

7335 4<sup>a</sup> 176  
Ch. 176

9335.  
4<sup>a</sup> 176  
A



INTERLOCKING SUBVERSION IN  
GOVERNMENT DEPARTMENTS

---

REPORT

OF THE

SUBCOMMITTEE TO INVESTIGATE THE  
ADMINISTRATION OF THE INTERNAL SECURITY  
ACT AND OTHER INTERNAL SECURITY LAWS

TO THE

COMMITTEE ON THE JUDICIARY  
UNITED STATES SENATE

EIGHTY-THIRD CONGRESS

FIRST SESSION

ON

INTERLOCKING SUBVERSION IN GOVERNMENT  
DEPARTMENTS



JULY 30, 1953

Printed for the use of the Committee on the Judiciary

---

UNITED STATES  
GOVERNMENT PRINTING OFFICE

WASHINGTON : 1953

*Encl*

*M. J. Dwyer*  
*Dec. 9, 1953*

# COMMITTEE ON THE JUDICIARY

WILLIAM LANGER, North Dakota, *Chairman*

ALEXANDER WILEY, Wisconsin  
WILLIAM E. JENNER, Indiana  
ARTHUR V. WATKINS, Utah  
ROBERT C. HENDRICKSON, New Jersey  
EVERETT M. DIRKSEN, Illinois  
HERMAN WELKER, Idaho  
JOHN MARSHALL BUTLER, Maryland

PAT McCARRAN, Nevada  
HARLEY M. KILGORE, West Virginia  
JAMES O. EASTLAND, Mississippi  
ESTES KEFAUVER, Tennessee  
OLIN D. JOHNSTON, South Carolina  
THOMAS C. HENNINGS, Jr., Missouri  
JOHN L. McCLELLAN, Arkansas

## SUBCOMMITTEE TO INVESTIGATE THE ADMINISTRATION OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL SECURITY LAWS

WILLIAM E. JENNER, Indiana, *Chairman*

ARTHUR V. WATKINS, Utah  
ROBERT C. HENDRICKSON, New Jersey  
HERMAN WELKER, Idaho  
JOHN MARSHALL BUTLER, Maryland

PAT McCARRAN, Nevada  
JAMES O. EASTLAND, Mississippi  
OLIN D. JOHNSTON, South Carolina

ROBERT MORRIS, *Chief Counsel*  
BENJAMIN MANDEL, *Director of Research*

\*Senator Willis Smith, North Carolina, participated actively in the work of the subcommittee until his untimely death on June 23, 1953.

# CONTENTS

---

	Page
Introduction.....	1
The past is prologue.....	1
Two Soviet rings not exposed.....	3
The extent of the penetration.....	5
The first penetration.....	5
Some case histories.....	6
Harold Glasser.....	6
Virginius Frank Coe.....	7
Alger Hiss.....	8
David Weintraub.....	10
The story of Irving Kaplan.....	12
How many secrets?.....	15
The Amerasia case.....	15
Thefts of secrets by Soviet agents.....	16
The Canadian Royal Commission.....	16
The Bentley Ring's harvest.....	17
The Pumpkin papers and after.....	19
The design.....	20
"Once we got one in, he got others".....	21
The witnesses.....	22
The same witnesses before the FBI.....	23
False swearing.....	23
Warnings ignored.....	24
Net in the State Department.....	26
Net in the Treasury.....	27
Net over Capitol Hill.....	32
Net in national defense.....	35
Net over labor.....	40
Net over agriculture.....	44
The hidden Communists.....	45
The John P. Davies case.....	46
Conclusions.....	48
Recommendations.....	49

NOTE.—All page references and exhibit numbers are to Hearings on Interlocking Subversion in Government Departments unless otherwise indicated.

IPR—Hearings on the Institute of Pacific Relations.

U. N.—Hearings on Activities of United States Citizens Employed by the United Nations.

HUAC—House Un-American Activities Committee.





# INTERLOCKING SUBVERSION IN GOVERNMENT DEPARTMENTS

---

## INTRODUCTION

On April 10, 1953, the Senate Internal Security Subcommittee of the Senate Judiciary Committee commenced a series of hearings on interlocking subversion in Government.

Chairman William E. Jenner (Republican, Indiana) opened the hearings with this statement:

The Senate Internal Security Subcommittee, under the authority conferred on it by the United States Senate to investigate "the extent, nature, and effects of subversive activities in the United States," during the past 3 years has been uncovering evidence of extensive Communist penetration in Government.

The subcommittee has been impressed by the extent to which the Communists it has exposed were able to move, often with great facility, from one Government agency to another, spinning their web of intrigue and drawing with them in positions of power and influence their confederates and auxiliaries. The purpose of this series of hearings will be to determine the existence of and to expose the design by which Communist agents were able to infiltrate the executive and legislative branches of government.

The subcommittee expects that these hearings will aid it in recommending legislation to prevent further infiltration, and to discover methods and individuals that the Communist International organization may still be employing today.

The subcommittee undertakes this investigation primarily with the view to preventing further infiltration and not to hold up to the pillory past misdeeds. But the past is prologue. The subcommittee hopes that all persons with knowledge of this penetration will assist the subcommittee in its purpose (p. 1).

The subcommittee had several purposes foremost in mind in conducting these hearings. It noted that literally scores of agents had penetrated the United States Government, and in its report on the Institute of Pacific Relations showed how some of these were responsible for extensive perversion of policy that consequently caused the loss of thousands of American lives and injury to the interests of the United States. It noted that except in a few cases, all of these agents, despite the record of their subversion, had escaped punishment and some, in positions of influence, continued to flourish even after their exposure.

## THE PAST IS PROLOGUE

The subcommittee has made public for the first time a section of a secret memorandum on espionage in our Government, one paragraph of which had been quoted by Vice President Richard Nixon, then a Congressman, in a 1950 speech. He made known at that time that the document, dated November 25, 1945, was prepared by an intelligence agency of this Government, and was circulated among several key Government agencies and made available to the President of the United States.<sup>1</sup>

<sup>1</sup> Six years earlier, another memorandum was prepared by A. A. Berle, Jr., then Assistant Secretary of State. He wrote the memorandum when Whittaker Chambers informed him of the makeup of the Communist American underground. This bore the heading "Underground Espionage Agent" and contained 27 names (p. 329). Of these, 4 appeared again in the Nixon memorandum.

The subcommittee obtained that memorandum. It read in part:

This case (of Nathan Gregory Silvermaster) first came to the attention of the Bureau on November 8, 1945, when Elizabeth Bentley, an official of United States Service and Shipping, Inc., New York City, came into the New York office of the Bureau and stated that for the past 11 years she had been actively engaged in Communist activity and Soviet espionage.

She stated that prior to 1938 she had been an official in various capacities of the Communist Party in New York City. In 1938 she began making contacts with Jacob Golos, the head of World Tourists, Inc., which organization was being used as a cover for the Soviet espionage activity. Golos later organized United States Service and Shipping, Inc., for the same purpose in 1941.

Under Golos' direction and until his death in 1943, Bentley stated that she was used as a courier and liaison between individuals engaged in espionage for the Soviet and Golos.

After Golos' death in November 1943, she continued to act as such a courier and liaison under the direction of Earl Browder.

During the latter part of 1944 at the insistence of Soviet representatives in the United States and with Browder's consent, the various espionage groups with which she had been maintaining liaison were turned over directly to the Soviet agents, only one of whom she has been able to identify.

This Soviet representative who has used the cover name "Al" has been identified as Anatole Gromov, First Secretary of the Soviet Embassy, Washington, D. C., who since his arrival in the United States on September 15, 1944, has been suspected by this Bureau to be the successor in NKVD activities of Vassili Zubilin, former Second Secretary of the Soviet Embassy who was recalled to the Soviet Union in July 1944. Zubilin was reported head of all NKVD activity in North America.

Bentley has stated that the espionage agents with whom she had been in contact under Golos' and Browder's direction had been working for the NKVD.

The espionage groups with which Bentley worked were primarily employees of the United States Government stationed in Washington, D. C. The head of the most important group originally run by Golos was N. Gregory Silvermaster, at one time an employee of the Department of Labor and now connected with the United States Treasury Department. Another member of this group who resides with Silvermaster is William L. Ullman, a major of the United States Army Air Forces stationed at the Pentagon Building who has been responsible for the obtaining and photographing of classified information regarding United States Government war plans and also reports of the Federal Bureau of Investigation, copies of which had been furnished to G-2 of the Army at the Pentagon Building. Other members of this group included A. George Silverman, a civilian employee of the War Department; Harry Dexter White, Assistant Secretary of the Treasury in charge of monetary research and foreign funds control; William Taylor, also an employee of the Treasury Department; Lauchlin Currie, Administrative Assistant to the President; and other lesser figures.

The head of the next most important group of Soviet espionage agents with whom Bentley has maintained liaison was Victor Perlo of the War Production Board. Members of this group were introduced to Bentley early in 1944 at the apartment of John Abt, general counsel for the Amalgamated Clothing Workers of America, CIO, in New York City. The individuals in this group include Charles Kramer, an investigator for Senator Kilgore's committee in the United States Senate; Henry Magdoff of the War Production Board; Edward Fitzgerald, formerly of the Treasury Department and then with the War Production Board; Donald Wheeler of the Office of Strategic Services; Mary Price, formerly employed by Walter Lippmann in Washington, D. C., and now working for the United Office and Professional Workers of America, CIO, in New York City; Maj. Duncan Lee of William Donovan's law firm in New York City who is also in the Office of Strategic Services. There were various other minor Government employees in this group including Sol Leshinsky and George Perazich who were employees of the United Nations Relief and Rehabilitation Administration. Bentley advised that members of this group had told her that Hiss of the State Department had taken Harold Glasser of the Treasury Department and two or three others and had turned them over to direct control by the Soviet representatives in this country. In this regard, attention is directed to Whittaker Chambers' statements regarding Alger Hiss and to the statement by Guzenko regarding an assistant to the Secretary of State who was a Soviet agent.



Less important individuals with whom Bentley had contact and who were apparently not in a well-knit organizational group were Robert Talbot Miller III, of the Department of State; Maurice Halperin of the Office of Strategic Services; Julius J. Joseph of the Office of Strategic Services; Helen Tenney of the Office of Strategic Services; Willard Park of the Office of the Coordinator of Inter-American Affairs; Michael Greenberg of Foreign Economic Administration; William Remington, formerly of the War Production Board and subsequently inducted into the Navy; Bernard Redmont, also with the Coordinator of Inter-American Affairs.

The Bentley woman was explicit in that all of the individuals actively engaged in espionage for the Soviets named by her were furnishing information from the files to which they had access in Washington and many of them prior to Golos' death paid their Communist Party dues to Golos through her.

To date over 80 individuals have been named by Miss Bentley as being connected with the Soviet espionage organization either in Washington or in New York. Of this number 37 have been identified as employees of the United States Government in Washington, D. C. Bentley has stated that each of these individuals probably obtained information from others either casually or through actual recruiting and with whom Bentley herself did not come in contact (pp. 71-73).<sup>2</sup>

The memorandum also said:

Igor Gouzenko, former code clerk in the office of Col. Nikolai Zabotin, Soviet military attaché, Ottawa, Canada, when interviewed by a representative of this Bureau and officers of the Royal Canadian Mounted Police, stated that he had been informed by Lieutenant Kulakov in the office of the Soviet military attaché that the Soviets had an agent in the United States in May 1945 who was an assistant to the then Secretary of State, Edward R. Stettinius (p. 71).<sup>3</sup>

#### TWO SOVIET RINGS NOT EXPOSED

In addition to identifying the more than 80 particular Communist agents, 37 of whom were in the United States Government, Elizabeth Bentley testified before our subcommittee on May 29, 1952, that to her knowledge there were 4 Soviet espionage rings operating within our Government and that only 2 of these have been exposed.

Miss BENTLEY. First, on the point as to whether or not there are Communists still in the Government, I agree with Mr. Chambers<sup>4</sup> on that.

Mr. MORRIS. In what respect?

Miss BENTLEY. I agree with him that quite obviously there still are Communists in the Government, partially because it is an obvious thing and partially because I was told by one of my Soviet contacts about the existence of other groups in the Government.

Mr. MORRIS. In other words, you knew there were espionage rings other than your own in the Government and you know they haven't been exposed.

Miss BENTLEY. I know they haven't been exposed. I was not told who they are, but since they were not exposed, obviously they are still operating.

Mr. MORRIS. You knew of two individual rings working under you?

Miss BENTLEY. Two individual rings plus a collection of individuals I dealt with individually.

Mr. MORRIS. One was the Silvermaster ring?

Miss BENTLEY. That is correct.

Mr. MORRIS. And the other?

Miss BENTLEY. We called it the Perlo group.

Mr. MORRIS. You had some indirect knowledge that Alger Hiss was operating in the Communist framework, did you not?

Miss BENTLEY. Yes. One of the members of the Perlo group had at one time been taken out of that group by Mr. Hiss and turned over to the Russians, and I discovered that during the course of my talking to one member of the group.

Mr. MORRIS. In other words, there was still a third group that you knew of that existed at that time.

<sup>2</sup> All page references are to the hearings on Interlocking Subversion in Government Departments unless otherwise indicated.

<sup>3</sup> This is the paragraph quoted by Mr. Nixon in his 1950 speech.

<sup>4</sup> Whittaker Chambers, in concurrent testimony (H'R, p. 4776).

Miss BENTLEY. There was a third group that I knew of because of Mr. Hiss, and there was another group that was mentioned to me by my Soviet contact without identifying it further.

Mr. MORRIS. That is still a fourth group.

Miss BENTLEY. Yes.

Mr. MORRIS. And you know, as a matter of fact, that neither one of these two groups, as far as you know, have been exposed as of this date?

Miss BENTLEY. As far as I know, they haven't been exposed (Institute of Pacific Relations hearings, pp. 4777-4778).

When Miss Bentley appeared before us in 1952, she painted a word picture of the fundamental design of the penetration. Significant parts of her testimony are given here:

Senator FERGUSON. Did you have trouble or difficulty in moving these agents that you had into strategic positions in government or in the Army that you were talking about, that you did not want them where there was danger but you wanted them in strategic positions? For example, Silvermaster, did you have trouble moving people such as that, or how were they moved to strategic positions so that you could get your information?

Miss BENTLEY. We didn't have too much trouble. In the case of Silvermaster, he pulled strings and got in there.

Senator FERGUSON. What were your avenues for placing people in strategic positions?

Miss BENTLEY. I would say that two of our best ones were Harry Dexter White and Lauchlin Currie. They had an immense amount of influence and knew people and their word would be accepted when they recommended someone.

The CHAIRMAN. Harry Dexter White was in what department?

Miss BENTLEY. Under Secretary of the Treasury; under Mr. Morgenthau.

Senator FERGUSON. In other words, Currie and White were your instrumentalities in putting people in strategic positions?

Miss BENTLEY. I would say they were our most important ones.

Senator FERGUSON. Yes. Did you have any other ones?

Miss BENTLEY. Yes. I mean, whoever we had as an agent in the Government would automatically serve for putting someone else in. For example, Maurice Halperin was head of the Latin American Section in OSS, and we used him to get Helen Tenney in. Once we got one person in he got others, and the whole process continued like that.

Senator FERGUSON. But if you desired to shift a person from one position to another position you would use White and Currie?

Miss BENTLEY. We would use White and Currie if we could.

Senator EASTLAND. Do you know who White's principal contacts were in the Government so that he could place people in government?

Miss BENTLEY. It was my understanding that he knew practically everyone in Washington who had any influence (IPR, p. 419).

Miss BENTLEY. The Soviet intelligence didn't like to lose anybody to the Army unless they could get into strategic positions—that is, not the infantry but with intelligence, they would consider that very good.

Senator FERGUSON. That would be an important position?

Miss BENTLEY. That would be an important position.

Senator FERGUSON. As you say, though, you tried to keep your members out of the real fighting because they could give you little aid?

Miss BENTLEY. They could give us little aid, and they would also get knocked off. We tried to get them into Washington (IPR, p. 417).

The subcommittee has therefore assembled all the pertinent facts it has received in evidence during the hearings on the Institute of Pacific Relations, on American subversives in the United Nations, and in this series of hearings since April 1953. We are presenting an interim report with a view toward establishing the pattern of infiltration and toward making certain recommendations at this time.

## THE EXTENT OF THE PENETRATION

According to the evidence in our records, those involved in the secret Communist underground included an executive assistant to the President of the United States; an Assistant Secretary of the Treasury; a United States Treasury attache in China; the Director of the Office of Special Political Affairs for the State Department; the Secretary of the International Monetary Fund; the head of the Latin-American Division of the Office of Strategic Services; a member of the National Labor Relations Board; secretary of the National Labor Relations Board; chief counsel, Senate Subcommittee on Civil Liberties; chief, Statistical Analysis Branch, War Production Board; Treasury Department representative and adviser in Financial Control Division of the North African Economic Board in UNRRA and at the meeting of the Council of Foreign Ministers in Moscow; director, National Research Project of the Works Progress Administration.

## THE FIRST PENETRATION

The first organized subversion encountered by the subcommittee, in point of time, was that accomplished by the Harold Ware underground cell of the Communist Party in Washington, D. C., in the early 1930's. With the recognition that only someone who has been among the ranks of the Communists can authoritatively testify as to who also were in the ranks, the subcommittee took testimony from two members of this cell. They were Whittaker Chambers and Nathaniel Weyl.<sup>5</sup> In setting forth the members of the Ware cell, we are listing the positions which they subsequently achieved in government or in public life and how they testified when they were subpoenaed by the subcommittee.

Nathan Witt was attorney for Agricultural Adjustment Administration; Assistant General Counsel, National Labor Relations Board; the secretary, National Labor Relations Board. (Invoked his constitutional privilege of refusing to answer on the ground that he could not be compelled to bear witness against himself.)

Lee Pressman, Assistant General Counsel, Agriculture Adjustment Administration; General Counsel, Works Progress Administration and Resettlement Administration; general counsel, CIO. (Admitted Communist membership before the House Un-American Activities Committee.)

John J. Abt, attorney for Agricultural Adjustment Administration; Assistant General Counsel, Works Progress Administration; special counsel, Securities and Exchange Commission; chief counsel, LaFollette Civil Liberties Committee; special assistant to the Attorney General. (Invoked privilege.)

Charles Kramer, Agricultural Adjustment Administration; National Youth Administration, staff member, LaFollette Civil Liberties Committee; National Labor Relations Board; staff member, Senate Committee on War Mobilization; staff member, Senate Subcommittee on Wartime Health and Education. (Invoked privilege.)

<sup>5</sup> It also took the executive session testimony of another ex-Communist who was part of a less important Government Communist ring that operated at that time and gave considerable corroboration to the Chambers and Weyl testimony.



