week. However, Vichy forces resisted Allied and Free French forces in parts of the overseas empire, and collaborated with the Germans at home. The US only broke diplomatic relations on 11 November 1942, after the Allied landings in North Africa and the Germans had moved into unoccupied (Vichy) France without opposition. After considering recognition of Admiral Darlan as the new head of French Government - at least in Africa, the US eventually recognised De Gaulle in 1943, although relations were never easy. By the time of the February 1944 incident, Vichy France no longer existed in any form, but this did not mean that there were not collaborators and sympathisers at home and abroad. Panama only broke off diplomatic relations with Vichy France on 13 November 1942, two days after the US.

¹³ <https://www.messengeries-maritimes.org/athos2.htm>

Cristobal, the former Panama Railroad's cargo-liner now also in US Army service¹⁴, causing superficial damage.¹⁵



*SS Athos II after conversion in the US and sometime between 1943 and 1945 (US Navy photo)*¹⁶



*Athos II in US service, the 3-inch (76 mm) guns installed in the bow*¹⁷

The incidents of February 1944 took place during a round-the-world voyage made by the ship between January and July 1944, from New York to New York via the Panama Canal, the

¹⁴ *Cristobal* had been requisitioned on 11 January 1942. For more on her wartime history, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-the-panama-railroad-ships-and-the-other-ss-ancon/>

¹⁵ <https://www.messengeries-maritimes.org/athos2.htm>

¹⁶ Ibid.

¹⁷ Ibid.

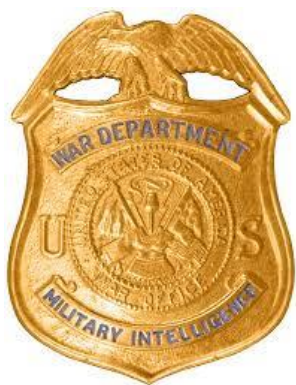
Note that, being armed, she would have carried a US Navy Armed Guard gun crew, in addition to her normal crew.

Pacific and Cape Town.¹⁸ This voyage had included taking pilots of the “Flying Tigers” fighter squadron to Bombay for service in China.¹⁹

Also, during this long voyage there occurred the several instances of suspected sabotage to its engine turbines, which were suspected to have been carried out by officers of the original *Compagnie des Messageries Maritimes* crew who remained loyal to Vichy France.²⁰

The ship’s crew still comprised French sailors, some of whom were suspected of favouring the Vichy government in France. It was noted that, since being employed by the Allies in 1942, the ship had reportedly suffered numerous mysterious accidents, including a collision with another Allied ship (this being the collision with the *Cristobal* mentioned above) and frequent damages to essential areas of the ship requiring extensive repairs.

The cablegram received by the CIC’s Panama Detachment said that the engine of the *Athos II* had broken down as a result of suspected sabotage. Aboard the ship at the time were 1,500 US Army personnel bound for India to assist in building a B-29 bomber base there.²¹



In February 1941, with war becoming increasingly likely, and despite what was a considerable increase in manpower from the levels of the early 1930s, the US Army’s Corps of Intelligence Police still had only a total complement of 288 men, of which 18 agents were assigned to the Panama Canal Department.²² By February 1942, it had 59 officers in Panama, out of a total of 513 in the whole

¹⁸ This routing appears at odds with other sources which say that the US personnel aboard the ship when she was marooned in the Galapagos Islands were on their way to India (see below).

¹⁹ <https://www.messageries-maritimes.org/athos2.htm>

²⁰ A French account of the history of the line states that one of these officers was apparently disembarked on his return to New York – the suggestion being that he may have been responsible : <https://www.messageries-maritimes.org/athos2.htm>

²¹ As noted above, the information that the US Army personnel were on their way to India does not fit in with the routing of the voyage of January-July 1944 mentioned above. If there were indeed such personnel aboard, then the routing must have been in the opposite direction, that is to India – and this would seem to fit in with the information provided that, to allow repairs, the ship was to *return* to balboa, implying that she had already passed through the Canal into the Pacific.

