Episode 5, 2012: Woolworth Sign

Jim: My name is Jim Wark and I grew up in Detroit.

I got these soldiers sometime in World War II from a friend named Fritz Thomas. His dad used to go to Germany every summer before the war. And he would bring back these soldiers. Fritz would occasionally sell me one or two. Well, everything changed on a summer day. This was probably 1943. The newsboys were yelling, “Extra, extra. Nazi spy ring broken in Detroit.” To my shock it was Fritz’s dad Fred Thomas. That very evening I went over to Fritz’s house. That’s the last time I saw Fritz Thomas.

Are these soldiers the only link that is left from a Nazi spy ring?

Eduardo: Wow. Nazi spies, childhood friends gone missing – this story has it all. These are fantastic. What do you know about these toys?

Jim: Fritz had this collection that his dad brought him home from Germany on his trips over there before the war. He probably had 100, maybe 200.

Eduardo: Oh my!

Jim: You can see on the base they’re stamped Lineol, Germany.

Eduardo: Yeah, I can make that out, Germany. Okay. Do you have any idea what Dr. Thomas was doing in Germany at the time?

Jim: He wasn’t going to Germany to buy toy soldiers, I’m sure of that.

Eduardo: When you hear that your best friend’s father is a Nazi spy, it makes an impression.

Jim: We had no indication or suspicion that there was any Nazi connection. We didn’t even or think of the family as German.

Eduardo: What happened to Fritz?

Jim: I don’t know. After that I never saw Fritz again.

Eduardo: So, these are the only connection you still have with your childhood friend.

Jim: Yes. Eduardo, if you could find out what Dr. Thomas was doing in Germany on these trips. Was he meeting with Nazi officials, Nazi co-conspirators?

Eduardo: I’ve heard stories about German efforts to spy on the United States. Some of them were really quite celebrated. If this story really happened the way that Jim remembers, that information has got to be out there.

Alright, let's see. Well, I can clearly make out the imprint of “Germany” at the bottom, and Lineol, the name of the company. And they’re painted in different colors. One side, of course, it would be Germany, and the other side I’m guessing represents England. But I don’t think
these toys are really going to tell me much. The real mystery is the story that he told about this spy ring that was operative in this area. Jim remembers newspaper headlines screaming about a Detroit spy ring busted in the summer of 1943. I’m guessing this would have been a front-page story.

I’m not finding anything: but it is clear why Nazi spies wanted information on Detroit. Its factories were the industrial muscle of the United States’ war effort, with Ford, GM and Westinghouse churning out artillery, chemicals and aircraft during World War II.

Eduardo: Whoa, this is it, this is it! August 25th, 1943. “Six seized in city as German agents.” Ah Here is a picture of Dr. Fred W. Thomas.

The newspaper account is sensational. It reports that Dr. Thomas, a Detroit Obstetrician, was charged with spying on Westinghouse factories manufacturing war materials. If convicted, he faced the death sentence. Online, I come across a second news story. There’s a headline here that says "Beautiful counter-spy aids the FBI in rounding up of ring."

Thomas was accused of passing on information to a glamorous Canadian-born Nazi spy, Grace Buchanan Dineen. Unfortunately for Dr. Thomas she had secretly begun working for the FBI and was now reporting on Thomas’s alleged spying.

Eduardo: Counter-spy? I hate to say it but the plot thickens!

There’s no mention here of Thomas traveling to Germany. But the story does make clear that he was a supporter of an American-based pro-Nazi organization.

Eduardo: Ah, listen to this. It says, “Dr. Thomas born in Fresno, of German ancestry, was described as, quote, “An important contact of members of the German-American Bund,” The German American Bund operated openly in the pre-war years. Thousands attended their rallies and marches. But being a supporter of the Bund doesn’t make you a spy.

Eduardo: Some prominent Americans were known for their sympathetic views towards Adolf Hitler and Nazi Germany. Henry Ford, for example. Charles Lindbergh. The Bund has their largest support, it seems, in the upper Midwest, where there are large German-American communities.

During wartime, concerns about enemies on our shores were both real and imagined. There were several instances of confirmed German spying, but fears about sabotage and espionage led to some very questionable government decisions, most notorious being Japanese relocation camps. Was Dr. Thomas a Nazi spy? Or a sympathizer caught up in an anti-German paranoia?

I’ve asked the office to pull FBI or court records of the case.

Meanwhile I want to show the soldiers to toy expert Norman Joplin, and learn exactly when the figures were made.

Eduardo: I’m very eager to hear what you can tell me about these toys here.

Norman: Well I can tell you that these are German manufacture. Interestingly enough, these are a little frowned upon now in Germany. They are not allowed to be sold on the open market because of the political connections to them.

Eduardo: Because of the representations of Nazi Germany
Norman: Precisely. They were definitely used as propaganda material. They made effigies of the Nazi leaders. An example of that is this Hitler. It has a moveable arm.

Eduardo: Oh my gosh, I had no idea that Nazi German leaders became action figures. I'm curious about the composition of this. What are they made of?

Norman: It's actually a mixture of sawdust and glue, molded around a wire armature.

Eduardo: These are essentially handmade, each one of these?

Norman: Yes.

Eduardo: It says here Lineol underneath. What can you tell me about that?

Norman: Lineol started to make figures like this in 1904 and 1906. Right away up to the end of World War II. These examples here were probably made between 1936 and 1944.

This period, before the war, is when Jim remembers Dr. Thomas traveling to Germany each summer.