Henry H. Collins, Jr., National Recovery Administration; Soil Conservation Service; Labor Department; staff member, House Committee on Interstate Migration; Senate Committee on Small Business; Senate Subcommittee on Technological Mobilization; entered military Government service as captain and retired as major; State Department, displaced persons program; Intergovernmental Committee on Refugees. (Invoked privilege.)

Victor Perlo, National Recovery Administration; Home Owners' Loan Corporation; Commerce Department, economic analyst; Office of Price Administration, Chief, Statistical Analysis Branch; War Production Board on problems of military aircraft production; Treasury Department Division of Monetary Research. (Invoked privilege.)

Harold Ware, consultant to the Agriculture Department. (Deceased.)

Alger Hiss, assistant to the General Counsel of the Agricultural Adjustment Administration; counsel to the Senate Committee Investigating the Munitions Industry; staff of the Solicitor General of the United States; special assistant to the Director, Office of Far Eastern Affairs; Director of Office of Special Political Affairs, Department of State; Secretary General, United Nations Conference. (Denied Communist Party membership before HUAC.)

Donald Hiss, attorney, Public Works Administration; Assistant Solicitor, Department of Labor; assistant to the legal adviser in the Department of State. (Denied Communist Party membership.)

Set forth herein are some of the individual cases reviewed by the subcommittee.

#### SOME CASE HISTORIES

##### *Harold Glasser*

The Nixon memorandum made reference to Harold Glasser in 1945. It read:

Bentley advised that members of this group had told her that Hiss, of the State Department, had taken Harold Glasser, of the Treasury Department, and 2 or 3 others and had turned them over to direct control by the Soviet representatives in this country (p. 72).

When Miss Bentley appeared before the subcommittee in 1951 and 1952, she testified in greater detail about Glasser.

MISS BENTLEY. In 1944 I took a group of people I called the Perlo group. \* \* \* One of the members of this group was a Mr. Harold Glasser in the Treasury. In the process of checking everyone's past, I found that Mr. Glasser had, at one time, been pulled out of that particular group and had been turned over to a person whom both Mr. Perlo and Charles Kramer refused to tell me who it was, except that he was working for the Russians, and later they broke down and told me it was Alger Hiss (I. P. R. pp. 441-442).

Whittaker Chambers has also testified under oath that he had met Harold Glasser.

In his book, *Witness*, published in 1952, Chambers writes:

Harry Dexter White was the least productive of the four original sources. Through George Silverman, he turned over material regularly, but not in great quantity. Bykov fumed, but there was little that he could do about it. As a fellow traveler, White was not subject to discipline. Bykov suspected, of course, that White was holding back material. "Du musst ihn kontrollieren," said Bykov, "you must control him"—in the sense in which police "control" passports, by inspecting them.

I went to J. Peters, who was in Washington constantly in 1937, and whom I also saw regularly in New York. I explained the problem to him and asked for a Communist in the Treasury Department who could "control" White. Peters

suggested Dr. Harold Glasser, who certainly seemed an ideal man for the purpose, since he was White's assistant, one of several Communists whom White himself had guided into the Treasury Department.

Peters released Dr. Glasser from the American Communist underground and lent him to the Soviet underground. Glasser soon convinced me that White was turning over everything of importance that came into his hands. Having established that fact, I simply broke off relations with Dr. Glasser. Later on, he was to establish a curious link between the underground apparatuses, current and past. Testifying before the McCarran committee in 1952, Elizabeth Bentley told this story. In 1944, she was working with what she identified as the Perlo group (after Victor Perlo of the former Ware group). In the Perlo group was Dr. Harold Glasser. At one point, Miss Bentley had made a routine check of the past activities of all the group members. The check showed that Dr. Glasser had once worked with a man whom both Victor Perlo and Charles Kramer (also a member of the group) at first refused to identify beyond saying that the unknown man was working with the Russians \* \* \* (pp. 429, 430 of *The Witness*).

Glasser was subpoenaed by the subcommittee on April 14, 1953, and invoked his privilege against self-incrimination when asked about all of this evidence and information. He also refused under privilege to tell the subcommittee the circumstances surrounding his Government assignments within the United States or abroad. The record shows, however, that in 1940, the Treasury Department sent him to Ecuador as financial adviser to Ecuador's Ministry of Finance. In 1943, he was the Treasury's representative and chief of the Financial Control Division of the North African Economic Board. He was the financial expert of the American delegation in the formation of UNRRA and in the subsequent administration of this international body "throughout its whole life." In this capacity, he was one of those "with a predominant voice" in determining which countries should receive aid from UNRRA and which should not. In 1944, the Treasury Department sent him to Italy "to make a study and develop a program for fighting inflation in the civilian liberated areas." In 1945, he went to UNRRA council meetings in Europe. In January 1947, he participated in a Four Power study of the economy of Trieste. In the spring of that same year, he was an adviser to Secretary of State Marshall at the meeting of the Council of Foreign Ministers in Moscow (pp. 57-70).

### *Virginius Frank Coe*

The Berle memorandum of 1939 contains the names of Frank Coe and his brother, Charles (Bob) Coe. In 1948 Miss Bentley publicly brought forth in testimony that Frank Coe was a member of her espionage ring. Yet, when the subcommittee subpoenaed Coe in December 1952, he held the position of Secretary of the International Monetary Fund at \$20,000 a year.\*

Virginius Frank Coe first worked for the United States Government in 1934. Since then he has held positions in Federal Security Administration, the National Advisory Defense Council, Monetary Research Division of the Treasury Department (Assistant Director and Director), Joint War Production Committee of the United States and Canada (Executive Secretary), Board of Economic Warfare (assistant to the Executive Director), Foreign Economic Administration (Assistant Administrator). He was the technical secretary of the Bretton Woods Monetary Conference in 1944 when the articles of agreement were drafted setting up the International Monetary Fund.

\*Hearing before this Subcommittee on Activities of United States Citizens Employed by the United Nations, pp. 227-256.



The International Monetary Fund handles assets of between \$7 and \$8 billion and it is a specialized agency of the United Nations.

Coe refused to answer, on the ground that the answers might incriminate him, all questions as to whether he was a Communist,<sup>6</sup> whether he had engaged in subversive activities, or whether he was presently a member of a Soviet espionage ring. He refused for the same reason to say whether he was a member of an espionage ring while technical secretary of the Bretton Woods Conference, whether he ever had had access to confidential Government information or security information, whether he had been associated with the Institute of Pacific Relations, or with individuals named on a long list of people associated with the organization. It was noted that he did answer questions as to his relationship with Jacob Viner, Milo Perkins, Leo Crowley, and Evar Rooth but refused to answer questions with respect to his relationship with Harry Dexter White, Alger Hiss, Philip C. Jessup, Solomon Adler, Lauchlin Currie, Michael Greenberg, Constantine Oumansky, and a long list of others. He testified as to how he got his first Government employment, but refused to say how he obtained his subsequent positions. Coe was dismissed by the International Monetary Fund a few days after his testimony on December 3, 1952.

### *Alger Hiss*

The name of Alger Hiss was also on the list Chambers gave Berle in 1939.<sup>7</sup> The Nixon memorandum of November 1945, showed that the authorities charged with security had by then accumulated three sources<sup>8</sup> bearing on Hiss' involvement in the Communist organization. The subcommittee encountered even more. As far as evidence admissible in a court of law is concerned, the most significant was the testimony of Nathaniel Weyl.

This testimony confirmed Chambers' assertions that Alger Hiss was a member of the Harold Ware cell of the Communist Party, a fact which Hiss had denied. Weyl told the subcommittee that he had concealed his past Communist Party membership until after the Korean Communists attacked the forces of the free world in 1950. Only then did he go to the Federal Bureau of Investigation with the details of his involvement in the Communist organization. By then the second Hiss trial had been concluded and the verdict announced without the evidence that Weyl would have contributed. But the subcommittee had set a standard whereby it was seeking to induce ex-Communists to come forward and deposit their secrets in a security bank that would benefit the free world. Weyl's testimony came within the framework of that standard and it was welcomed by the subcommittee.

Weyl testified that he (Weyl) had been a Communist at Columbia University and had come to Washington in 1933 for Government employment. After obtaining a position in the Department of Agriculture, he was assigned by his Communist superiors to a cell, the head of which was Harold Ware. Weyl stated that this cell, at the time of his participation was made up of Alger Hiss, Lee Pressman, Charles Kramer, Henry Collins, John Abt, Nathan Witt, Victor Perlo, and Harold Ware.<sup>9</sup> Weyl left this cell early in 1934.<sup>10</sup>

<sup>6</sup> In 1948 he denied Communist Party membership.

<sup>7</sup> P. 329 hearing interlocking subversion in Government Departments.

<sup>8</sup> Chambers, Bentley, and Gouzenko.

<sup>9</sup> IPR hearings, p. 2799.

<sup>10</sup> IPR hearings, p. 2802.

Whittaker Chambers had previously testified that he (Chambers) joined this cell in 1934 and that it then contained Lee Pressman, Nathan Witt, John Abt, Alger Hiss, Donald Hiss, Victor Perlo, Charles Kramer, Henry Collins, and Harold Ware.<sup>11</sup>

Thus the testimony of the two witnesses related to a different period of time. The personnel of the cell was identical according to both except for the fact that Chambers testified that Donald Hiss, of the State Department, was also in the cell.

The subcommittee noted that Alger Hiss was intimate with the leaders of the Institute of Pacific Relations which the subcommittee found to be infiltrated by Communists. In its report on the Institute of Pacific Relations, the subcommittee detailed these intimacies.<sup>12</sup>

A security authority's perspective of Alger Hiss in 1945 and 1946 was given by J. Anthony Panuch, formerly Deputy Assistant Secretary of State in charge of security, when he testified before the subcommittee on June 25, 1953.

Panuch was assigned by Secretary of State James F. Byrnes to supervise the security aspects of the transfer of personnel and functions from war agencies to the State Department in the fall of 1945. In the course of his work Panuch noted a proposal to make the Office of Special Political Affairs, which had acquired important status under the two great reorganizations of 1944, the central, key organization of the Department. Alger Hiss was the Director of this Office and the supporter of this proposal.<sup>13</sup>

Mr. Panuch testified that the plan to make the Office of Special Political Affairs a super-planning and coordinating agency of the State Department was defeated. Until Alger Hiss resigned in January 1947, however, he remained in a position of considerable power, as Director of the office which initiated American policy on United Nations questions and serviced the American delegation to the United Nations.

Panuch told the subcommittee that as a security officer he had access to security information on Hiss which he said was as conclusive to him then as it was when revealed in the course of the congressional hearings of 1948 or in the course of the two Hiss trials. As a result of this knowledge, Panuch wrote a memorandum on March 7, 1946, about the proposed elevation of the Office of Special Political Affairs to Assistant Secretary of State Donald S. Russell wherein he said:

In examining the plan and assessing its implications in terms of control, it should be remembered that Dr. Hiss exercises Svengali-like influence over the mental processes of Junior Stettinius,<sup>14</sup> the United States delegate to UNO.

Through Mr. Rothwell, his designee for the post of Secretary-General of the United States delegation to UNO, Dr. Hiss will enjoy "working control" over

<sup>11</sup> HUAC hearings on espionage in the United States Government, 1918, p. 1180.

<sup>12</sup> He was a trustee of the organization (IPR hearings, p. 134). He cooperated with Edward C. Carter and Laughlin Currie in arranging a high-level conference for Vladimir Rogoff, Tass correspondent (ibid., pp. 131, 132, 133). Lawrence K. Rosinger, who invoked the fifth amendment regarding Communist ties, refused on the same ground to acknowledge knowing Alger Hiss (ibid., p. 2486). William L. Holland sent IPR manuscripts for review to Hiss (ibid., p. 482). Hiss was recommended as a delegate to the Hot Springs IPR conference by Philip C. Jessup (ibid., pp. 494, 979, 980). Carter wrote to Hiss on February 5, 1947: "You have done so much for the IPR in cooperation and wise advice that I am hoping this fine relationship can continue in your new post" (ibid., p. 134).

<sup>13</sup> Mr. PANUCH. Mr. Hiss was deputy to Mr. Pasvolksy, who was a special assistant in charge of the International Security Organization, and I think the chart will show the precise title that Mr. Pasvolksy's portfolio had. But the agency under Mr. Pasvolksy which was in Mr. Hiss' charge was the Office of Special Political Affairs, and that had policy jurisdiction of all international organizations and the logistic and policy support of our activities in international organizations, which specifically were the United Nations, the specialized agencies, and the American complement of personnel in the United Nations' Secretariat (p. 851).

<sup>14</sup> Edward R. Stettinius, Jr.

the flow of papers in and out of the Secretariat of the United States group. The proposed plan would establish a similar control setup within the State Department, where Dr. Hiss already wields considerable influence with the counselor on UNO matters. This would be effected by the simple device of establishing a new Office for United Nations Affairs, which would report directly to the Under Secretary. Under the plan, the Director of this new Office (Dr. Hiss) would be the Under Secretary's deputy for United Nations Affairs.

If this ambitious project should be approved, it is obvious that the operations of the new office, as the "initiating and coordinating center within the Department" for UNO affairs, will, for all practical purposes, supplant and supersede the functions of the geographic and economic offices of the Department. In such event, the question arises to what extent the de jure policy output of the Department will be diluted by the day-to-day de facto policy product as established by Mr. Stettinius' counterpart of the State Department, functioning within the UNO orbit of influence in New York. If Dr. Hiss should succeed in causing Dr. Appleby to be designated as the UNO Assistant Secretary General for Administration, the Hiss group will have achieved infiltration in, or control of, four critically strategic points, i. e., (a) UNO itself (Feller, Appleby); (b) the United States delegation (Stettinius and Rothwell); (c) State Department (Hiss, Ross, OUNOA); and (d) Bureau of the Budget (Harold Smith, Schwarzwaldner) (pp. 852-853).

The subcommittee noted that it was Panuch and not Hiss who was dismissed from the State Department.<sup>15</sup>

### *David Weintraub*

David Weintraub occupied a unique position in setting up the structure of Communist penetration of governmental agencies by individuals who have been identified by witnesses as underground agents of the Communist Party, and who, when asked about the truth of this testimony, either invoked the fifth amendment on grounds of possible self-incrimination or admitted such membership.

He was the director of the National Research Project of the Works Progress Administration which was an object of special attention during our hearings. The project appears to have been a kind of trap door, through which agents of the Communist underground gained entrance to the Government. In addition to Weintraub, the project harbored Irving Kaplan, Edward J. Fitzgerald, Charles Flato, Jacob Grauman, Harry Magdoff, Harry Ober, Herbert S. Schimmel, Vera Shalkman, Norman Bursler,<sup>16</sup> and Alfred Van Tassel.

<sup>15</sup> Mr. MORRIS. This is your conference with whom?

Mr. PANUCH. Secretary Byrnes. He said, "Why don't you submit your resignation to General Marshall and I will talk to him about you and let you know?"

When General Marshall came from Hawaii, Secretary Byrnes did talk to him, and I was told that "General Marshall wants to see you, talk to you, immediately, and he wants to have you stay on."

The next day I was told by a newspaperman that I was slated to get the full treatment, and I found out that Secretary Acheson, who was then Under Secretary Acheson, who was expected to be Under Secretary for George Marshall during an interim period until Under Secretary Lovett could come over from the War Department, would not tolerate my being around the Department.

Senator WELKER. Who was this? Dean Acheson would not tolerate your being around the Department?

Mr. PANUCH. I he were Under Secretary until General Marshall; yes.

So I made the necessary preparations, and I stayed around to be called by General Marshall, and one of my people was taking care of his engagement desk, and the engagement was constantly being put off, and so, on September 23, or rather, January 23, at 5:30 that night, Under Secretary Acheson called me into his office, and we had a conversation and he said, "Joe, you and I haven't gotten along very well," and he said "Now General Marshall has asked me to take over here as Under Secretary until Mr. Lovett comes over and I told him that I would do so only on condition that I would have complete charge of the administration of the Department and, as you and I don't see eye to eye on various matters, I would like your resignation."

So I told him I had already tendered my resignation to Secretary Marshall, and he said, "Really?"

And I said, "Yes."

He said, "Where is it?"

I said, "I will go into General Marshall's room and take it off his desk," which I did.

It was one of the simple ones: "I resign at your pleasure, Acting Secretary for Administration."

I gave that to Secretary Acheson and he seemed surprised, and he put it in his drawer and reached out a letter accepting my resignation, signed by General Marshall, effective as of the close of business that date which under Department rules, was 10 minutes later (p. 908).

<sup>16</sup> Bursler's Government employment: Special assistant, National Recovery Administration; research statistician, Works Progress Administration, National Research Project; economist, Office of the Secretary of Labor; assistant economist, Department of Agriculture; expert, Department of Justice, Anti-trust Division. He denied Communist Party membership before the subcommittee.



Irving Kaplan was in fact the immediate subordinate of Weintraub as associate director of the project. Whittaker Chambers testified that he was told by a leader of the Communist underground apparatus, to seek employment with the National Research Project, the two heads of which were Communist Party members. He applied and got the job.<sup>17</sup> Weintraub, when subpoenaed, denied Communist membership.

The role played by Weintraub was indicated in the case of Fitzgerald by this testimony:

Mr. MORRIS. Now, did Mr. Weintraub aid you in any way in getting your employment with the national research project?

Mr. FITZGERALD. I decline to answer on the ground it might tend to incriminate me (p. 247).

On Fitzgerald's civil-service application forms dated February 13, 1943, and November 26, 1944, David Weintraub appears as a reference, together with Irving Kaplan (p. 251). On October 16, 1936, Weintraub, together with Kaplan, signed a requisition for personnel in behalf of Fitzgerald asking that the latter be assigned to official headquarters of the national research project (pp. 266-267). On June 1, 1939, and January 29, 1941, Weintraub signed statements giving Fitzgerald a recommendation of "excellent," eulogizing his service in detail (pp. 267, 271). On January 10, 1940, Weintraub wrote to the Bureau of the Census in behalf of the employment of Fitzgerald and Magdoff (p. 269). Weintraub admitted he may have recommended Solomon Adler, a national research project employee for a Government post.<sup>18</sup> Adler, later to become United States Treasury attaché in China was identified as a member of an underground ring of the Communist Party.

At least three witnesses who refused to answer questions regarding their Communist affiliations (Henry H. Collins, Jr., Harry Ober,<sup>19</sup> and Harold Glasser) stated that it might incriminate them if they answered questions about knowing David Weintraub (pp. 21, 63, 267).

Weintraub became the Director of the Economic Stability and Development Division of the Secretariat of the United Nations, and employed under him again were Irving Kaplan and Herbert S. Schimmel. Also employed under Weintraub at the U. N. were Sidney Glassman, Herman Zap, and Joel Gordon who invoked their constitutional privilege against self-incrimination.