²² The first two such officers had been assigned to the Canal Zone in 1922, the complement rising to three in April 1939, and four in 1940, with 12 more places authorised in 1941.

organisation (which had by then been renamed as the Counter Intelligence Corps). The CIC investigated reports of subversive activities, with local commanders having responsibility for directing investigations.²³

During the war, the CIC Panama Canal Department Detachment was tasked with performing routine intelligence and counterintelligence operations, as well as investigating reports of sabotage and foreign agents in the region. Many of the cases handled by the Detachment involved rumours of shipments of explosives and weapons being smuggled through the Canal Zone. It also became responsible for investigating naval and domestic cases outside the scope of intelligence.²⁴

In 1943, a CIC report summarised the situation –

*"Since the [US Army] is the dominant power in this area, even in some naval or maritime matters, the CIC in addition to its own duties, has been requested to investigate cases for the Navy, the Civil Authorities, Military Attachés, and the American and British Embassies. No other agency has a field force of investigators in the Panama Canal Department".*²⁵

Following the attack on Pearl Harbor, CIC agents in Panama City and in Colón had been involved in rounding up the Japanese in their areas – and the detention of enemy aliens and other suspects was said to be reasonably effective.²⁶ At the same time, they had attempted to keep track of the activities of the legations in Panama City, with special attention being paid to the German and Japanese deputations – until these were closed (with suspicion then

²³ <https://irp.fas.org/agency/army/short.pdf>

March 1942 saw the creation of the Military Intelligence Service (MIS) in the War Department, which had the role of coordinating all counterintelligence activities of the War Department, although field commanders were told that they would be held responsible for counterintelligence coverage within their commands. From 1942, the MID oversaw operations of the Army's three intelligence organisations: the Military Intelligence Service (MIS), the Signal Security Agency (SSA) – the former SIS, and the CIC:

https://fas.org/irp/ops/ci/docs/ci2/2ch1_b.htm#ciops

²⁴ During 1942, the CIC detachment in Panama was organised on a territorial responsibility basis. This comprised the Pacific sector which included the Pacific half of the Canal Zone together with Panama City and its environs; the Atlantic side and the Province of Colón; and the sector comprising the other areas of the interior of the Republic.

²⁵ <https://www.dvidshub.net/news/464143/cic-panama-detachment-investigates-sabotage-ships-20-feb-1944>

²⁶ <https://fas.org/irp/agency/army/cic-wwii.pdf>

directed to that of Spain). In fact, in November 1941, all but the most important counter-espionage cases had been dropped, and all agents received priority assignments to instead ascertain the location of the Japanese population in the Canal Zone and the Republic.²⁷

CIC agents were also involved in investigating suspected disaffection amongst Canal employees, contractors' employees, and the military and naval establishments, together with investigation of suspected or potential sabotage of ships calling at the Canal Zone ports, and reports of clandestine radios and signal lights. In the Canal Zone, the CIC was the only agency which conducted investigations of espionage, sabotage, disaffection, treason, and sedition.²⁸

A Presidential directive in June 1939 had laid down the areas of responsibility for domestic counterintelligence, but had not clearly defined them where overseas operations were involved. By June 1940, the need to define the latter had become more pressing, and as a result, the US Navy was given responsibility for intelligence coverage in the Pacific, and the US Army responsibility in Europe, Africa, and the Canal Zone.²⁹ Elsewhere in the Western Hemisphere, except Panama, responsibility lay with the FBI.³⁰ Panama was set aside from

²⁷ *History and Mission of the Counter Intelligence Corps in World War II* (CIC School, Counter Intelligence Corps Center): <https://irp.fas.org/agency/army/cic-wwii.pdf>

²⁸ <https://fas.org/irp/agency/army/cic-wwii.pdf>

For more on espionage, real and imaginary, during the war, see <https://raytodd.blog/2024/06/30/panama-in-world-war-2-spies-and-fears/>

²⁹ The Army's MID assumed responsibility for investigation and disposal of all cases in the military establishment, including civilians employed on military reservations or under military control, and for cases involving civilians in the Canal Zone, the Republic of Panama, and the Philippine Islands:

<https://ncisahistory.org/wp-content/uploads/2020/10/A-CENTURY-OF-US-NAVAL-INTELLIGENCE-compressed.pdf>

In respect of the Canal Zone, the 1939 directive allowed that the Army's Military Intelligence Division (MID) would continue to perform the investigation and disposal of cases involving espionage, counterespionage, subversion, and sabotage in the "military establishment" including where involving any civilian employees, military reserve, and military control, including the investigation of cases in these categories involving civilians in the Canal Zone and the Republic of Panama (and certain other sensitive areas, such as the Philippines and Alaska) – with the proviso that the FBI and Office of Naval Intelligence (ONI) were to be informed of any important developments. However, until after the attack on Pearl Harbor, actual intelligence assets available to the US are said to have been rather thin, except for communications intelligence.

