

CARDING DATE 17-2-64

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MEMORANDUM TO: The D.S.I.

2. The following documents, copies of which are attached, formed the basis for re-examination of these cases, which we felt may concern the same operation:-

- (a) Brief - John Benjamin Clark WATKINS.
- (b) Numbered Letter No. 547 dated July 20, 1955, from Canadian Embassy Moscow, submitted by WATKINS concerning his trip to the Crimea from July 5-14, 1955, including his meeting with A (Alyosha) M (Mikhailovich) GORBUNOV
- (c) Numbered Letter 136 of May 4, 1960, from Canadian Embassy, Copenhagen, entitled "Social Relations Reporting with Soviet Diplomats", submitted by J.B.C. WATKINS concerning his luncheon meeting on April 28, 1960 with Mr. T.

4. As a result of the additional material gathered on WATKINS since May 1962 from our records and External Affairs files, we felt that WATKINS had been recruited on homosexual grounds

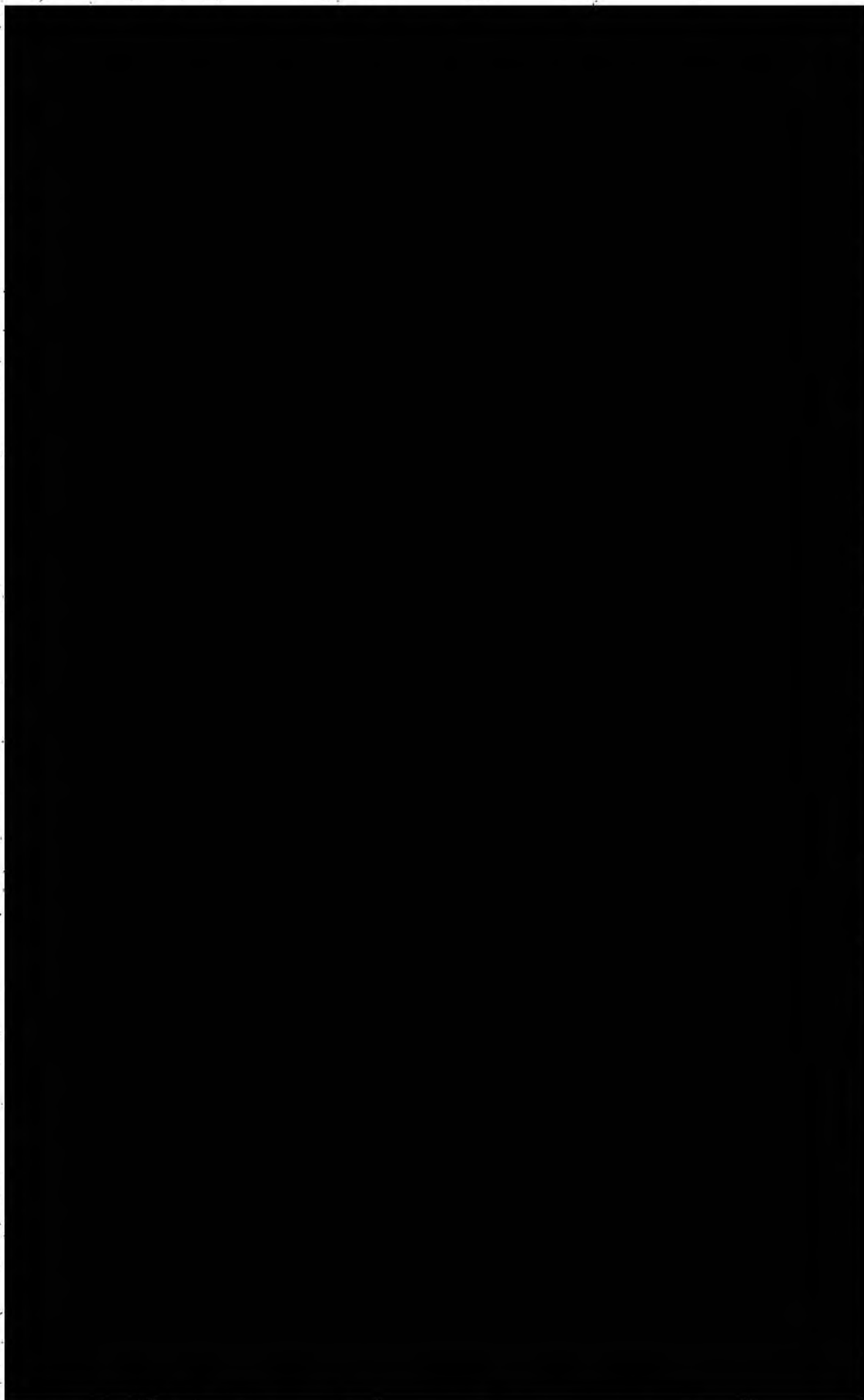
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6. [REDACTED] it would appear that WATKINS was recruited successfully, whilst in Moscow 1948-1951, on homosexual compromise, and run with some difficulty throughout the period 1951 - Feb. 26. 1963 by the R.I.S. [REDACTED] Although WATKINS' resignation from the Dept. of External Affairs may have been based on genuine grounds of ill health, the possibility of R.I.S. warning [REDACTED] should not be overlooked. [REDACTED]

From our viewpoint, it is essential that we establish the full extent of damage caused by WATKINS, including leads he may have provided to R.I.S. concerning other Canadian, British, American, etc. diplomats, whose weaknesses were potentially exploitable.

7. It is considered that Mr. J. McCARDLE, Head of D.L.2 Division, Dept. of External Affairs, be advised of the foregoing. It is also recommended that:-

(a)



(b) the need to obtain from Mr. N.A. ROBERTSON a character assessment of WATKINS to determine the most effective approach during interrogation.

(c) an examination be made of the possibilities of inducing WATKINS to return to Canada for legitimate employment, such as lectures for C.I.I.A./University; series of articles for a Canadian newspaper; employment with a government commission. The purpose of this would be to bring WATKINS to Canada to facilitate our interrogation of him.

(d) failing (c) approval to interrogate WATKINS in Paris.

(W.L. Higgitt), Supt.,
Officer i/c "B" Branch

OTTAWA
17/2/64