In the course of his testimony in the hearings on the Institute of Pacific Relations, Weintraub admitted knowing the following Government employees who were identified in sworn testimony as members of an underground cell of the Communist Party: John J. Abt, Alger Hiss, Lee Pressman, V. Frank Coe, Donald Hiss, Victor Perlo, Nathan Gregory Silvermaster, Abraham George Silverman, and Michael Greenberg. He also knew Harry D. White and Lauchlin Currie, who, according to testimony, were involved with this group.<sup>20</sup>

Chambers, in the course of his testimony, mentioned Rose Alpher, Weintraub's sister, as a Communist. When she was called to answer this testimony, she invoked her constitutional privilege.

<sup>17</sup> IPR hearings, p. 4737.

<sup>18</sup> IPR hearings, p. 4649.

<sup>19</sup> Ober, when summoned by the subcommittee was still an employee of the Department of Labor and refused to answer on grounds of privilege, whether he was in the same Communist cell as Weintraub. By the time he appeared as a witness, several days later, he had resigned.

<sup>20</sup> IPR hearings, pp. 4676, 4679.

Weintraub helped make policies in important agencies affecting the interests of the United States, i. e., as assistant to Harry Hopkins, Director, Federal Emergency Relief Administration; Director of National Research Project, Works Progress Administration, 1933 to 1941; economic adviser for the Redistribution Division of the War Production Board, 1941 to 1943; Chief of the Division of Studies and Reports of the Office of Foreign Relief and Rehabilitation of the State Department, 1943; adviser to Governor General Herbert H. Lehman at the first council session of the United Nations Rehabilitation and Recovery Administration, 1944; secretary of the committee on supplies, UNRRA, 1944; chief of supplies, UNRRA, 1945, 1946.

*The story of Irving Kaplan*

Our hearings brought forth the amazing story of Irving Kaplan.

On March 16, 1936, Kaplan was made associate director of the national research project for the Works Progress Administration at a salary of \$5,000 a year. The following September his salary was raised to \$5,400. On August 3, 1938, he was made special assistant to the Attorney General of the United States, also at \$5,400. On February 21, 1940, he became research analyst in the Office of the Chief, Research and Statistics Section, of the Federal Works Agency, at \$5,600. On July 1, 1941, he was promoted to principal research economist in the Office of the Administrator, Federal Works Agency.

On February 2, 1942, he was made head economic analyst, Statistics Division, Industrial and Commodity Research Branch, War Production Board, at \$6,500. Two weeks later he became head program progress analyst, Executive Office of the Chairman, Office of Progress Reports, War Production Board. On September 12, 1944, he was appointed Director, Programs and Reports Staff, Office of the Administrator, Foreign Economic Administration, at \$8,000.

On July 12, 1945, Kaplan was made economic adviser, liberated areas problem, Division of Monetary Research, Treasury, at \$8,750. On the same day he was also made economic adviser, Foreign Funds Control Section of the Treasury and assigned to the United States Group Control Council in occupied Germany. On May 20, 1946, he was transferred to the post of economist, Chief, Stabilization Studies Division, Advisory Board, Guaranteed Wage Study, Office of War Mobilization and Reconversion, at \$9,012 (exhibit 322A).

Kaplan appeared before us during the inquiry into IPR. Here is a sample of his testimony:

Mr. SOURWINE. Were you ever a Soviet espionage agent?

Mr. KAPLAN. I refuse to answer on the ground that it may tend to incriminate me.

Mr. SOURWINE. Are you a Soviet espionage agent now?

Mr. KAPLAN. I refuse to answer \* \* \*.

Mr. SOURWINE. Did you ever conspire to overthrow the Government of the United States by force and violence? \* \* \*

Mr. KAPLAN. I refuse to answer \* \* \*.

Mr. SOURWINE. Are you now engaged in any active conspiracy to overthrow the United States Government by force and violence?

Mr. KAPLAN. May I consult with counsel?

Senator FERGUSON. Yes.

(Mr. Kaplan confers with counsel.)

Mr. KAPLAN. I refuse to answer on the same grounds \* \* \* (IPR 4760-61).

\* \* \* \* \*



Senator FERGUSON. Was there a ring in Washington, where Communists were active, to get other Communists into the United States Government?

Mr. KAPLAN. I refuse to answer \* \* \* (IPR 4745).

Shortly after this testimony, Kaplan took the stand before the House Committee on Un-American Activities on June 10, 1952. His combined testimony fills about 61 pages. On those 61 pages we find that he believed it might incriminate him if he gave true answers to 244 questions.

Kaplan said it might incriminate him to tell who got him his first Government job in the Works Progress Administration, or to tell who his superior was in his second Government job with WPA's national research project, or to tell who arranged the appointment with Assistant Attorney General Thurman Arnold, which got him his third Government job as special assistant to the Attorney General, or to tell how he got his jobs with the War Production Board, the Foreign Economic Administration, the Treasury and the Office of War Mobilization and Reconversion.

How did he get them? Who hired him? Who helped him? Who promoted him? Whom did he, in turn, hire, and help and promote? What kind of record did he make as a Government servant?

The man who gave Irving Kaplan his job as associate director of the national research project of WPA in 1935 was David Weintraub (IPR, p. 4647). The man who helped Irving Kaplan get his job with the Division of Economic Stability of the United Nations 12 years later was the same David Weintraub, who by that time was Director of that U. N. division (IPR, p. 4630).

Whittaker Chambers involved both Kaplan and Weintraub as Communists. He said that Kaplan gave him, Chambers, a job with the National Research Project of WPA in the 1930's as a service to the Communist conspiracy (IPR, p. 4756).

Elizabeth Bentley testified that Kaplan was one of the espionage ring who gave her stolen Government secrets in the 1940's.

Edward J. Fitzgerald, who got started in Government at the national research project, used Kaplan's name for reference to help him on his way up (p. 251).

When Kaplan applied for a post with the Federal Works Agency in 1942, he used the names of Lauchlin Currie and Abraham George Silverman as character references (exhibit 316). Currie, it will be recalled, was described by Elizabeth Bentley as one of her most important "avenues of influence." She named Silverman as a member of the underground. Silverman sought the shelter of the fifth amendment when questioned about these charges (IPR Report, p. 181.)

Kaplan used the names of Currie and Silverman again, 2 years later, when he sought a job with Foreign Economic Administration. He got the job (exhibit No. 318). He used the same names, with the same success, in an application to the Treasury in 1945 (exhibit 322).

When Kaplan went to the Treasury in June 1945, it was Frank Coe who appointed him (exhibit 322A). Coe's name was on the Berle notes and he was identified by Bentley as a Communist. He invoked the fifth amendment before us last December 1, 1952 (p. 227ff—U. N. hearings).

In July 1945, Harry Magdoff gave a "favorable comment concerning Mr. Kaplan's character," when Kaplan was preparing to join the United States Group Control Council in Germany (exhibit 321A).

Five months after he vouched for Kaplan's loyalty, Magdoff himself was named in the Nixon memorandum. In December 1945, a month after the memorandum was circulated, Magdoff was made Chief Economic Analyst in the Office of Business Economics, Department of Commerce, at \$7,437.50. A year later, after five promotions, Harry Magdoff<sup>21</sup> was drawing \$9,975 (p. 292).

After his return from Germany both Coe and Harold Glasser rated Kaplan's Treasury work E, for excellent. Glasser was the man, according to Chambers, who persuaded Harry Dexter White to produce more documents out of the Treasury (pp. 74-75).

On May 17, 1946, Kaplan was transferred by Coe to the Office of War Mobilization and Reconversion (exhibit 322B). He left there, with accumulated leave and a clean bill of health, only when the agency itself ceased to exist.

The facts stated above hardly need interpretation, against the backdrop of Miss Bentley's previously quoted testimony.

We didn't have too much trouble (in moving these agents) \* \* \*. Two of our best (avenues for placing people in positions) were Harry Dexter White and Lauchlin Currie \* \* \*. Whoever we had as an agent would automatically serve for putting some one else in \* \* \*. Once we got one person in, he got others, and the whole process continued like that \* \* \*. We trained our agents to make what good contacts they could here in Washington in order that should they need to get into a better job, they would have the contact ready. "We" tried to keep members "out of the real fighting," so they would not "get knocked off."

There are certain other facts regarding Kaplan's record. At the National Research Project, he was in charge of "planning, developing, and directing the research work." He was "in charge of research section" at the Federal Works Agency. As special assistant to the Attorney General of the United States, he "planned and directed studies in connection with investigations of the TNEC (Temporary National Economic Committee) and the antitrust division." At the War Production Board he had full access to "secret monthly reports on the United States production program" (exhibit 318A). At the Treasury he "advised and conferred with the Secretary" (exhibit 322C).

When he was assigned to Germany, the Treasury asked the Secretary of State for a special passport, because of the "vital importance" of getting Kaplan to Germany "as soon as possible" (exhibit 319A). General McNarney designated him an official courier to carry classified documents (exhibit 319).

Here is a description of the job Irving Kaplan was supposed to do in Germany:

#### JOB DESCRIPTION, ECONOMIC ADVISER, P-8, IRVING KAPLAN

Serves as chief adviser on the most complex financial economic problems in connection with the comprehensive investigative and research work being undertaken to trace through captured and other records all German assets and looted property; renders expert advice and participates in planning major investigative and research projects with respect to uncovering German assets and tracing methods of financial and economic manipulation practiced by the German Government, such projects covering the investigation of individuals, banks, international holding companies and corporations, industrial combines, cartels and other kinds of business and financial enterprises, and involving questions in connection with

<sup>21</sup> Magdoff's present occupation is somewhat obscure. He told the subcommittee he was self-employed, and then sought shelter under the umbrella of the fifth amendment when asked about his clients (p. 287).

such enterprises, such as: organization structure; states or political entities or laws under which organized; type and volume of commercial and financial transactions in which engaged; ownership and control of securities and obligations; devices used to cloak real control, such as dummy organizations, trust agreements, option contracts, repurchase agreements, interlocking directorates, industrial agreements; cartels, community of interest arrangements, copyright and patent agreements, etc.; also, engages in a planning and advisory capacity in organizing projects to trace millions of dollars of hoarded gold bullion, coin, foreign currency, art treasures, and other looted property seized by the German army and believed cached in neutral nations; and performs other work of equal importance and responsibility

#### HOW MANY SECRETS?

How many priceless American secrets have been conveyed to Moscow through the tunnels of the American Communist underground will never be known. The fact that documents were accumulated by unauthorized persons has been well established. For instance, in the winter of 1945, agents of the Office of Strategic Services invaded the New York office of an obscure, little magazine called Amerasia. This publication has been closely identified with the Institute of Pacific Relations and its connection with the Communists who had infiltrated IPR was set forth when that organization was the subject of a special inquiry by the subcommittee.

#### THE AMERASIA CASE

This subcommittee has not addressed itself specifically to the Amerasia case, which has been the subject of inquiries by other congressional committees, and it does not know whether any of the documents found in the Amerasia office were, in fact, transmitted further. But the testimony of Frank Bielaski, who in his capacity of director of investigations for the OSS, conducted the investigation is most significant.

Mr. BIELASKI. \* \* \* Of the documents we saw, I made the comment at the time, that we had documents there from every department of the Government, with the exception of the FBI. We didn't find any FBI documents in that office; but, the State Department Military Intelligence, Naval Intelligence, Bureau of Censorship, British Intelligence, OSS, and possibly some others which I have forgotten.

They were not documents that were primarily of literary value, they were not literary documents. They were documents that had very definite value of a different kind, not all, but many of them. Every document I saw was stamped with the mail receipt stamp of the Department of State. I would not say that all 400 were stamped that way, but all I saw were so stamped. All those that I saw, also, were marked with a paragraph, I can read it exactly to you, I wrote it down in a memorandum, but it was to the effect that "The possession of these documents by an unauthorized person constituted a violation of the Espionage Act," and it quoted the paragraph, and so forth, of the act.

\* \* \* \* \*

Oh, among these documents which I recall, and which we discussed while we were sitting there, to determine how we were going to handle this thing, was one all of us remember because it startled us. It was a lengthy document detailing the location of the units of the Nationalist Army of China, their strength, how they were armed, where they were located, the town in which they were located (ibid, p. 933).

\* \* \* \* \*

Of my knowledge, the total number of documents involved exceeds a thousand—there is 400 that we saw, and I think the FBI seized 467 in Jaffe's office later.



Senator LODGE.<sup>22</sup> Different ones?

Mr. BIELASKI. Different ones, and 280—some that they seized in Larsen's apartment, here in Washington.

Senator LODGE. What happened to them?

Mr. BIELASKI. The Department of Justice has them.

Senator LODGE. Still has them?

Mr. BIELASKI. Yes, sir (State Department Employee Investigation, hearings pursuant to S. Res. 231, 81st Cong., 1950, pp. 933, 945, 949, 950).

#### THEFTS OF SECRETS BY SOVIET AGENTS

The subcommittee took cognizance of the records of other committees and investigative bodies and observed the extensive thefts of secret documents by Communist agents.

#### THE CANADIAN ROYAL COMMISSION

In September 1945, Igor Gouzenko slipped away from the Soviet Embassy in Ottawa with the files which ultimately provoked a full-scale investigation by a Canadian Royal Commission.<sup>23</sup> The report of this Royal Commission, based as it was on irrefutable documentation from the fountainhead of the conspiracy, demonstrates beyond challenge the international and intercontinental nature of the Kremlin's net. The report had some vitally significant things to say about the secrets which passed to Moscow through the North American and European tunnels of the underground:

\* \* \* The evidence indicates that there were agents working along the same lines in the United Kingdom, the United States, and elsewhere. The Russians would know from their agents in Canada that information was being pooled: By getting some information on a subject here, some in England, and some in the United States, and then assembling it, a very large body of data could be built up.

\* \* \* \* \*

However, much secret and valuable information was handed over. Some of it is so secret still, that it can be referred to only obliquely and with the greatest care, and this is especially so in the case of certain secret information shared by Canada, the United Kingdom, and the United States.

From the beginning there was the closest cooperation in scientific research between Canada, the United Kingdom and, later the United States.

\* \* \* \* \*

<sup>22</sup> Henry Cabot Lodge, presently United States Ambassador to the United Nations, was a member of the Special Senate Committee which made some inquiries into the Amerasia case. In his minority report on the results of these inquiries, Mr. Lodge gave the following statement about the Amerasia documents:

At the time of the arrests, some 1,800 documents, the majority of which were of Government origin or were Government property, were recovered. These documents represented reports from the State Department, the Navy Department, OSS, Office of War Information, Federal Communications Commission, Foreign Economic Administration, and the War Department. According to the testimony of the chief FBI agent in charge of the Amerasia investigation, Mr. D. Milton Ladd: "some of them dealt with military matters, political affairs, etc. Many of these documents bore the classification 'secret,' 'confidential' or 'restricted.' Some were originals, some were copies prepared at the time the originals were made, and others were copies from the originals."

That many of these documents were of great importance is shown by the following brief descriptions of some of the documents: A "top secret" document dealing with targets in Japan; a "top secret" document on the Japanese Air Force; a "top secret" report on Japanese resources; a "top secret" document which revealed the United States breakdown and mastery of Japanese codes; a "confidential" Office of Naval Intelligence report on the organization of Japanese naval forces; a "strictly confidential" communication from Ambassador Gauss on the reorganization of the Chinese Air Force; a "classified" report on airplane and seaplane anchorages in Japan, Formosa, and Korea prepared by Military Intelligence; an Office of Naval Intelligence "confidential" report on China coast physical geography and coastwise shipping routes, bearing the penciled notation "war plans, coastal areas, inner passage, mined areas"; a "very secret" document containing a memorandum to the Joint Chiefs of Staff, Washington; two "secret" documents of the Military Intelligence Division entitled "Changes to Order of Battle of Chinese Army"; a document marked "top secret for eyes only," the very highest classification given; a "confidential" forecast of the Pacific war by Secretary Grew, which indicated the location of American submarines, together with other classified documents dealing with such subjects as the composition of United States forces in Manila and an operations plan for Naval Intelligence for their entire counter-intelligence organization in the United States.

<sup>23</sup> The Report of the Royal Commission appointed under Order in Council P. C. 411 of February 5, 1946, To Investigate the Facts Relating to and the Circumstances Surrounding the Communication, by Public Officials and Other Persons in Positions of Trust of Secret and Confidential Information to Agents of a Foreign Power, June 27, 1946.

Next to the atomic bomb it would appear to us that the development of radar was perhaps the most vital work accomplished by the English-speaking democracies in the technical field during the period in question. British scientists had already done valuable pioneering work before 1939, but the improvements made since then had been considerable and many of these are still in the top secret category. Information of the greatest importance in this field was communicated to the Russians by agents.

The work done in connection with antisubmarine devices, asdic, is as important as the work done on radar—some authorities say that it is more important. Much of it is still in the top secret category. The information before us leads us to the conclusion that much, and very possibly all, of the information available in Canada on this subject has been compromised. It would at least be unwise to assume anything else.

The advances made in Canada by Canadians in developing and improving explosives and propellants were outstanding. Canadian scientists were given very full information on the work being done in the same fields in the United Kingdom and the United States. The very names of many formulas are still supposed to be secret: the production methods even more so. But the names and much of the secret information were given to the Russians as well as continuing information about trials, experiments and proposed future research. This information was of great value.

Another development in which Canada played a leading role is the "V. T. Fuse," the name being a code name. "This is the fuse that knocked the Japanese Air Force out of the air" \* \* \* One of the agents upon whom we are reporting had the wiring diagram of this fuse. There are certain details of the manufacture which were known only to the Americans; and the United States of America is, we are told, the only country that can build the fuse at the present time. This fuse is the "electro bomb" referred to in some of the Russian documents. None of the armaments sent to Russia during the war included this fuse.

In conclusion, therefore, we can say that much vital technical information, which should still be secret to the authorities of Canada, Great Britain and the United States, has been made known to the Russians by reason of the espionage activities reported on herein. The full extent of the information handed over is impossible to say; as we have already pointed out, these operations have been going on for some time. We should emphasize that the bulk of the technical information sought by the espionage leaders related to research developments which would play an important part in the postwar defenses of Canada, the United Kingdom, and the United States.

\* \* \* \* \*

\* \* \* Much of the political information obtained was classified as top secret and related not only to the policies of the Canadian Government but to those of the Governments of the United Kingdom and the United States. The value of information of this type needs no particularization.

Again, Canadian citizenship documents such as passports, naturalization certificates, and marriage or birth certificates were sought for illegal purposes and in some cases obtained. Such documents were sought not only for use in Canada but also, as illustrated for example by the Witezak passport case dealt with in section V of this report, for use in the United States. Sam Carr accepted in 1945 an assignment to facilitate the entry of other planted agents into Canada in the future, and it is clear that this type of operation, which was not a new development, was intended to be used more extensively in the future. Such planted agents could in time be used not only for espionage but for sabotage, leadership of subversive political groups, and other purposes. It is unnecessary to comment on the possible gravity of these operations. (The report of the Canadian Royal Commission pp. 616-620.)