³⁰ The agreement was entitled "*Proposal for Coordination of FBI, ONI and MID*". It was dated 5 June 1940 and was signed by J Edgar Hoover, Rear Admiral Walter S Anderson, and Brigadier General Sherman Miles, as the heads of the three agencies involved: *Counterintelligence In World War II* (National Intelligence Center): https://fas.org/irp/ops/ci/docs/ci2/2ch1_a.htm

the general arrangements under which the FBI counter-espionage operations took place, and was regarded as the special province of the War Department.³¹

However, the CIC operated outside the Canal Zone only by permission of the Panamanian Government, as no agreement had been made for a US secret or investigative force to operate in Panama itself.³²

In response to the cablegram, two naval engineers and a CIC agent disguised as their interpreter travelled by air to the Galapagos to join *Athos II* as it was returning to Balboa in the Canal Zone for repairs. The CIC agent mingled with the crew and discovered most suspected a pro-Vichy officer was deliberately sabotaging the ship.

However, another possible reason for the ship's bad fortune quickly became apparent. It had spent time in the New York harbour while being converted into a US Army troopship. The CIC agent learned of other "*hasty and ill-advised work*" which had also been done to the ship. He suspected such inappropriate and ill-performed repairs might have damaged key components of the ship and was the cause of the trouble.

³¹ Nevertheless, the FBI maintained a low level of operations in the country, with the first permanent undercover representative based there from March 1942, this level of operation being maintained until the SIS programme established in 1940 (which collected, collated, and disseminated intelligence material on Latin America) ended in March 1947. It was not until May 1945 that the first Special Agent was sent to Panama in an official liaison capacity as Legal Attaché at the US Embassy, with peak presence in the country under the SIS programme in June 1946, when there were five representatives in Panama. The FBI has said that its official representatives acted almost entirely in a straightforward liaison capacity.

³² There was, of course, the Canal Zone Police inside the Zone, and the *Policia Nacional* in the Republic; as well as a newly-created secret police, the *Policia Secreta Nacional* (created under the short-lived Arias Madrid administration in June 1941), independent of the *Policia Nacional*, and answerable only to the President and the Minister of Government.

In addition, the Office of Naval Intelligence (ONI) had responsibility for investigation and disposal of all cases in the naval establishment, including civilians under naval employment or control. Indeed, the ONI had been keeping track of Japanese activities in South America and the Panama Canal Zone since the early 1930s. However, while the District Intelligence Office, 15th Naval District in the Canal Zone was established in 1936, until 1938 it was staffed by only one part-time officer. Even by 1940, it had just three officers, two enlisted personnel, and four civilians. By December 1941, it had expanded to 54 officers, 26 enlisted personnel, and 51 civilians – but this included those engaged in censorship duties.

Despite Panama having declared war on the Axis powers, local cooperation had to be agreed upon, as any rights or privileges extended to the US Army were outlined by specific diplomatic agreements and which applied only to specific defence sites and highways.

Once the ship docked in Balboa, the Assistant Chief of Staff, G-2, of the Panama Canal Department³³, the US Army command in the Canal Zone, took over the investigation and set up a board of inquiry made up of the G-2 officer, the ship's captain and one of its officers, and the unnamed CIC agent who had questioned the crew on its return from the Galapagos Islands.

However, this board failed to determine the true reason for the ship's problems and, after being repaired, the ship resumed its travel to India and continued in service.³⁴

Ray Todd
Panama City
Republic of Panama
12 August 2024

³³ G-2 refers to the military intelligence staff of the Army at Divisional level and above. The Panama Canal Department was the equivalent of a corps command, an outdated term still in use at the time in the Canal Zone and Puerto Rico.

³⁴ <https://www.dvidshub.net/news/464143/cic-panama-detachment-investigates-sabotage-ships-20-feb-1944>