Norman: These would certainly be for sale in New York, in the Midwest in Chicago.

Eduardo: Really? Is there any way to determine whether these toys were purchased in Germany or here in the United States?

Norman: None whatsoever. There's no way of telling by actually looking at these pieces where they were purchased. They could've been purchased literally anywhere.

Eduardo: It's quite possible, of course, that the toys had nothing to do with Dr. Thomas' spying. But what was Fritz's father doing in Germany immediately before the war, and how had the spy case played out?

Author Margit Liesche obtained a large number of Dr. Thomas's FBI files while researching her novel 'lipstick and lies,' based on wartime spying in Detroit.

Eduardo: Have you ever seen anything like this?

Margit: I have not. Wow!

Margit explains her research included hundreds of pages of justice department files, which detailed how the FBI turned the Hungarian-trained Nazi spy into a double agent.

Margit: the FBI had been working with Grace Buchanan-Dineen for a year and a half. They were ensconced in an apartment next to hers. They recorded conversations, including conversations with Dr. Thomas.

By the summer of 1943 – the FBI was ready to proceed with their case.

Margit: Okay, um and so in this press release, this August 24th 1943 press release, uh they provided background on each of the accused spies.

Eduardo: According to the FBI, Thomas gave Dineen information about Ohio factories making war materials.

Margit: He also was giving her the chemicals, to make secret ink. So she would be able to communicate with her handlers back in Germany. On one occasion told her he felt justified in
giving information to be relayed to Germany because, even though he were apprehended as a spy, he would “go to his doom” feeling he had done what was right and proper, for he though the Nazi cause would predominate and assist in making the world a better place for his children.”

Eduardo: The department of justice press release gives credit throughout to “Mr. Hoover,” the FBI’s famously media hungry director. This press release appears to be the only source for some newspaper articles– with phrases repeated word for word.

But was the doctor guilty? A trial was held in 1944.

Neither Margit nor my office were able to obtain the court records, but during the trial, newspapers reported more detail of Dineen’s testimony against dr. Thomas.

Margit: They also discussed um, uh the Willow Run Bomber Plant. That was a brand new factory that they built. They took Ford’s ingenuity in building cars and transformed that into making bombers. And they talked about how to infiltrate that plant, perhaps sabotage.

Eduardo: Dr Thomas claimed innocence, but he was found guilty and sentenced to a 16 year prison term, the verdict was later reversed on a legal technicality.

But what had the FBI learned about Thomas’s trips to Europe – had the toys perhaps been bought as part of a cover?

Eduardo: Was Dr. Thomas traveling back and forth to Germany every year?

Margit: They had begun compiling a dossier on Dr. Thomas in 1938. He was under surveillance and they would make note of that.

Eduardo: Margit suggests Jim may have been mistaken – Dr Thomas had been an exchange surgeon in a German hospital in the late 1920s. But even though the FBI was watching him closely, they never mentioned any suspicious trips to Europe.

Eduardo: And you didn’t find anything at all?

Margit: Nothing about that, no.

Eduardo: Okay, so we can confirm then that there’s no evidence that he went back and forth?

The toys were likely nothing more than harmless playthings. But I still want to know -- what happened to Dr Thomas and Fritz?

Margit: This is an office memorandum. To the assistant Attorney General. and it is the subject, United States vs. Thomas.

Eduardo: You recognize where we are?

Jim: That’s the way I remember it looking.

Eduardo: This is where Fritz lived!

Jim: It brings back memories of walking up to the front door there, and the last time that I saw him.
Eduardo: I tell Jim that the toys may well have been bought in the United States. We found no proof that Dr. Thomas made any suspicious trips to Nazi Germany.

Jim: Interesting, okay.

Eduardo: But what had happened to the father of his childhood friend. In the winter of 1947, the department of justice made a sudden U-turn…

Margit: This is an office memorandum. To the assistant Attorney General. And it is the subject, United States vs. Thomas. “I think this case should be closed. There is a serious question whether the information obtained by Thomas was not in the public domain.”

Eduardo: So, the information that Thomas and Dineen were circulating was possibly public information, already in the newspapers, part of public discussion.

Margit: Exactly, exactly.

The government questioned they could win a re-trial. One of their attorneys even doubted that the evidence had justified the original trial. And now their potential star witness, grace Buchannan–Dineen, was no longer cooperating. She was deported.

The government dropped its case against Dr. Thomas.

Eduardo: That is remarkable.

It wasn’t the strongest case that the government had, I don’t think his side of the story ever came out in the media.

Jim: You’ve uncovered the whole story.

Eduardo: Dr Thomas died in 1986, his son had a long and distinguished career as an environmental reporter.

Fritz passed away, unfortunately, in 1999. And there’s his picture, Fred Thomas Jr.

Jim: It makes me sad to think that I never reconnected with Fritz.

Eduardo: I’m sure.

Jim: Well, I guess he turned out all right. That’s good.

Eduardo: He did turn out all right.

Jim: Well that’s good to hear.

Eduardo: There’s one other thing I want to share with you. The owners of this home moved in in 1970, and this was after the Thomas sold it. And the home owner would like you to have this little item that they found in the back yard…pass that on to you.

Jim: Oh what a surprise. Now, this the kind of toy soldier that we were used to.

Eduardo: I think it’s a reasonable assumption that that belonged to Fritz.

Jim: The fact that somebody found that in the garden is just, it’s overwhelming. Can I keep that, Eduardo?

Eduardo: You may absolutely keep it, yes.