#### THE BENTLEY RING'S HARVEST

About the time Gouzenko was telling his story to the Canadian authorities, Miss Bentley was telling hers to the Federal Bureau of Investigation. In 1948 she made her first public statement under oath.<sup>24</sup>

<sup>24</sup> Hearings regarding Communist espionage in the United States Government by House of Representatives, Un-American Activities Committee, 80th Cong., 2d sess., pp. 522-531.



Mr. STRIPLING. What type of information did Mr. Silvermaster turn over to you?

Miss BENTLEY. He turned over whatever members of his group secured, which was varied, depending on the spot the person was in.

Mr. STRIPLING. What type of information was actually turned over to you, and which you transferred to Mr. Golos?

Miss BENTLEY. Military information, particularly from the Air Corps, on production of airplanes, their destinations to the various theaters of war and to various countries, new types of planes being put out, information as to when D-day would be, all sorts of inside information.

Mr. STRIPLING. How would you transmit this information, yourself, acting as a courier for the group?

Miss BENTLEY. That depended. In the very early days they either typed it out or brought me documents. Later on they began photographing it.

Mr. STRIPLING. Where was the photographing carried out?

Miss BENTLEY. In the basement of the Silvermaster house <sup>24</sup> (p. 522).

\* \* \* \* \*

Mr. STRIPLING. Could you elaborate on the military information which you secured from the Silvermaster group?

Miss BENTLEY. Well, the military information came largely from George Silverman and Ludwig Uhlmann; and, as I said, it was information of the most varied things you could think of. We had complete data as to almost all of the aircraft production in the country, as to types, how many were being produced, where they were allocated, and so on. We had all sorts of inside information on policies of the Air Corps. As I said, we knew D-day long before D-day happened, and we were right. Practically all the inside policies that were going on inside the Air Corps. We got quite a bit of information about General Hilldring's activities.

\* \* \* \* \*

Mr. STRIPLING. What was the type of information that you got regarding General Hilldring?

Miss BENTLEY. Mostly inside policy data on what we were planning in the way, as I said, of invasions and action in Europe <sup>24</sup> (pp. 525-526).

\* \* \* \* \*

Miss BENTLEY. All types of information were given, highly secret information, on what the OSS was doing, such as, for example, that they were trying to make secret negotiations with governments in the Balkan bloc in case the war ended, that they were parachuting people into Hungary, that they were sending OSS people into Turkey to operate in the Balkans, and so on. The fact that General Donovan was interested in having an exchange between the NKVD and the OSS \* \* \* <sup>24</sup> (p. 529).

\* \* \* \* \*

Mr. MUNDT. What kind of information would he [Maurice Halperin] give you?

Miss BENTLEY. Well, in addition to all the information which OSS was getting on Latin America, he had access to the cables which the OSS was getting in from its agents abroad, worldwide information of various sorts, and also the OSS had an agreement with the State Department whereby he also could see State Department cables on vital issues <sup>24</sup> (pp. 530-531).

Miss Bentley told the Internal Security Subcommittee that—

We were so successful getting information during the war largely because of Harry White's idea to persuade Morgenthau to exchange information. In other words, he would send information over to Navy, and Navy would reciprocate. So there were at least 7 or 8 agencies trading information with Secretary Morgenthau (IPR, p. 422).

She said that information from the White House "mostly on the Far East, on China" came from Michael Greenberg, who worked under Lauchlin Currie, executive assistant to the President (IPR, p. 414).

According to the Nixon memorandum—

Another member of this group who resides with Silvermaster is William L. Ullman, a major in the United States Army Air Force stationed at the Pentagon Building who has been responsible for the obtaining and photographing of classified information regarding United States Government war plans and also reports of

<sup>24</sup> See footnote, p. 17.

the Federal Bureau of Investigation, copies of which had been furnished to G-2 of the Army at the Pentagon Building (p. 72).

Miss Bentley testified that Lauchlin Currie was a "full-fledged member of the Silvermaster group," who was used not only to "bail out" other members "when they were in trouble," but also to steal White House secrets for the Soviets. Most of these secrets, she said, were related to America's far eastern affairs. (Currie was President Roosevelt's adviser on these matters, having served as the President's personal emissary to Generalissimo Chiang Kai-shek.) On one occasion, according to Miss Bentley, Currie sent word through George Silverman and Harry Dexter White that the United States was about to break a Soviet code (IPR hearings, p. 243).

#### THE PUMPKIN PAPERS AND AFTER

In 1948 Whittaker Chambers also reached an open hearing room with his story of the Ware group. As an eventual result of his testimony, he came forward with "hundreds of pages of confidential and secret documents."<sup>25</sup> These documents, he testified, had been delivered to him by Alger Hiss, Harry Dexter White, and other members of the underground Communist ring.

Most of them had come from the State Department 10 long years before. Sumner Welles, who had been Under Secretary of State during this period, was asked his opinion of the importance of some of the documents. Excerpts from his testimony tell their own story:

MR. STRIPLING. Mr. Welles, were any of these messages which I have shown you, would they be sent in code? Is there anything to indicate that they were sent in code originally?

MR. WELLES. All of these messages, Mr. Stripling, originally were sent in code, and undoubtedly those marked "strictly confidential" or "strictly confidential, for the Secretary," would presumably be sent in one of the most secret codes then in our possession.

MR. STRIPLING. Would the possession of the document as translated, along with the original document as it appeared in code, furnish an individual with the necessary information to break the code?

MR. WELLES. In my judgment, decidedly yes<sup>26</sup> (p. 1388).

\* \* \* \* \*

MR. HÉBERT. \* \* \* Mr. Welles, I understand your position as enunciated at the moment. May I ask you this: Were you the Under Secretary of State at the time these documents were received in the State Department?

MR. WELLES. That is correct, sir.

MR. HÉBERT. And at that time would their release to the public, or their release to unauthorized hands, be prejudicial to the best interests of the Nation?

MR. WELLES. In the highest degree prejudicial and in the highest degree dangerous to the Nation's interests<sup>26</sup> (pp. 1389-1390).

\* \* \* \* \*

MR. NIXON. Mr. Welles, in the case of a "strictly confidential for the Secretary" type of document, as I understand one of these documents was, at the time you were in the Department of State would such a document be kept in what you might term a certain type of file for safekeeping, and only one or more copies made? I wonder if you could enlighten us on that point.

MR. WELLES. The distribution would have been extremely restricted, and as soon as the documents had been distributed to certain officials and read by those officials, they were supposed to be collected and taken to a section of the archives in the Department of State that was reserved for "strictly confidential" information<sup>26</sup> (p. 1390).

\* \* \* \* \*

MR. NIXON. It is my understanding, following the question Mr. Hébert asked, that you have indicated not only were the two documents you have examined—not

<sup>25</sup> Mr. Nixon's House speech, January 26, 1950.

<sup>26</sup> See footnote on p. 20.

only would it have been prejudicial to the national interest to have released them then to an unauthorized person, but now, 10 years later, it would still be prejudicial to the national interest to release those documents?

Mr. WELLES. In my judgment that is entirely correct, sir <sup>26</sup> (pp. 1390-1391).

When these documents were delivered to Chambers, Alger Hiss and Harry Dexter White held relatively minor positions in the Government service. In the years that followed, as already noted, they gained entrance to the innermost command posts affecting American foreign policy.

Dr. Edna Fluegel, a former State Department foreign-affairs specialist, was asked about Hiss' ultimate access to secret documents when she appeared before the subcommittee in the IPR hearings.

Mr. MORRIS. What documents or what material would be available to him [Hiss] in that role?

Miss FLUEGEL. Everything that existed.

Mr. MORRIS. Everything in the entire Department of the highest classification?

Miss FLUEGEL. Yes. At that particular time, you see, postwar involved everything, economics, social, political.

Senator WATKINS. Do you know that of your own personal knowledge?

Miss FLUEGEL. Yes. You see, everything, every single decision—at that time, they had this top Secretary's Committee which was the final place where policy decisions were made, and it really operated then. So that every paper on every subject requiring top policy decision came to it, and Mr. Hiss was ex officio a member of that committee.

Senator WATKINS. And all that material was then available to him as it was to the members of the committee?

Miss FLUEGEL. That is right <sup>27</sup> (p. 2838).

#### THE DESIGN

The design of Communist penetration testified to in past years by Elizabeth Bentley, Whittaker Chambers, Louis Budenz, Nathaniel Weyl, and others, was clarified and substantiated by the documents adduced in the Senate Internal Security Subcommittee's hearings this year. All of the Government employees exposed by these witnesses were threads in this design.

When the principal concern of Government was economic recovery, they were in the Agricultural Adjustment Administration, the Works Progress Administration, the National Recovery Administration, and new sections of old departments. During the war, they joined such wartime agencies as the Board of Economic Warfare, the Federal Economic Administration, the Office of Strategic Services, and the like. Toward the end of the war and in the postwar period, they were operating in the foreign policy field. At the end of the war, they were gravitating toward the international agencies.

They colonized key committees of Congress (p. 340-345). They helped write laws, conduct congressional hearings, and write congressional reports. (See testimony of Henry Collins, pp. 1 ff; Charles Kramer, pp. 327 ff; Charles Flato, pp. 487 ff; Frederick Palmer Weber, pp. 177 ff.)

They advised Cabinet members, wrote speeches for them, and represented them in intergovernmental conferences. (See testimony of Harry Magdoff, pp. 286 ff; Edward J. Fitzgerald, pp. 241 ff; Harold Glasser, pp. 53 ff.) They staffed interdepartmental committees which prepared basic American and world policy. (See IPR hearings pp. 2823-2837.)

<sup>26</sup> Hearings regarding Communist espionage in the United States Government, pt. II, by House Un-American Activities Committee, 80th Cong., 2d sess.

<sup>27</sup> Institute of Pacific Relations hearings, pt. VIII, by Senate Internal Security Subcommittee, 82d Cong.



They traveled to every continent as emissaries and representatives of the American people. They attended virtually every international conference where statesmen met to shape the future.

In its report on the Institute of Pacific Relations,<sup>28</sup> the subcommittee showed how a group of these individuals influenced the State Department with disastrous results to American far eastern policy. In the present inquiry we found other nests in the Federal Economic Administration, the Board of Economic Warfare, and those sections of the Treasury which formed American postwar foreign economic policy, particularly with regard to Germany. There had been nests in the original Agricultural Adjustment Administration, and in the national research project of the Works Progress Administration, both of which were supposed to help extricate the country from the terrible depression of the 1930's. There was an interlacing combination of these people in almost every agency, both executive and legislative, which had to do with labor.

"ONCE WE GOT ONE IN, HE GOT OTHERS"<sup>29</sup>

The subcommittee examined in public session 36<sup>30</sup> persons about whom it had substantial evidence of membership in the Communist underground in Government. All of them invoked the fifth amendment and refused to answer questions regarding Communist membership, on the grounds of self-incrimination. Many refused even to acknowledge their own signatures on official Government documents, in which they had sworn to nonmembership in the past.

Almost all of the persons exposed by the evidence had some connection which could be documented with at least one—and generally several—other exposed persons. They used each other's names for reference on applications for Federal employment. They hired each other. They promoted each other. They raised each other's salaries. They transferred each other from bureau to bureau, from department to department, from congressional committee to congressional committee. They assigned each other to international missions. They vouched for each other's loyalty and protected each other when exposure threatened. They often had common living quarters. There was a group that played handball together. There was another group whose names appeared together in a telephone finder.

In addition to those witnesses called to the stand in this series of hearings, the subcommittee also studied the records of those who had appeared previously before this, or other congressional bodies. Some of these likewise invoked the fifth amendment. Others were persons, like Alger Hiss and William Remington, who had denied the testimony of their secret Communist membership and ultimately were convicted of perjury. The employment record of Virginius Frank Coe, who denied Communist membership in 1948 and invoked the fifth amendment 4 years later, was also scrutinized. So was that of the late Harry Dexter White, who died shortly after denying the Bentley and Chambers testimony of 1948, but later was clearly implicated when notes in his own hand were found among the Chambers documents.

<sup>28</sup> S. Rept. No. 2050, 82d Cong., 2d sess.

<sup>29</sup> Bentley testimony, IPR, p. 417.

<sup>30</sup> Including 10 former Government employees who were heard in hearings on Subversive Influence in the Educational Process.

Virtually all were graduates of American universities. Many had doctorates or similar ratings of academic and intellectual distinction. Eleven had been or still are teachers.

#### THE WITNESSES

All who invoked the fifth amendment were unyielding, uncooperative and even abusive of the subcommittee. All assumed a cloak of innocence that was inconsistent with the record and with their refusals to testify. Almost typical was the testimony of Frederick Palmer Weber who, despite his long Government service, refused on Constitutional grounds to tell of his relations with the Soviet satellite embassies in Washington. In the course of his testimony, the following interesting exchange took place:

Mr. WEBER. You see, I am a Virginian, born and raised in Virginia, and my people fought for the Confederacy and I grew up under Thomas Jefferson's shadow and I would rather die than take away any man's right to hold any political opinion whatsoever that he so chooses on the basis of his own reading and understanding. I wouldn't do it. I wouldn't consent to it and I would not penalize any man for his particular opinions (p. 190).

\* \* \* \* \*

Mr. MORRIS. I would like to revert back a little bit. You made the statement in the course of your testimony here today that you would at no time object to anyone's making a speech or expressing his views under any circumstances. Do you recall that you were active in a protest strike against the appearance of Mme. Tatiana Tchernavin while at the University of Virginia?

Mr. WEBER. I will plead my privilege.

Mr. MORRIS. Did you not protest the appearance of that woman because she was considered anti-Soviet at that time?

Mr. WEBER. I will plead my privilege (p. 193).

Edwin S. Smith, once a member of the National Labor Relations Board, wrote a letter in 1940 to the Honorable Howard W. Smith, chairman of the Special House Committee to investigate the Board:

\* \* \* I take this opportunity to deny that I am now or ever have been a member of the Communist Party; that I do now hew or ever hewed to the party line; that I favor or ever have favored a line of policy which paralleled the policy laid down by Ralph Ambler, William Foster, Earl Browder, and every member of the Communist Party; or that my sympathies are or ever have been with the Communist groups.

I hereby request that this letter be printed in the proceedings of the committee. I am quite willing to appear and testify before the Committee concerning these matters.

In 1948, Smith was identified by Louis F. Budenz as a Communist in sworn testimony. When asked about this and other evidence before this subcommittee in 1953, he invoked his privilege under the fifth amendment. He was also confronted with his own 1940 statement, and questioned by the subcommittee regarding it:

Mr. MORRIS. Was that a truthful letter?

Mr. SMITH. I would say in respect to that letter for the purposes of my appearance before this committee I do not care to answer your question on the same grounds that I have alleged before (pp. 557-558).

Since his departure from Government service, Smith has taken off his mask and become an official propagandist for the Soviet Government, as American agent of Sovfoto, a Soviet agency, and a long list of Soviet and Chinese Communist principals. In this capacity, among other duties, he distributes photographs purporting to show that American troops have been engaged in germ warfare in Korea (p. 569).

During the Institute of Pacific Relations hearings, an IPR writer, whom the subcommittee sought to subpoena, was Israel Epstein who



resided in New York between 1945 and 1950. In the course of the hearings, Edward C. Carter, Secretary General of the Institute, was shown to have been engaged in devising ways and means of having Epstein's book *The Unfinished Revolution in China* read by the Secretary of State George C. Marshall, John Foster Dulles, and other leading policymakers of our Government. Epstein had been identified by Miss Bentley and other witnesses as a Communist agent.

An Associated Press story, dated July 29, 1953, with a dateline of Panmunjom, reported that Epstein turned up as a witness to the signing of the Korean armistice. He had arrived there in company with Communist correspondents Alan Winnington, of the London Daily Worker and Wilfred Burchett of the Paris Daily L'Humanite, from Communist truce headquarters at Kaesong. According to the dispatch, Epstein described himself as a stateless person who went to Communist China in 1950.

#### THE SAME WITNESSES BEFORE THE F. B. I.

By way of corroborating the impressive evidence the subcommittee had received concerning the witnesses appearing before this and certain other congressional committees, the subcommittee asked the Federal Bureau of Investigation if it interviewed these witnesses. Thirty-five cases were selected at random. The FBI review of these 35 cases shows the following:

(1) Thirty-three of these individuals had some type of identification with the Communist Party. Of the remaining 2 persons 1 was reported as a Communist sympathizer and the other as 1 who associated with Communists.

(2) Of these 35 individuals 7 had appeared before a congressional committee on a prior occasion. They proved uncooperative before the committee on each appearance.

(3) All 35 were interviewed by FBI agents; 26 were interviewed before their appearance before the congressional committee; 9 were interviewed subsequent to their congressional appearance.

(4) Of the 35 interviewed by the Bureau, 28 flatly refused to talk to agents. Of the 7 that did talk to agents, 3 denied allegations as to their Communist connections. They were not under oath.

One refused to deny or affirm Communist Party membership and refused to make any statement.

One denied knowing he was engaged in espionage activity from 1939 to 1945. On a subsequent interview he refused to talk on the grounds of his privilege against self-incrimination.

One furnished some information about communism but did not admit Communist Party membership. On a subsequent interview he refused to answer any questions.

One gave seemingly false information regarding his knowledge of a certain individual. On a subsequent interview 2 years later he refused to talk.

(5) The 35 uncooperative individuals refused to answer questions not only about their own Communist affiliations but about communism in general. They refused to cooperate in any way with the congressional committee.

Ten out of the thirty-five individuals were called before congressional sessions prior to the outbreak of the Korean war in June 1950. All 10 were uncooperative. Of these 10, 8 were called to testify after the outbreak of the Korean war; they remained uncooperative.

Three out of the thirty-five individuals were called before an executive session. They refused to cooperate. Of these 3, 2 were then called before public sessions; again they refused to cooperate.

#### FALSE SWEARING

The record is replete with instances of identified Communists, appearing before the subcommittee and invoking their privilege against self-incrimination in the face of the evidence, who have sworn

on Government applications they have never been members of the Communist Party. In one case the subcommittee had as many as 14 affirmations<sup>31</sup> made by one such witness, denying Communist membership. In many of the cases it was apparent to the subcommittee that there was false swearing when the oath was taken. But under the law at the time, the statute of limitations provided that no action could be initiated after 3 years from the commission of that offense. The subcommittee feels that the seriousness of false swearing on membership in an organization, an affiliate of which has been killing our troops in Korea, is certainly of sufficient seriousness to warrant extension of the time within which the crime can be prosecuted. And if the time is extended, a Government employee would weigh more seriously his sworn denial.

The subcommittee has had considerable experience with the difficulty of establishing Communist Party membership from the testimony of recent defectors from the conspiracy. In its report of July 17, 1953, on subversion in education, the subcommittee observed:

The length of time involved for a Communist to make a complete break with the organization and its ideology and to acquire the outlook necessary to reveal the details of his participation in the Communist Party was such that it was impossible to determine from ex-Communists the present status of the infiltration. This is so because communism so pervades the whole being of an individual Communist that it is not easily or quickly put aside.

Bella V. Dodd, for instance, broke with the Communist Party in 1948. She testified that it was not until 1952 that she became sufficiently disentangled, emotionally, from her Communist ties to see her way clear to testify before a Senate committee. But by that time her competency to testify to direct events after 1948 had vanished, because she no longer had access to Communist secrets after her defection. The subcommittee recognized that her interpretations of events between 1948 and 1953 were those of an expert because of her experience but were in no sense testimony of an active participant (p. 520, education hearings).

Consequently, it is an exceptional case when an ex-Communist can testify to another's Communist membership less than 3 years back.

The subcommittee also recognized the complete inadequacy of certain Government application forms. The form used by the Office of War Information asked an employee if he were presently a Communist Party member (p. 794).<sup>32</sup> A Communist could with impunity answer no to this if he effected a tactical resignation from the Communist Party the day of the signing of the form and rejoined the next day. The experience of Government agencies in enforcing the Taft-Hartley non-Communist affidavits shows how resourceful Communists are on this issue. Even if the element of a tactical resignation were not present, the prosecution agency would have to prove a person to be a Communist at the particular moment of signing to punish a violation of the regulation. This is virtually an impossible task.<sup>33</sup>

#### WARNINGS IGNORED

The subcommittee sought to determine precisely what aspect of the loyalty machinery failed, and allowed so many Soviet agents to remain

<sup>31</sup> See testimony of Charles S. Flato, pp. 457 ff.

<sup>32</sup> Furthermore, there was a vagueness and lack of precision in some of the application forms that the subcommittee encountered.

<sup>33</sup> The climate of the period in which Communist infiltration made its greatest headway is demonstrated by the following statement by Alfred Klein, Chief General Counsel of the United States Civil Service Commission, in a case under litigation:

"If I had to express my opinion as to whether the applicant is a Communist, my reply would be in the affirmative. However, I am constrained to recommend that the applicant be rated eligible." (See *Myers v. United States* (272 U. S. 50; 30 Op. Atty. Gen. 79, 83).)

in positions of influence in the United States Government, in the face of impressive derogatory security information. The subcommittee reviewed the evidence with a view toward determining this. There is ample evidence that the Federal Bureau of Investigation and other agencies learned the underlying facts of the Communist conspiracy and time and time again performed their duty and notified the proper administrative agencies of this information.

The Chambers information on Alger Hiss, as we set forth above, was known to the Federal Bureau of Investigation some years before 1945. The Nixon memorandum reveals that by November 1945 there were three distinct sources of information on Hiss' connection with the Communist underground—Gouzenko, Bentley, and Chambers—and yet, it was not until after the House Un-American Activities Committee had its hearings in 1948, 3 years later, that any action was taken on the Hiss case. This same inactivity was apparent in the cases of other persons mentioned as Communist agents in the 1945 Nixon memorandum, namely, Harold Glasser, Nathan Gregory Silvermaster, Edward J. Fitzgerald, Harry Magdoff, and others.<sup>34</sup> These people stayed in their jobs, received promotions, and influenced policy for several years after impressive information had been marshalled.

In the case of this subcommittee's inquiry into American citizens at the United Nations, the Federal Bureau of Investigation, in virtually all the 26 cases, had transmitted derogatory information to the proper authorities in the State Department years earlier. These people had also appeared before a Federal grand jury in New York which had this derogatory evidence. Yet, it was not until the Internal Security Subcommittee brought this information forth in its public hearings in the fall of 1952, that any action was taken to remove these obvious security risks from their positions of trust and influence.

It is the function of the Federal Bureau of Investigation to uncover and compile security information and make it available, without evaluation and without recommendation, to the proper executive agencies. The Federal Bureau of Investigation cannot expose and cannot force action once it has reported the results of its investigation. This fact is basic in the understanding of the function performed by a congressional committee.

The breakdown in the loyalty machinery, encountered in this series of hearings, was basically not in the detection of evidence. Primarily, the breakdown came in the failure on the part of the responsible executive agencies to act on the information which was available.

There is a mass of evidence and information on the hidden Communist conspiracy in Government which is still inaccessible to the Federal Bureau of Investigation and to this subcommittee because persons who know the facts of this conspiracy are not cooperating with the security authorities of the country. In the course of its report on Subversion in the Educational Process, this subcommittee pointed out that:

\* \* \*. If all the secrets now possessed by ex-Communists were made available to the Federal Bureau of Investigation and this committee, long strides would have been taken to expose fully the Communist conspiracy in the United States (p. 8, interim report 1).

<sup>34</sup> The subcommittee learned during this series of hearings that the Federal Bureau of Investigation had received derogatory security information and had conducted investigations during 1941 and 1942 on Alger Hiss, Harry Dexter White, Harry Magdoff, Maurice Halperin, and Harold Glasser.



The subcommittee recognizes not only that ex-Communists could be a source of much additional information, but, in addition, many Government workers who have always been loyal to the United States Government did learn by their contact with conspirators some details of subversion. If these people will come forward, either to the Federal Bureau of Investigation or to the congressional committees, great strides will be made in protecting the security of this country.

The subcommittee is aware of the campaign being conducted against the fact-gathering agencies of the Government, both of the executive and legislative, and must deplore the inroads this campaign has made.<sup>35</sup>

This campaign is based, in part, on misstatements of the powers and functions of the respective security agencies which are clearly not understood.

#### NET IN THE STATE DEPARTMENT

During the course of the hearings, the subcommittee encountered significant infiltration into the following agencies: The Coordinator of Information; the Office of Strategic Services; the Office of War Information; the Board of Economic Warfare; the Foreign Economic Administration; and the Office of Inter-American Affairs. These were all war agencies and their personnel was often assembled in the haste that wartime urgency impelled. It was apparent to the subcommittee that either these agencies had no security safeguards whatever, or else had no disinclination toward hiring Communists. There was evidence concerning scores of such employees whom the subcommittee never had an opportunity to hear, so pressing were its time exigencies. It did hear in open session 25 persons from these agencies, and they invoked their privilege against self-incrimination rather than deny the subcommittee evidence of their Communist Party membership. The positions that these people held were often important and at a policymaking level.

In 1945, there emanated from the Bureau of the Budget a plan that provided that the personnel of all these agencies be consolidated and infused into the State Department. J. Anthony Panuch, the State Department Deputy Assistant Secretary who was designated by Secretary of State James F. Byrnes to supervise this consolidation, testified, on June 25, 1953, that it was this transfer of personnel, involving as it did vast numbers of what he termed "unscreened personnel", that changed the entire complexion of the State Department and still was having an adverse effect, securitywise, on the present Department of State.

MR. PANUCH. In September of 1938 I became special counsel to the Securities and Exchange Commission in corporate reorganizations (p. 842).

\* \* \* \* \*

<sup>35</sup> In a letter to William Fraueglass, a teacher who invoked his constitutional privilege regarding his Communist affiliations before this subcommittee, made public on June 11, 1953, Dr. Albert Einstein, Princeton scientist, urged that "Every intellectual who is called before one of the committees ought to refuse to testify."

Max Lowenthal, whom several witnesses before our subcommittee refused to acknowledge as an associate on grounds that it might incriminate them, and who was the subject of a hearing before the House Committee on Un-American Activities on September 15, 1950, is the author of a book attacking the Federal Bureau of Investigation. The book was favorably reviewed in the Communist magazine, *Political Affairs* for January 1951, under the title, "J. Edgar Hoover's American Gestapo."

Carl W. Ackerman, dean of the faculty of journalism at Columbia University, announced that he was discontinuing his practice of cooperating with Federal, State, and police investigating agencies except on written request and on advice of counsel (the *Bulletin of the American Society of Newspaper Editors*, April 1, 1953).

In October of 1945, upon Mr. Byrnes' request, I joined him in the State Department in the capacity of Deputy Assistant Secretary of State for Administration and as coordinator of the merger of the Department under the three Executive orders which blended with the Department the wartime agencies operating in the foreign field.

These agencies were the Office of War Information, the intelligence units of the Office of Strategic Services, the Office of Inter-American Affairs, the Foreign Economic Administration, and the Office of Foreign Liquidation Commissioner. There were also certain units of the War Department General Staff concerned with occupation planning (p. 842).

\* \* \* \* \*

Mr. MORRIS. What was the origin of this particular reorganization? How did that get its start?

Mr. PANUCH. That was in the Bureau of the Budget (p. 844).

\* \* \* \* \*

Mr. MORRIS. Will you tell us, Mr. Panuch, how this reorganization became effective?

Mr. PANUCH. It added to the Department functions which had theretofore never been in the Department; specifically, propaganda functions in the Office of War Information \* \* \* (p. 849).

\* \* \* \* \*

The Office of Strategic Services brought in about 1,000 people from their Research and Intelligence Branch, and they were to be used under the President's order to create the nucleus of the centralized intelligence operation (p. 849).

\* \* \* \* \*

Mr. MORRIS. Mr. Panuch, to your knowledge, and drawing on your own experience, were there any political changes to be wrought by this reorganization?

Mr. PANUCH. Well, it was a thoroughgoing reorganization of the Department by the addition of functions which necessarily changed the political or rather the policy structure of the Department.

The Intelligence directive to set up coordinated intelligence on a national level in a centralized unit of the Department presented a problem as to whether your tail would be wagging your dog; in other words, whether the intelligence units, coming in from these agencies, which would be the focal core of national intelligence organization, would, by a preemption of your high-level estimates which go to the Secretary of State and the President and the National Security Council, be really exercising an influence over policy beyond that which was traditionally exercised by the Foreign Service of the United States, through the geographic divisions of the Department (p. 850).

\* \* \* \* \*

\* \* \* Subsequently the President issued a directive to Secretary Byrnes, directing him to undertake the coordination of all foreign intelligence under the leadership of the State Department. I believe that that was on September 20, 1945.

At the same time there was before the President a proposed directive for setting up a Central Intelligence Agency, which was submitted by the Joint Chiefs of Staff, and the Department then had the problem of advising the Secretary of State and the President as to what combination or correlation of these two entirely different concepts of mobilizing foreign intelligence at the national level should be blended into a forward operation (p. 849).

\* \* \* \* \*

Senator WELKER. How did the reorganization which you have described, Mr. Panuch, seek to change the level of control in the various policy agencies?

Mr. PANUCH. Senator, if I may offer a correction before answering your question, as to semantics, I know in Government, everybody talks about levels, but I would like to say "pattern."

Senator WELKER. Let us call it "pattern."

Mr. PANUCH. If I may, sir; I think the pattern, the essential part of the pattern was to shift your policy formulation, the essential basis on which your ultimate policy estimates are made into a central intelligence group which would overbalance your policy offices of the Department. In that way, while there would be no change in level, there would be a change in pattern impetus, control, and direction. The other change, of course, was the historic change which was initiated by our entry into the United Nations Organization, which placed a large part of foreign policy on an international basis rather than on the traditional country-to-country or bilateral basis. So that at the end of the war you would have had three groupings of policy formulation: Your international work in the

United Nations; the liquidation of the war through the Council of Foreign Ministers, involving the Big Four; and, lately diplomatic relations with countries which were neither in the United Nations nor in the Council of Foreign Ministers group; for instance, Franco's Spain (p. 854).

The CHAIRMAN. I would like to make one point here. In relation to your dealings with and the recommendations of the Bureau of the Budget, is it your impression that this same pro-Communist influence might have been there?

Mr. PANUCH. Well, sir, I don't know whether it was pro-Communist or not, but it was certainly pro-Soviet and pro-international (p. 898).

In addition to the infiltration of the State Department through the medium of this merger,<sup>36</sup> the subcommittee encountered still other penetration into the State Department. Apart from the agents involved in this consolidation, the subcommittee heard eight other individuals who worked in the State Department identified as Communists in the course of the hearings. The positions that these people held were impressive. Some of their titles were: The Director of Office of Special Political Affairs; State Department representative in conferences regarding the American, British, Japanese Naval Limitation; Chief of the Division of Latin American Affairs; assistant in Division of Research for Europe; Director of the Office of Far Eastern Affairs; and Associate Chief in charge of economic planning in the Division of Special Research.

The subcommittee admitted into evidence, during the course of the Panuch hearing, testimony given by A. A. Berle, Jr., former Assistant Secretary of State.

Mr. MORRIS. Senator Welker made reference to testimony given by Berle before the House Un-American Activities Committee.

Mr. Mandel, would you read that precise portion from that actual testimony?

Mr. MANDEL. It is the testimony of Adolf Berle, Jr., before the House Committee on Un-American Activities, on August 30, 1948, published on page 1296 of the hearings of that body:

“Mr. BERLE. As I think many people know, in the fall of 1944 there was a difference of opinion in the State Department. I felt that the Russians were not going to be sympathetic and cooperative. Victory was then assured, though not complete, and the intelligence reports which were in my charge, among other things, indicated a very aggressive policy not at all in line with the kind of cooperation everyone was hoping for, and I was pressing for a pretty clean-cut showdown then when our position was strongest.

“The opposite group in the State Department was largely the men: Mr. Acheson's group, of course, with Mr. Hiss as his principal assistant in the matter. Whether that was a difference on foreign policy, and the question could be argued both ways; it wasn't clean cut, was a problem, but at that time Mr. Hiss did take what we would call today the pro-Russian point of view.”

Mr. PANUCH. That is a fair statement of the situation in 1945, 1946, when I was in the Department.

Mr. MORRIS. Based on your experience in the Department?

Mr. PANUCH. Yes (p. 898).

\* \* \* \* \*

<sup>36</sup> It should be noted that the Ramspeck Act of November 26, 1940, provided additional authority for blanketing in employees from newly created agencies into civil service.

The 58th Annual Report of the U. S. Civil Service Commission for the fiscal year ending June 30, 1941, page 5, declared: “One of the most important statutes in the history of the Federal Civil Service is the Ramspeck Act of November 26, 1940, Public No. 880, 76th Congress, which authorizes the President greatly to extend the scope both of the Civil Service Act and of the Classification Act \* \* \*. Under the terms of Executive Order No. 8743 of April 23, 1941, the Civil Service Act will be extended on January 1, 1942 to the great majority of the positions to which the Ramspeck Act authorizes its extension and vacancies occurring in such positions during the period July 1, 1941 to January 1, 1942 must be filled in accordance with the Civil Service Act and rules, unless express permission is given by the Civil Service Commission for appointment without regard to the rules.”

Treasury Department recommendation for classification dated January 1, 1942 in the case of Harold Glasser states: “The employee named below, who, on July 1, 1941, occupied a position which has been brought into the classified service by operation of the Ramspeck Act, and Executive Order No. 8743, of April 23, 1941, and who on January 1, 1942, occupied a permanent position, is recommended for classification under section 1 of that order” (p. 94).



Senator WELKER. Mr. Panuch, a moment ago we referred to Mr. Acheson and his pro-Russian group in the State Department. I will ask you whether or not, in your opinion, that Acheson-Hiss pro-Russian group in the State Department contributed to the infiltration of Communists or Communist sympathizers within the State Department?

Mr. PANUCH. It is almost impossible to answer that, sir, responsively.

I would say that the biggest single thing that contributed to the infiltration of the State Department was the merger of 1945. The effects of that are still being felt, in my judgment (p. 899).

#### THE NET OVER THE TREASURY

Harry Dexter White, Frank Coe, Harold Glasser, Victor Perlo, Irving Kaplan, Sol Adler, Abraham George Silverman and William Ludwig Ullmann were employees of the Treasury Department during part or all of the period studied by the subcommittee.

All these persons were named by both Miss Bentley and Chambers as participants in the Communist conspiracy. Perlo was identified also by Nathaniel Weyl. The names of Perlo, Adler, Silverman, and Ullmann turn up in the Nixon Memorandum of 1945. Several of those named were listed in the telephone finder of Nathan Gregory Silvermaster, identified by Miss Bentley in 1948 as the most important person she dealt with in the Government underground.

The Kaplan story has already shown the interlacing connections with White, Coe, Glasser, Silverman, and Ullmann. Kaplan's tremendous responsibilities for American occupation policy in Germany have also been set forth.

How important were some of the others?

The answer to this question, so far as White is concerned, may be found in three Treasury documents. Here is the first, dated 8 days after Pearl Harbor, and signed by Secretary of the Treasury Morgenthau:

DECEMBER 15, 1941.

#### TREASURY DEPARTMENT ORDER NO. 43

On and after this date, Mr. Harry D. White, Assistant to the Secretary, will assume full responsibility for all matters with which the Treasury Department has to deal having a bearing on foreign relations. Mr. White will act as liaison between the Treasury Department and the State Department, will serve in the capacity of adviser to the Secretary on all Treasury foreign affairs matters, and will assume responsibility for the management and operation of the Stabilization Fund without change in existing procedures. Mr. White will report directly to the Secretary.

*Secretary of the Treasury.*

WNT:aja

Here is the pertinent paragraph from the second Treasury document which was dated February 25, 1943 and was sent to White by Secretary Morgenthau:

Effective this date, I would like you to take supervision over and assume full responsibility for Treasury's participation in all economic and financial matters (except matters pertaining to depository facilities, transfers of funds, and war expenditures) in connection with the operations of the Army and Navy and the civilian affairs in the foreign areas in which our Armed Forces are operating or are likely to operate. This will, of course, include general liaison with the State Department, Army and Navy, and other departments or agencies and representatives of foreign governments on these matters.

Here is the third, a compilation of the interdepartmental and international bodies on which Assistant Secretary White was the official Treasury representatives:

The Interdepartmental Lend-Lease Committee  
 The Canadian-American Joint Economic Committee  
 The Executive Committee on Commercial Policy  
 The Executive Committee and Board of Trustees of the Export-Import Bank  
 The Interdepartmental Committee on Inter-American Affairs  
 The National Resources Committee  
 The Price Administration Committee  
 The Committee on Foreign Commerce Regulations  
 The Interdepartmental Committee on Post-War Economic Problems  
 The Committee on Trade Agreements  
 The National Munitions Control Board  
 The Acheson Committee on International Relief  
 The Board of Economic Warfare  
 The Executive Committee on Economic Foreign Policy  
 The Liberated Areas Committee  
 The O. S. S. Advisory Committee  
 The U. S. Commercial Corporation  
 The Interdepartmental Committee on Planning for Coordinating the Economic Activities of United States Civilian Agencies in Liberated Areas (exhibit 33)

White was also chief architect of the International Monetary Fund <sup>37</sup> as well as its first United States executive director. Miss Bentley gave the subcommittee an extraordinarily revealing glimpse of how White's hands played with the inner levers of American policy.

MISS BENTLEY. No; the only Morgenthau plan I knew anything about was the German one.

Senator EASTLAND. Did you know who drew that plan?

MISS BENTLEY. Due to Mr. White's influence, to push the devastation of Germany because that was what the Russians wanted.

Senator FERGUSON. That was what the Communists wanted?

MISS BENTLEY. Definitely Moscow wanted them completely razed because then they would be of no help to the allies.

Mr. MORRIS. You say that Harry Dexter White worked on that?

MISS BENTLEY. And on our instructions he pushed hard. (IPR p. 419.)

\* \* \* \* \*

Senator EASTLAND. What you say is that it was a Communist plot to destroy Germany and weaken her to where she could not help us?

MISS BENTLEY. That is correct. She could no longer be a barrier that would protect the Western World.

Senator EASTLAND. And that Mr. Morgenthau, who was Secretary of the Treasury of the United States was used by the Communist agents to promote that plot?

MISS BENTLEY. I am afraid so; yes.

Senator FERGUSON. What do you mean by "I am afraid so"?

MISS BENTLEY. Certainly Secretary Morgenthau didn't fall in with Communist plots.

Senator FERGUSON. But you know it to be a fact?

MISS BENTLEY. I know it to be a fact.

Senator FERGUSON. You do not qualify it, do you?

MISS BENTLEY. No, I don't qualify it. I didn't want to give the thought that he did it knowingly.

Senator SMITH. He was unsuspectingly used.

Senator FERGUSON. So you have conscious and unconscious agents?

MISS BENTLEY. Of course, the way the whole principle works is like dropping a pebble into a pond and the ripples spread out, and that is the way we work.

Senator FERGUSON. Some are conscious and some are unconscious as to what they are doing?

MISS BENTLEY. That is correct. \* \* \* (IPR p. 420).

\* \* \* \* \*

<sup>37</sup> Post War Foreign Policy Preparation, a State Department publication p. 142.

Five months after the Nixon Memorandum was circulated at top levels in the Government, White resigned his post as Assistant Secretary. He received the following letter:

APRIL 30, 1946.

DEAR MR. WHITE: I accept with regret your resignation as Assistant Secretary of the Treasury.

My regret is lessened, however, in the knowledge that you leave the Treasury only to assume new duties for the Government in the field of international economics as the United States Executive Director of the International Monetary Fund. In that position you will be able to carry forward the work you so ably began at Bretton Woods and you will have increased opportunity for the exercise of your wide knowledge and expertness in a field which is of utmost importance to world peace and security.

I am confident that in your new position you will add distinction to your already distinguished career with the Treasury.

Very sincerely yours,

HARRY S. TRUMAN.

Glasser, as already indicated, went to Moscow with Secretary of State Marshall in March 1946, which was 4 months after the circulation of the Nixon memorandum. It will be recalled that in the same March, Glasser gave an E, for excellent, rating to Kaplan, after Kaplan had come home from Germany. Glasser was also the financial expert of the American delegation which helped form UNRRA. He was Treasury spokesman on this international body "throughout its whole life." In this capacity, he was one of those "with a predominant voice" in determining which countries should receive aid from UNRRA, and which should not. He testified that during this period, he was in constant consultation with Dean Acheson, who spoke for the State Department on UNRRA matters (pp. 63-66). When Glasser left the Government on December 23, 1947, the following letter was written on his behalf by Dean Acheson:

MR. H. L. LURIE,

*Executive Director, Council of Jewish Federation and Welfare Funds, Inc.,  
165 West 46th Street, New York 19, N. Y.*

DEAR MR. LURIE: I knew Harold Glasser during my 7 years in the State Department as Assistant Secretary and Under Secretary. We worked together on the problem of foreign funds control and other economic warfare matters. And he was a member of the United States delegation, of which I was chairman, to the first and second UNRRA Council meetings. During these council meetings I was impressed with his technical competence and his ability to work under the strain of long hours and difficult negotiations, carrying a large part of the burden of the financial committee of the council. He was a good working companion, maintaining an extraordinary evenness of temper and good humor under what were sometimes very trying circumstances. I am sure that he is able to approach problems in a well-organized and analytical manner, and that you will find him a first-rate economist.

Sincerely yours,

DEAN ACHESON.

Frank Coe followed White as Director of the Treasury Department's Division of Monetary Research. A few days after Hitler invaded the U. S. S. R., the Treasury sent Coe to London "to advise and assist Ambassador Winant on financial and other related economic matters" (exhibit 301).

Here is a portion of the testimony given by Coe when he appeared before us last year:

Senator O'CONNOR. Mr. Coe, are you presently engaged in subversive activities?  
MR. COE. Mr. Chairman, under the protection afforded me by the fifth amendment, I respectfully decline to answer that question (U. N., p. 24).



Perlo's duties and responsibilities at the Treasury included the following:

To serve as an adviser and be responsible for recommending actions required in the following fields:

(a) Aspects of domestic economy in relation to international financial affairs such as the supply of money and its speed of circulation, bank deposits, and lending activity, the volume of private savings and their absorption through domestic investments, production, and employment trends in industries with important potential export markets.

(b) The effects on domestic economy of current international financial developments and the prospective effects of international financial proposals \* \* \* (p. 402).

The man who wielded this power in the Government of the United States is now an open propagandist for the Soviet world conspiracy. His book, *American Imperialism*, was brought out by International Publishers, which is the official Communist Party publishing house in the United States. The book was given the highest praise that communism bestows when the *Daily People's World*, west coast "mouth-piece" of the party, hailed it with these words: "Perlo brings Lenin on imperialism up to date" (p. 406).

Adler lived with Glasser when both were faculty members at the People's Junior College in Chicago. Adler was representative of the Treasury Department in China after March 1, 1944. He returned to duty in Washington October 5, 1949.<sup>33</sup>

Adler was nominated by the Treasury in 1942 as the American representative on the American-British-Chinese Stabilization Fund. The function of this fund, presumably, was to save Nationalist China from the inflation that did so much to weaken it as it faced the Communist onslaught.

In this connection, the subcommittee calls attention to a note found among the papers produced by Whittaker Chambers which was written in Harry Dexter White's own hand:

We have just agreed to purchase 50 million more ounces of silver from China. China will have left (almost all in London) about 100 million ounces of silver. Her dollar balances are almost gone.

When Mr. Nixon introduced this note on the floor of the House on January 26, 1950, he said:

I discussed this excerpt with a man whose judgment I value in analyzing such documents, and he informed me that that information in the hands of individuals who desired to embarrass the Chinese Government would be almost invaluable.

#### THE NET OVER CAPITOL HILL

On February 8, 1947, the late Senator Robert M. La Follette, of Wisconsin, wrote an article for *Collier's* magazine entitled, "Turn the Light on Communism." *Collier's* introduced the article with this statement:

The former Senator from Wisconsin speaks as one of America's most noted liberals in outlining his program for fighting a serious menace.

On the basis of what he said in 1947, it had been the subcommittee's intention to ask Senator La Follette to appear before it. His regrettable death interfered with the subcommittee's plan. However, it is pertinent to examine his 1947 article in the light of what has

<sup>33</sup> Hearings regarding Communism in the U. S. Government before the House Committee on Un-American Activities (81st Cong., 2d sess., p. 1726).

happened since then. Here are some significant paragraphs from Senator La Follette's article:

I know from firsthand experience that Communist sympathizers have infiltrated into committee staffs on Capitol Hill in Washington. Frequently they have been associated with desirable legislation and worthy objectives, but always ready to further their own cause at the expense of the legislation they were advocating. A few years ago, when I was chairman of the Senate Civil Liberties Committee, I was forced to take measures in an effort to stamp out influences within my own committee staff.

During the late Congress, the staff of a subcommittee of the Senate Committee on Education and Labor was infiltrated by fellow travelers. The staff of the Pepper subcommittee on Wartime Health and Education was diligent in its efforts to take matters into its own hands, and probably did great harm to the cause of improved health in this country by its reckless activities. I was appointed a member of this subcommittee, but I resigned from it later—partially because of the pressure of other duties (the congressional reorganization bill was taking much of my time) and partially because I did not want to be associated with a program of a staff in whom I could not have complete confidence.

Later, the staff released a report and recommendations on health legislation under highly irregular procedure that prompted severe criticism on the floor of the Senate. The report was a favorable recommendation on a highly controversial national health program. It was released with the implication that it had the approval of the sub and full committees.

Similarly, the Kilgore subcommittee on War Mobilization (of the Military Affairs Committee) and the Murray Special Committee on Small Business had staffs that many Senators believed had been infiltrated by fellow travelers.

\* \* \* \* \*

One of the important ways in which fellow travelers on committee staffs have carried on their activities is through the illicit use of committee information. In general, committee staffs participate in executive sessions and have access to committee files, which frequently include private documents which the committee has obtained under subpoena on recommendation of the staff. Unscrupulous employees can give out this information to friends, as a private spying system against their enemies as an advance tip-off of committee thinking, or as a means of bringing pressure to bear where it might effect a desired course of action.

On several occasions I have had the revealing experience of receiving prompt protests and advice from strange and remote sources the day after I had voiced anti-Communist sentiments or voted contrary to the prevailing Communist Party line in executive sessions that were wholly unreported in the press. Such reactions could not occur without an effective grapevine.

Even more insidious is the practice of coloring the information that is disseminated so that local organizations, party-line newspapers, periodicals, and circular letters can incite and inspire any desired reaction by high-pressure propaganda techniques. This device is most effective under conditions where the legislation or parliamentary situation is highly complex.

\* \* \* \* \*

With regard to minimum wage and FEPC legislation, it is my personal conviction that the Communists and fellow travelers who lobbied on these bills preferred to get no bills at all. I learned after the completion of the Senate hearings on the minimum wage bill that hearing schedules had been rigged to the end that testimony from anti-Communist sources on the bill was not taken, or else received merely as a statement for the record rather than as testimony before the committee. Committee employees are well aware that testimony and information can be made to appear either important or unimportant depending on how it is released or scheduled.

\* \* \* \* \*

The difficulties of proving disloyalty charges are great, and the civil rights of employees must be protected from witch hunts. It is clear, however, that the Government has not made very serious efforts to investigate questionable employees. In 1945, when the civil service "suitability" investigations were at a peak, only about 1 person out of every 25 placements was checked. Only 74 persons out of several million placed were declared ineligible on grounds of disloyalty.

Nine of the witnesses who appeared before the subcommittee and invoked their privilege against self-incrimination had been attached to committees in one or both Houses of Congress. They are John Abt,

Henry Collins, Charles Flato, Charles Kramer, Harry Magdoff, Margaret Bennett Porter, Herbert S. Schimmel, Alfred Van Tassel, Frederick Palmer Weber, and Allan Rosenberg, who invoked his privilege against incrimination before the HUAC, and Alger Hiss also served on Capitol Hill.

Abt was chief counsel to Senator La Follette's own subcommittee on Civil Liberties (p. 645).

Alger Hiss was a legal assistant to the Senate Committee Investigating the Munitions Industry.

Allan Rosenberg was the first man hired under Abt on this committee and followed him into the National Labor Relations Board, where he ultimately became senior attorney in the Litigation Division.

Flato was public relations officer of the La Follette committee. He was also attached to the House Committee on Interstate Migration (pp. 490, 491).

Schimmel was also on the staff of this committee (report of the subcommittee January 2, 1953, on Activities of United States Citizens Employed by the United Nations, p. 5).

Kramer was a field investigator for the La Follette committee, "working on the reports" and "preparing for hearings." He also had "final responsibility" for the reports of the Senate Subcommittee on Technical Mobilization and was attached to the staff of the Senate Subcommittee on Wartime Health and Education (pp. 339, 371, 366).

Magdoff was assigned by the then Secretary of Commerce, Henry A. Wallace, to serve as consultant with the Senate Special Committee To Study Problems of American Small Business (p. 316).

Van Tassel was on the staff of the same committee (report of this subcommittee January 2, 1953, on Activities of United States Citizens Employed by the United Nations, p. 6).

Collins was director of the Senate Small Business Committee and coordinator of field hearings for the House Committee on Interstate Migration (pp. 33, 50).

Weber was attached to the staffs of the House Committee on Interstate Migration and the Senate Subcommittee on Technical Mobilization (pp. 178-180).

Mrs. Porter was a member of the staff of the Senate Committee on Interstate Commerce (p. 736).

It is important to note that four of them, Abt, Hiss, Kramer, and Collins, were named by Whittaker Chambers and Nathaniel Weyl as members of the Ware cell, which was the general staff of the original Communist underground in Government. Miss Bentley also testified that Abt and Kramer were part of the Soviet espionage ring which she served in the 1940's.

It will be recalled that Senator La Follette named his own subcommittee, as well as three of the other bodies named above as among those congressional committees which had been infiltrated. It will also be recalled that he charged this infiltration had occurred through assignment of persons from executive agencies of the Government. Other charges by Senator La Follette included the accusations that a committee staff released a report on legislation "under highly irregular procedure," that they "carried on their activities through the illicit use of committee information and gave out this information to friends as a private spying system against their enemies or as a means of bringing pressure to bear where it might affect a desired course of action." Senator La Follette also cited the "practice of coloring the



information" for party-line purposes and the rigging of hearing schedules to shut off anti-Communist testimony.

In other words, the work of these staff members was slanted in every way possible to force congressional opinion and reports in directions they would not otherwise have taken.

Against this background, the subcommittee attaches great significance to testimony and documents regarding the functions fulfilled by the above individuals during the years of their congressional activities.

Here are the official descriptions of Flato's work with the La Follette committee:

General field investigation in labor relations matters; the examination of documents, records, accounts, etc.; interviewing of witnesses; preparation of reports, memoranda, and case precises; the writing of hearing briefs and of sections of the committee's reports to the Senate (p. 512).

Under general supervision with wide latitude for unreviewed action or decision to serve as information and public relations adviser to the United States Subcommittee of Labor and Education, particularly on all phases of the pending investigation in California. Individually, or with trained assistants, to prepare press releases, magazine, and newspaper articles on committee activities, and arrange for their distribution and use; to meet newspaper and magazine editors, editorial writers, civic and service organizations, et cetera, for the purpose of explaining the aims and objectives of the committee and to see that unbiased and accurate information is dispensed concerning its activities; to advise committee in public relations. In addition, to prepare the manual of procedure by which committee meetings, public hearings, and other activities will be governed, and to be in general charge of the two offices to be established in California (p. 490).

\* \* \* \* \*

Here is a description of Henry Collins' duties as coordinator of field hearings for the House Committee on Interstate Migration:

In charge of field hearings including coordination of activities of the various field staffs, liaison contact with other Federal agencies, preparation and planning for hearings, selection of witnesses and organization of testimony (p. 33).

Here are Collins' "duties and responsibilities" when he served with the Senate Committee on Small Business:

Under the general direction of the chairman of the Senate Special Committee To Study Problems of American Small Business, to direct the research, investigation, hearings, report writing, legislative proposal, and administrative operations of the committee \* \* \* to direct a research staff in the development of economic data relating to the problems involved; to direct a small group in the arrangements and conduct of hearings; to direct the preparation of reports of hearings and findings; to prepare recommendations for appropriate legislation for the solution of problems affecting small business; and to perform related tasks as assigned (p. 50).

#### NETWORK IN NATIONAL DEFENSE

In its decision of April 20, 1953, the Subversive Activities Control Board found that the Communist Party, USA, had as its objective "the overthrow of the United States Government" and the effectuation of policies "for the purposes of defending and protecting the Soviet Union." Toward this end, the penetration of key agencies engaged in national defense was paramount. With the limited resources and data available to the subcommittee, we have been able to indicate only the pattern of such infiltration by those who have invoked their privilege against incrimination when asked about the subcommittee's evidence of their Communist Party membership.

The subcommittee was in no position to make any overall investigation of the agencies mentioned. The following data, therefore, was purely incidental and does not depict the full situation.

The Office of Strategic Services, the United States intelligence agency operating abroad during World War II, and discussed previously, included within its ranks the following such individuals: Leo M. Drozdoff, Irving Fajans, Maurice Halperin (Chief of the Latin American Division), Jack Sargeant Harris (in charge of military intelligence of South Africa), Julius J. Joseph, Paul V. Martineau, Carl Aldo Marzani (Deputy Chief of the Presentation Branch), Leonard E. Mins, Helen B. Tenney, Milton Wolff, and George S. Wuchinich.<sup>39</sup>

The field of scientific research is vital to the Armed Forces, yet the subcommittee discovered these significant examples of penetration in this field among those who invoked the fifth amendment, claiming the privilege against self-incrimination:

Morris U. Cohen worked as a physicist for the Technical Research Laboratories, which did contract work for the Armed Forces (Education hearings, pp. 997-998).

Herman Landau, an associate professor at the University of Chicago, worked on ordnance research for the War Department while at the Aberdeen Proving Grounds between 1941 and 1948 (Education, p. 1080).

Sidney J. Socolar, also of the University of Chicago, had access to classified information in connection with his studies of heat radiation (Education, p. 1097).

Ralph Spitzer, of the University of Kansas City, was connected with the scientific research development program of the Defense Department with particular reference to the nature of the shock wave and of various phenomena connected with underwater explosives (Education, p. 1124).

Joseph Steigman, of the Brooklyn Polytechnic Institute, worked on a Navy research project investigating the analytical chemistry of mobium and tantalum (Education, p. 1004).

#### *The atomic scientists*

Prof. Philip Morrison, who admitted Communist Party membership about 1939 and who is currently a leader of the Communist-controlled American Peace Crusade, joined the Manhattan atomic project in 1942. He was a physicist and group leader in the Meteorological Laboratory in 1944. He participated in the positive intelligence program of the United States Army. Until the test of the atomic bomb, he was with the University of California Laboratory in New Mexico. He was one of a small group of experts who assembled, tested, and mounted bombs used for combat in the Pacific. Due to his position at Los Alamos, he was a member of a mission to Japan to inspect cities damaged by the atomic bomb. Professor Morrison acknowledged he had access to virtually all secrets of the atomic project.

David Hawkins, currently at Harvard University, admitted Communist Party membership from 1938 to March of 1943. In May 1943 he was assigned to the Los Alamos atomic project as an administrative aide. Later he was appointed historian of the project, with access to all the information necessary to write its history.

<sup>39</sup> David Zablodowsky of this agency was implicated in the underground by Whittaker Chambers' testimony. Zablodowsky acknowledged that he had helped the underground but denied Communist Party membership.

*Other military activists*

Some of those who invoked their privilege against self-incrimination in the face of the subcommittee's evidence were engaged in certain key, special services for the Armed Forces, as the following instances will show:

Carl Aldo Marzani made policy decisions on projects and was a liaison officer with the Deputy Chief of Staff of the Army and the Office of the Under Secretary of War. He was Chief of the Editorial Section of OSS, supervising the making of movies and charts on technical reports, using highly classified information, for higher echelons of the Army, Navy, Joint Chiefs of Staff, and OSS. He was one of those responsible for picking bombing targets for the Doolittle air raid on Tokyo for the Air Force through the Joint Chiefs of Staff (pp. 802-803).

Irving Kaplan was the economic adviser of the Foreign Funds Control Section of the United States Group Control Council, American Military Government in Germany in 1945 (IPR, p. 4745).

George R. Faxon was an officer in the Information and Education Branch of the Army stationed at Fort Bliss in Texas, the Pentagon, and in Paris. He also taught at the Veterans School in Boston (Education, p. 682).

Henry H. Collins, Jr., was the executive secretary of the Senate Subcommittee of the Military Affairs Committee on Technological Mobilization. Through his Government contacts, he secured an Army commission and served as a military government officer in various countries. He emerged from the Army as a major (pp. 7-8).

Certain civilian agencies, too, played an important part in the war effort.<sup>40</sup> Here the same group found lodging. Harry Magdoff was senior economic statistician with the Advisory Commission to the Council of National Defense beginning in October 1940, while Stalin was allied with Adolf Hitler. In 1942 he became head of the Production Progress Analysis Section of the War Production Board for the executive office of the Chairman. In May 1943 he became the head economist and chief of the Program and Control Records Branch of the War Production Board, Tools Division.

Julius J. Joseph was senior administrative officer in the Office of Emergency Management and the Bureau of Program Requirements of the War Manpower Commission. Later he was assigned to the Office of Strategic Services.

Philip O. Keeney was, in 1941, library officer of the Coordinator of Information, which later became the OSS. He later became libraries officer of the Supreme Command of the Allied Powers in Japan.

The memorandum of Adolph A. Berle, Jr., Assistant Secretary of State, drawn up in 1939, during his interview with Whittaker Chambers contained the following notations of military interest as to individuals identified as a part of the Communist ring:

Rosenbliett—in U. S.  
connected with Dr. Isador Miller—Chemist's Club—41 St.  
Chemist, Explosive Arsenal, Picatinny, N. J. . . .  
Vincent Reno—Now at Aberdeen Proving Grounds—Computer—Math.  
Asst. to Col. Zornig (Aerial bombsight detectors) . . .  
Alexander Trachtenberg—Politburo—  
member of the Execu. Committee  
Head of GPU in U. S.

<sup>40</sup> George Shaw Wheeler was former chief of the denazification branch of the manpower division of the American military government in Germany. In 1947 he sought asylum in Communist Czechoslovakia.



Works with Peters—

Plans for two Super-battleships—

secured in 1937—who gave—

Karp brother-in-law of Molotov— . . .

Now: Naval Architect working on it, why?

Field was original contact. . . . (pp. 329-330)

Abraham George Silverman was economic adviser and Chief of Analysis and Plans for the Assistant Chief of Air Staff, Materiel and Services, Air Forces. William Ludwig Ullmann, who was in the same Communist group with Silverman was also employed in the Materiel and Service Division, Air Corps Headquarters, in the Pentagon.

On October 13, 1952, the subcommittee heard John Lautner, former member of the powerful Disciplinary Review Commission of the Communist Party, add an interesting sidelight on his career in the Armed Forces while still a Communist:

Mr. LAUTNER. I was a graduate of Military Intelligence and I was assigned to Psychological Warfare in propaganda work.

Senator FERGUSON. And you were a Communist?

Mr. LAUTNER. I was a member of the Communist Party at the time of my induction.

Senator FERGUSON. Now, who was your superior officer in the Military Intelligence, Psychological Warfare?

Mr. LAUTNER. In Psychological Warfare, my superior officer was Peter Rhodes, who was in charge of the Mediterranean theater of operations monitoring system at that time.

Senator FERGUSON. Was he a Communist?

Mr. LAUTNER. \* \* \* Later on I found out he was. (Education hearings, p. 245.)

Miscellaneous posts of military importance occupied by those who refused to deny evidence of their Communist Party membership, in addition to those in the Office of Strategic Services, include the following as revealed in subcommittee hearings: Virginus Frank Coe, of the National Advisory Defense Council, 1940, Joint War Production Committee as executive secretary for the United States and Canada; Sidney Glassman, Signal Corps inspector, 1942; Jacob Grauman, War Production Board, 1942-46, Office of War Mobilization, 1946-47; Stanley Graze, War Production Board, Army Officer's Candidate School, second lieutenant; Jerome A. Oberwager, Army Ordnance Division, 1943-46; Irving P. Schiller, civilian employee of the Navy Department; Alexander H. Svehchansky, Army, noncommissioned officer, orientation work; Alfred J. Van Tassell, War Production Board, 1942; Eugene Wallach, Judge Advocate's office, United States Army, 1941.

The subcommittee had little difficulty in understanding why there was Communist penetration of our Armed Forces during the war. A directive from the War Department, dated December 30, 1944, refers to the subject "Disposition of Subversive and Disaffected Military Personnel," and is addressed to the commanding generals of all commands. This directive read:

Questions have arisen as to the significance, under reference letter, of membership in, and sympathy with the views of, the Communist Party.

The basic consideration is not the propriety of the individual's opinions, but his loyalty to the United States. Membership in, or strict adherence to the doctrines of, the Communist Party organization is evidence that the individual is subject to influences that may tend to divide his loyalty. However, many good soldiers are subject to conflicting influences. Such influences must be appraised in the light of the individual's entire record. No action will be taken under the reference letter that is predicated on membership in or adherence to the

doctrines of the Communist Party unless there is a specific finding that the individual involved has a loyalty to the Communist Party as an organization which overrides his loyalty to the United States. No such finding should be based on the mere fact that the individual's views on various social questions have been the same as the views which the Communist Party may have advanced. Except in clear cases, no action should be taken against persons who are being trained for combat assignments and have demonstrated a high degree of ability to serve the United States in that manner, including a willingness to accept combat duty.

Testimony taken by a special committee of the Committee on Military Affairs of the House of Representatives on February 27, 1945, throws considerable light on Army tolerance of Communists at that time. John J. McCloy, Assistant Secretary of War, who testified for the Secretary of War and for the War Department, stated in testimony:

Mr. McCLOY. \* \* \* Once more the War Department exhaustively reviewed this subject, in the light of its experience, of the decisions of the Supreme Court of the United States, and of the applicable statutes. Experience had shown that many persons in the Army, suspected of advocating subversive doctrines or being members of a subversive organization, but as to whom such advocacy or membership had not been proved, were loyally supporting the war effort. It was desirable to utilize the services of such persons in every appropriate way (p. 3605).<sup>41</sup>

Mr. THOMASON. Was it your statement that there is no officer in the United States Army, so far as you know, who is a Communist?

Mr. McCLOY. My statement is that we knowingly appointed no one as an officer of the United States Army who held the view that the Government of the United States could or should be overthrown by violence. I should like to point out that the Hatch Act does not provide that any member of the Communist Party shall be excluded from the Army, or mention the Communist Party or communism. The Hatch Act provides that one who holds membership in a party which advocates the doctrine of overthrow of the Government by violence shall be excluded (pp. 3607, 3608).<sup>41</sup>

Mr. THOMASON. Of course, you do not know whether you have any men in the United States Army, either officers or enlisted men, who favor the overthrow of our present form of government?

Mr. McCLOY. I know of no case which has come to me where that is a fact (p. 3608).<sup>41</sup>

Mr. THOMASON. Then, if I understand you, if a man said he was a Communist, or there was some evidence that he was affiliated with the so-called Communist Party, you would not necessarily hold that that man belongs to a political party that favors overthrow of our present form of government?

Mr. McCLOY. We cannot take that position in the light of the great confusion that exists in the judicial tribunals of the country as to whether that is a tenet of the Communist Party or not.

Mr. THOMASON. Regardless of whether you call him a Communist or whatever particular name he may have, insofar as his political affiliations and beliefs are concerned, you now propose under this last directive that every man's case shall be decided upon its individual merits and if it is found that he does belong to any party or even personally favors the overthrow of the Government, you will court martial him?

Mr. McCLOY. That is right (pp. 3609, 3610).<sup>41</sup>

Mr. ARENDS. Mr. McCloy, would there be the possibility that an individual soldier, an exceptional soldier—and a lot of the Communists are smart—could rise to the rank of colonel and still be a Communist?

Mr. McCLOY. If his loyalty to the United States was the predominant factor in the judgment of his commanding officer and of those who reviewed his case (p. 3612).<sup>41</sup>

<sup>41</sup> Page references in McCloy testimony quoted here are to House Military Affairs Committee hearings, described in introductory paragraph.

Mr. ELSTON. Mr. McCloy, you said the law was not entirely clear so far as the Army is concerned; that you did not know whether the Hatch Act applied to the Army. Congress, in the Hatch Act, provided very clearly that membership in the Communist Party would be a bar to accepting employment in any department of the Government, did it not?

Mr. McCLOY. Well, did it provide that very clearly? It did not mention the Communist Party.

Mr. ELSTON. It says membership in any political party or organization which advocates the overthrow of our constitutional form of government in the United States.

Mr. McCLOY. That is right.

Mr. ELSTON. Now, Attorney General Biddle had defined the Communist Party as an organization that believes in, advocates, and teaches the overthrow by force and violence of the Government of the United States.

Mr. McCLOY. That is right.

Mr. ELSTON. So, the two fit up together.

Mr. McCLOY. There was some doubt cast on that administrative finding by the dictum in the Supreme Court.

Mr. ELSTON. That was mere obiter dictum, and that is not the law.

Mr. McCLOY. That is right (pp. 3616, 3617).<sup>41</sup>

#### NET OVER LABOR

During the late 1930's and early 1940's, one of the most important Government agencies was the National Labor Relations Board, which exercised considerable influence on the economic life of the country. Much of the history of that Board was stormy, and its achievements and its excesses have been weighed by other committees.

This subcommittee, in tracing the career of Nathan Witt of the Ware group, and Edwin S. Smith, who has been identified by Louis Budenz as a Communist, encountered a situation which very strongly indicated that the Communist penetration of the National Labor Relations Board approached control.

David Saposs, former chief economist of the National Labor Relations Board, testified as follows:

Mr. MORRIS. Are you able to testify as to whether or not Edwin S. Smith and Nathan Witt were able to exercise a strong influence on the policies of the Board?

Mr. SAROSS. Well, Nathan Witt, first, as I mentioned, was the attorney of the Review Board, which was the unit which reviewed all cases and, of course, in reviewing cases, it was possible to interpret and analyze data.

Later on when he became Secretary, he was, of course, the executive officer of the Board, which gave him full responsibility for the staff in the National Labor Relations Board, except the attorneys, and it gave him responsibility for the staff in the regions, the hiring of the regional directors, the hiring of the field examiners; again, everyone in the regional offices, except the attorneys.

In addition thereto, of course, all the routine work of the Board, such as, for instance, the assigning of the order in which cases were to be heard, the citing of how the material pertaining to particular cases was to be presented to the Board in executive session—all of that gravitated and was carried through the Secretary of the Board, and therefore, Nathan Witt, as Secretary of the Board, was undoubtedly the most influential person in the conduct of the affairs of the Board.

Mr. MORRIS. Did Mr. Smith have an influential position on the Board?

Mr. SAROSS. Well, Edward Smith was a member of the Board, of course, and was always a very close, or sort of buddy or crony of Nathan Witt, and, so far as I was able to observe, as the Chief Economist of the Board, they were the two people that evidently exercised the greatest influence \* \* \*. He recommended to the Board what particular action should be taken, and so on, and in that way, of course, he had a tremendous influence; and also by appointing. You see, the civil service did not apply to the employees of the NLRB, and by appointing field examiners who were the ones, of course, in a position to exercise the greatest influence of anybody connected with the Board including the Board members \* \* \* (pp. 674-675).

<sup>41</sup> See footnotes on p. 39.



Elinore Herrick, former regional director of the National Labor Relations Board for New York, Connecticut, and New Jersey, and now personnel and labor relations director of the New York Herald Tribune testified that:

Mrs. HERRICK. \* \* \* I for a long time was very critical of what I felt were policies by the Board, and I felt Witt played a large role in formulation of policies \* \* \*.

I quite agreed with the Board's theory up to a point, namely, that you couldn't give an employer the right to come in and file a petition when there was only one union because he could file a petition at a very strategic time, to defeat the union before it had really organized, and I thoroughly agreed to that approach; but when two unions made claims, threatened strikes, or even struck, I really felt that something had to be done.

I first came directly at loggerheads with Smith and Witt over that, and I remember speaking at a staff meeting and urging that we change our rule of the two union approach to it \* \* \*.

So, as I recall—and this is also many years ago—my next big argument with the Smith-Witt group on the Board came over the subpoena, the right of an employer to ask the Government to subpoena witnesses they wanted, my feeling being that, while the Wagner Act was designed to protect the rights of labor, it had to be administered in a way which also recognized implicit rights of employers, too, to be a fair and balanced administration \* \* \*.

Then the third thing that stands out in my memory as a source of often violent conflict between me and the others, was the dismissal of charges, which was then within the power of the regional director \* \* \*.

Smith and Witt believed that we should let the unions withdraw them without prejudice, which, of course, as you being a lawyer know, means that they could have refiled them at some subsequent date \* \* \*.

Mr. MORRIS. May I ask this, Mrs. Herrick: Did you notice whether Witt would act under the instruction of the Board, or did he pretty much pursue an independent course?

Mrs. HERRICK. At this point in time, I would say that he would act independently a great share of the time, and when he and I would tangle, he inevitably felt the need of some Board backing, which he always got (pp. 659, 660, 661).

Mrs. HERRICK. \* \* \* The field office reviewed all reports from the regional offices, and the secretary through the field office section, exercised his supervision over the regional offices, and I had a considerably stormy experience quite often in the process of being reviewed by the field division.

Mr. MORRIS. Who was in charge of the review board generally, Mrs. Herrick?

Mrs. HERRICK. Well, I don't remember precisely, because actually it was so tied up with Witt \* \* \* (p. 662).

Mrs. HERRICK. \* \* \* So I composed a rather peppery telegram which I sent off to the Board.

Mr. MORRIS. Now, Mr. Mandel do we have a copy of a telegram that Mrs. Herrick sent on February 21, 1939?

Mr. MANDEL. Yes.

Mr. MORRIS. Will you read it, please?

Mr. MANDEL (reading): This investigation has been conducted virtually behind locked doors, in secrecy, and in such a thoroughly objectionable manner that far from being conducive to improved administration the investigation has caused the deplorable slump in the morale of the Board's largest and most important field office. It is the procedure one might expect from the OGPU but not from fellow administrators of an agency of the American Government.

Mr. MORRIS. Was that the telegram you sent, Mrs. Herrick?

Mrs. HERRICK. That is right (p. 663).

Saposs was asked about the general atmosphere at the Board:

Mr. MORRIS. Now, Mr. Saposs, were you able to observe while you had this particular duty with the Board any Communist agitation?

Mr. SAPOSS. Yes; there was, of course, constant agitation on the part of Communist-front organizations.

Mr. MORRIS. Can you remember any of the Communist fronts to which you refer?

Mr. SAPOSS. As I recall, it was the League for Peace and Democracy, and then there was the Women's—I forget the name of it—a women's organization.

Mr. MORRIS. Was it the League of Women Shoppers?

Mr. SAPOSS. League of Women Shoppers, the Washington Book Shop. Petitions were always being circulated and donations were solicited in the Board during the office hours.

Mr. MORRIS. So the solicitations of these various organizations which have been listed by the Attorney General to be Communist organizations went on during office hours?

Mr. SAPOSS. Yes (p. 675).

The Internal Security Subcommittee hearings of 1951 and 1952 had developed extensive evidence that the American Communications Association was a Communist-controlled union. While reviewing this evidence and taking additional testimony, the chairman of this subcommittee learned on May 26, 1953, that this union was organizing the personnel who are now manning the communication lines of our most sensitive defense agencies, with access to the cables and wires of our Government.

The subcommittee made every effort to prevent the recertification of this Communist union as the bargaining agent of these employees.

A letter to the chairman of the Senate Labor Committee which the chairman of this subcommittee also sent to the President of the United States, the Secretary of Defense, the Chairman of the Senate Judiciary Committee, and the chairmen of the House Labor and Judiciary Committees, reflects our efforts:

Dear SENATOR: On Tuesday, May 26, during the course of a hearing on internal security, a situation developed which related to the internal security of the country. I summarized it as follows:

In 1951, the Internal Security Subcommittee of the Senate Committee on the Judiciary held extensive hearings on the American Communications Association. In those hearings, the Communist control over the labor organization was amply established. This American Communications Association is now the certified bargaining agent for some approximately 5,000 employees of the Western Union Telegraph Co. in the metropolitan area of New York City, some 200 employees of the Western Union Cable Co. of New York City, for RCA communications on the east and west coasts and for employees in certain broadcasting stations mostly in New York and in Philadelphia. Recently, a National Labor Relations Board secret-ballot election, among Western Union employees in New York City, was held on May 19, 1953, when the employees voted, 2,421 to 1,619, in favor of the American Communications Association as against the American Federation of Labor.

Another National Labor Relations Board election is now being held among approximately 1,800 employees of the American Cable & Radio Co., and the American Communications Association is on the ballot. The results of this election are to be announced on the 28th of May.

This Internal Security Subcommittee has taken cognizance of this situation at this time in view of the following facts found after preliminary survey by the staff of this subcommittee:

The main office of the Western Union Telegraph Co. is located in the Western Union Building at 60 Hudson Street, New York, N. Y. Telegraph circuits to all major cities in the United States terminate or relay through this building. Telegraph messages of all kinds are handled by the employees, the majority of whom are members and under the control of the American Communications Association. Many of these messages are Government messages. For example, the following Government agencies are served by telegraph circuits, "tie lines," connecting the main Western Union office and the agency offices. The following is a partial list of these circuits: United States Defense Department Signal Center of the First Army Headquarters, Fort Wadsworth; United States Naval Air Station, Floyd Bennett Field, Brooklyn; New York Port of Embarkation in Brooklyn; United States Naval Shipyards, Brooklyn; Sea Transport Station

Atlantic Division, Army Piers 1, 2, 3, and 4; United States Navy Naval Communications Service, 90 Church Street, New York, N. Y.; Governors Island and Fort Jay, 2d Service Command. The importance of the Western Union Telegraph Co. and the Western Union Cable Co. in our country's defense program can be judged by the following, which appeared in the company's annual report for 1952: "More deep-sea amplifiers were placed in service, further increasing international-cable capacity. Increased service requirements of the Armed Forces, other governmental departments, and defense industries were fully met. Of special importance was the expansion of the extensive leased communication systems furnished by Western Union for governmental and other large customers. The company was awarded Government contracts by the Air Force, the Navy, and the Signal Corps for the development of special electronic equipment and for other projects, involving a total of \$6 million."

The Senate Internal Security Subcommittee takes cognizance of this situation as possessing a threat to the internal security of this country.

Yesterday, the Senate Internal Security Subcommittee met with Ivar Peterson, Acting Chairman of the National Labor Relations Board, and members Abe Murdeck and John Houston, and entered into executive discussion. A copy of the transcript of that discussion is attached herewith.

At the termination of this session, as chairman of the Internal Security Subcommittee, I made the following recommendations:

1. That the whole matter be brought to the attention of the President of the United States;
2. That the NLRB not certify the American Communications Association as the bargaining representatives of the employees of Western Union and the American Cable & Radio Co.
3. That in view of the NLRB's objection that they could not withhold certification with possibly being held in contempt of the district court, the NLRB obtain a stay from Judge Letts which would enable it to withhold certification of the ACA as a bargaining agent.
4. That appropriate legislation, now pending before the Congress which would remedy the present situation, be expedited.

Accordingly, as chairman of the Internal Security Subcommittee, I ask that you give consideration to the enactment of whatever legislation there is before your committee that would remedy the present danger to the country.

Sincerely,

WILLIAM E. JENNER,  
*Chairman Internal Security Subcommittee.*

Despite this, the NLRB did certify the ACA as the bargaining unit of Western Union employees on June 3, 1953.<sup>42</sup>

The so-called Chicago "massacre," the San Francisco dock and general strike, and the movement into California of migrants from the Dust Bowl, were central themes in the troubled labor history of the 1930's. Through their key posts in the Maritime Labor Board, the LaFollette Subcommittee, the NLRB, the House Committee on Interstate Migration and the Labor Division of the Farm Security Administration, Silvermaster, Kramer, Abt, Witt, Rosenberg, Smith, Weber, Collins, and Flato were intimately involved in one or the other of these disturbances.

The subcommittee did not attempt to decide who was right or who was wrong in any of these employer-labor clashes. It does however, call attention to the fact that secret Communist agents were speaking and acting on behalf of the United States Government in these struggles. The same agents were preparing reports and documents on which national labor policy was being made, and out of which a vast quantity of labor history has since been written.

<sup>42</sup> See letters of Ivar Peterson, Acting Chairman of NLRB and of J. L. Wileox, vice president of Western Union to the chairman of the subcommittee (pp. 670-673).



## THE NET OVER AGRICULTURE

The man who founded the first Communist cell in the United States Government was the late Harold M. Ware. Ware's mother, the late Ella Reeve Bloor, was openly advertised by Communist officials as "the First Lady of the Communist Party, United States of America." In her autobiography, "We Are Many," she tells how her son, Hal, served in the U. S. S. R. as a leader in the Soviet collective farm program under both Lenin and Stalin (We Are Many, pp. 266-279).

When Ware came to Washington in the early 1930's, he called himself an "agricultural engineer," attached to Farm Research, Inc., 1343 H Street NW.

Charles J. Coe joined the Farm Research organization in 1936. He became editor of the Farm Research publication, Facts for Farmers, in 1937 (pp. 722, 723).

Coe, the brother of Virginus Frank Coe, was listed in the 1939 Berle memorandum. He refused to answer all questions regarding his Communist connections—including even his present editorship of "Facts for Farmers"—when he took the stand in this series of hearings.

Six members of Hal Ware's parent Communist cell identified as such in sworn testimony worked for the original Agricultural Adjustment Administration of the Department of Agriculture.

They were Alger Hiss, Lee Pressman, John Abt, Nathan Witt, Nathaniel Weyl, and Charles Kramer.

Margaret Bennett Porter also worked for the original AAA. She invoked the fifth amendment when asked by us if she were a secret Communist during the period of employment there.

George N. Peek, who was appointed by President Roosevelt as AAA's first administrator, wrote a book, Why Quit Our Own, to tell what happened within the agency in the period when the members of the Ware cell were actively at work there. Pertinent passages from that book are included here.

A plague of young lawyers settled on Washington \* \* \* in the legal division were formed the plans which eventually turned the AAA from a device to aid the farmer to a device to introduce the collectivist system of agriculture into this country (Why Quit, etc., p. 20).

\* \* \* The inner ring was evidently out to "get" Mr. Brand; they also wanted to be rid of me. They wanted to purge the AAA of all businessmen or any others who did not welcome the coming of the new day of revolution (ibid., pp. 143, 144).

\* \* \* \* \*  
 These prattlers were for the most part employees of the Government and had taken the oath of allegiance. But they took the position that their high purposes gave them a supermorality that could not be confused with the morality the Nation had been using. They were quite above such old-fogy, Tory, reactionary stuff as oaths of office or other religious antiquities. They owed allegiance, not to the United States—patriotism was for the nonthinking. They had a higher allegiance—an allegiance to the "Cause." The end justified the means (idem, pp. 115, 116).

\* \* \* \* \*  
 \* \* \* Most of that crowd, in their effects, were Communists. Indeed one day one of the co-op leaders told me that he could get tips from the Communists' headquarters in New York City as to what was going on before I knew what was in the wind (idem, p. 156).

Peek tells his own story of what happened to him for standing out against the "inner ring."

I resigned as Administrator of the AAA, setting out in my letter to the President that it was at his request. (idem, p. 25.)

\* \* \* \* \*

The "economists" and professors knew what they wanted and were determined to get it. I thought I had them checked, but events proved that I was mistaken (idem, p. 91.)

Peek's successor, Chester A. Davis, made a heroic effort to drive most of these people from Government, in the famous Triple-A Purge of 1935 (Washington Post, February 6, 1935). But they found lodgment elsewhere, as the record of our hearings abundantly demonstrates.

#### THE HIDDEN COMMUNISTS

The subcommittee sought, while sketching the design of Communist penetration into Government and while interrogating persons the subcommittee knew to have been members of the various rings in the network, to learn the identity of the Communists who are presumably still in Government, as indicated by Miss Bentley's testimony. Virtually all of the witnesses, however, invoked their privilege against incrimination when asked about the details of the conspiracy.

The subcommittee made every inducement to assure each witness that it was searching for evidence and was not seeking to harass him in any way. However, virtually all elected to exercise their privilege under the Constitution and thwarted this purpose of the subcommittee. For this reason, the subcommittee has strongly supported S. 16, recently passed by the Senate. The subcommittee believes that an early enactment of this bill will cause many secrets to be unlocked in the interest of our security. Senator Jenner on April 25, 1953, made the following statement in connection with his support of this bill:

The Internal Security Subcommittee has been experiencing a long series of abuses on the part of witnesses invoking the fifth amendment to the Constitution. This amendment provides that no witness shall be required to give testimony against himself. However, it is our observation that in addition to performing its historic function—the protection of the individual under the Bill of Rights—the fifth amendment is being perverted into a shield to conceal the facts of the Communist conspiracy.

The subcommittee has labored, under its senatorial mandate, to produce for the record evidence outlining the pattern and design of the Soviet conspiracy against our Government and against our academic institutions. It has tried unremittingly to elicit its evidence from original sources. But this conspiracy yields up its secrets grudgingly and in meager portions.

For the most part, these secrets come from the former participants in the conspiracy in whom the indestructible desire for truth has prevailed, and led them to return from the ranks of the Communists into the legions of free men. This subcommittee has done everything to make clear that it will aid those who wish to extricate themselves from the shackles of their past. And we are happy to observe that academic institutions are recognizing that there is a place for those who, after a transgression, have rejoined the fellowship of freedom. Too often, noisy and fearsome abuse flowing in some public channels has been the reward for those who recaptured their integrity—a phenomenon indeed hard to comprehend and one that has retarded our acquisition of truth.

When our subcommittee has elicited its evidence from these sources, it summons as witnesses those who seem to be involved in the present conspiracy. These witnesses almost invariably prove belligerent and unyielding. Most of them, when asked about the evidence, invoke the privilege which they claim accrues to them by virtue of the fifth amendment to the Constitution. Many try to sense the scope and the nature of the subcommittee's evidence and gage their tactics accordingly. These witnesses deny what they think the subcommittee cannot prove, but where they think denials under oath will involve them in perjury, they resort to the Bill of Rights.

A witness is not justified in claiming privilege under the fifth amendment when he feels that his testimony will involve other people. The justification for invoking the amendment is that the witness asserts under oath and in good faith that if he testifies in response to a certain question, he will put into the record evidence which will prove to be at least a link in a chain of evidence that will ultimately lead to his conviction for a crime that he has committed. It is a privilege that belongs to him and is for his protection and not the protection of others.

As chairman of this subcommittee, and recognizing that the abuse of the fifth amendment to the Constitution is, in fact, preventing the exposure of the Communist conspiracy, I feel that the enactment of S. 16, a bill introduced by Senator McCarran, granting immunity to witnesses appearing before congressional committees, will aid the Internal Security Subcommittee in bringing to light a great many new facts of the Communist conspiracy.

This proposed new law is carefully worded and provides that if a witness is given immunity by a committee, he can never be prosecuted at any time for the offense. The bill, however, is not in any sense a denial of the Bill of Rights, but rather an affirmation since it insures that a person, once he is granted immunity, can never be prosecuted.

Even though this bill should be passed, however, the subcommittee will continue to take cognizance of the reluctance to give testimony which seems to be experienced by those witnesses who are in the intermediate stage of disassociating themselves from the Communist intrigue.

This subcommittee is mindful that in this intermediate stage, a person will experience reluctance to give the names of those who have been involved with him. It is an understandable phenomenon in the process of transformation. This subcommittee has taken testimony in executive session from many people who it believes reside in this intermediate zone and it is exercising its proper discretion in allowing them to return home and to reflect upon the significance of their testimony.

It has never been the position of the Internal Security Subcommittee to hold up to punishment or to pillory past misdeeds. At the same time, however, it is charged with the duty of exposing the Communist conspiracy. Its function is to prepare future legislation and to expose present subversion. The proposed bill will greatly aid in carrying out these purposes.

#### THE JOHN P. DAVIES CASE

In its report on July 2, 1952, the Committee on the Judiciary concluded that John P. Davies, Jr., testified falsely with respect to his recommendation that Central Intelligence Agency employ and utilize certain persons with Communist associations.

Prior to that time the subcommittee had come into possession of a copy of a memorandum prepared by Lyle Munson, a former employee of the CIA, as follows:

APRIL 11, 1950.

I, Lyle H. Munson, make the following voluntary statement to Albert C. Hayden, Jr., and William S. Hyde, who have identified themselves to me as special agents of the Federal Bureau of Investigation.

On Wednesday, November 16, 1949, I participated in a conference with John P. Davies, Jr., of the Department of State. My memorandum for record, written subsequent to that meeting, reports the following as the substance of Mr. Davies' comments:

1. That as regards Chinese personnel, the persons most helpful to OPC would be Chinese with American wives or husbands, who consequently had close ties with this country.

2. That he (Davies) had discussed with other OPC staff members the matter of employing certain persons through appropriate cutouts, to consult and guide OPC in certain activities affecting the Far East.

3. That the persons he had indicated to them should be used were Benjamin K. Schwartz, Edgar Snow, Agnes Smedley, Anna Louise Strong, Professor (John) Fairbank and wife.

Mr. Davies expressed the feeling that the above-mentioned persons should be used by OPC, and that the consultation and guidance and materials prepared by them would represent the proper approach. Mr. Davies said that he would be



perfectly confident to put Professor and Mrs. Fairbank at the head of a unit charged with producing such materials. He said that he was aware that they were considered Communists by some uninformed persons, but that they were not Communists, but "only very (politically) sophisticated."

It was Davies' suggestion that the above persons be situated physically in an office or suite of offices somewhere other than Washington (probably New York or Boston), and that through a cutout of OPC choosing, these persons provide not only guidance, but actually produce materials, for OPC utilization.

Davies was particularly insistent that Dr. Schwartz, of the Russian Research Institute at Harvard, be retained by OPC for policy guidance in certain fields of its activities, and noted that Dr. Schwartz had been most helpful to him as a consultant.

The suggestions and recommendations made by Mr. Davies did not constitute an order or directive, nor were they so interpreted by me or my superiors.

LYLE H. MUNSON.

At that time John P. Davies, Jr., was a member of the Policy Planning Staff of the State Department and Munson and one other CIA representative had been called in by Davies for the conference described in the April 11 statement.

During the course of testimony Munson stated that OPC was a subordinate portion of CIA and that Davies made unsolicited recommendations to him and one other CIA representative about personnel for that subordinate portion of the CIA operation. Munson considered that Davies at the time was acting as an official of the State Department.

Munson proceeded to testify that Davies recommended that all six persons as a group or unit be employed by CIA to give guidance to, consult with, and prepare materials for the CIA. Munson testified that he did not understand that they were to be used as double agents, that they were to be used through a cutout or a person officially connected with the CIA so that they would not be brought directly within CIA operations; that all six were to be used in the same way as part of the same team, performing one and the same function; that it was his recollection that Davies had said that Professor Fairbank and his wife were not Communist as some persons believed but were rather to be characterized as "very politically sophisticated" (IPR hearings, p. 2763); that it was not his understanding Miss Smedley or Miss Strong were being recommended as Communists but that they could be used for "consultation and guidance" (IPR hearings, pp. 2267, 2768).

Previously, on August 8 and August 10, 1951, Davies had been called to testify before the subcommittee, and did make certain unqualified and categorical assertions under oath. Davies' testimony was, for security purposes, kept in executive session.

After the testimony of Davies, the subcommittee, noting the discrepancies between that testimony and the sworn statement of Munson, had transmitted on September 21, 1951, a copy of the Davies transcript to the Department of Justice and asked that the Department determine whether it should take any action thereon. October 29, 1951, the Department of Justice replied that it appeared to the Department that there was insufficient evidence of perjury or any other Federal violation on Davies' part.

After Munson's testimony on February 15, 1952, the subcommittee again wrote to the Justice Department (on February 21, 1952) and enclosed the transcript of the Munson testimony and asked if the amplification of Munson's sworn statement, represented by the

transcript, warranted action by the Department. The subcommittee at the same time enclosed a staff memorandum "citing seven (but by no means all)" of the conflicts between the Munson and Davies transcripts. On February 27, the Department of Justice replied that it would review the matter in the light of the testimony. On February 28, the chairman of the subcommittee again asked that the Department examine the matter called to its attention by his letter of February 21, 1952. The letter of February 28 said in part, "The question is, What is the opinion of the Department of Justice, on the basis of an examination of the testimony to which attention has been directed, in connection with all information otherwise available to the Department?"

On June 19, 1952, the subcommittee learned the whereabouts of the other CIA agent who heard Davies make his recommendations of November 16, 1949. He was subpoenaed by the subcommittee and his executive-session testimony was taken. It was not released because his identity was a security secret. His testimony, however, confirmed the Munson testimony in all material respects and it was transmitted to the Department of Justice.

The Senate Judiciary Committee recommended on July 2, 1952, that the Department of Justice submit to a grand jury the question of whether Davies perjured himself before the subcommittee. The Judiciary Committee considered it a substantial matter, involving as it did an officer, who had become the deputy political adviser to the United States High Commissioner in Germany.

Mr. Davies is now counselor of Embassy in Peru, having been transferred from his position as deputy political adviser to the United States High Commissioner in Germany in May 1953.

On June 11, 1953, the Internal Security Subcommittee addressed an inquiry to the Attorney General of the United States and asked if a determination had been made of the case. It also made certain inquiries of the Department of Justice on the matter.

On July 6, 1953, the Deputy Attorney General, William P. Rogers, replied to the chairman of the subcommittee and stated that the Department of Justice was making a review of all matters which were pending in the Department, including the Davies matter and that it had not as yet reached any final determination as of that date.<sup>43</sup>

<sup>43</sup> Hon. WILLIAM E. JENNER,  
United States Senate,  
Washington, D. C.:

The Attorney General has referred to me the letter from the Internal Security Subcommittee, dated June 11, 1953, in regard to the case of John P. Davies.

Sometime back Senator McCarran submitted a similar letter inquiring about the status of the case. By letter, dated May 18, 1953, we advised him that the Department of Justice under the present administration was making a review of all matters which were pending in the Department when the present Attorney General took office, including the Davies matter. We further advised Senator McCarran that the Department had not reached any final determination as yet. In order to make certain that the review is objective and complete, the Department is having the matter reviewed solely by appointees of the present Attorney General.

The review which we referred to in our letter to Senator McCarran has still not been completed. We appreciate the interest of the Senate Internal Security Subcommittee in this matter and assure you that you will be advised when any final action is taken by the Department in connection with it.

With best personal regards,

Sincerely,

WILLIAM P. ROGERS,  
Deputy Attorney General.

## CONCLUSIONS

1. The Soviet international organization has carried on a successful and important penetration of the United States Government and this penetration has not been fully exposed.

2. This penetration has extended from the lower ranks to top-level policy and operating positions in our Government.

3. The agents of this penetration have operated in accordance with a distinct design fashioned by their Soviet superiors.

4. Members of this conspiracy helped to get each other into Government, helped each other to rise in Government and protected each other from exposure.

5. The general pattern of this penetration was first into agencies concerned with economic recovery, then to warmaking agencies, then to agencies concerned with foreign policy and postwar planning, but always moving to the focal point of national concern.

6. In general, the Communists who infiltrated our Government worked behind the scenes—guiding research and preparing memoranda on which basic American policies were set, writing speeches for Cabinet officers, influencing congressional investigations, drafting laws, manipulating administrative reorganizations—always serving the interest of their Soviet superiors.

7. Thousands of diplomatic, political, military, scientific, and economic secrets of the United States have been stolen by Soviet agents in our Government and other persons closely connected with the Communists.

8. Despite the fact that the Federal Bureau of Investigation and other security agencies had reported extensive information about this Communist penetration, little was done by the executive branch to interrupt the Soviet operatives in their ascent in Government until congressional committees brought forth to public light the facts of the conspiracy.

9. Powerful groups and individuals within the executive branch were at work obstructing and weakening the effort to eliminate Soviet agents from positions in Government.

10. Members of this conspiracy repeatedly swore to oaths denying Communist Party membership when seeking appointments, transfers, and promotions and these falsifications have, in virtually every case, gone unpunished.

11. The control that the American Communications Association, a Communist-directed union, maintains over communication lines vital to the national defense poses a threat to the security of this country.

12. Policies and programs laid down by members of this Soviet conspiracy are still in effect within our Government and constitute a continuing hazard to our national security.

## RECOMMENDATIONS

The subcommittee makes the following recommendations:

That a thorough study be made by the Committee on the Judiciary, in cooperation with the Department of Justice, of existing legislation, with a view toward extending the statute of limitation on false swearing and false affirmations by Government employees concerning Communist membership and subversion.





3 9999 05445 4788

RSION IN GOVERNMENT DEPARTMENTS

That the Internal Security Subcommittee continue to support Senate bill 16, giving Congress the power to grant immunity to certain witnesses, and, in the event of its enactment into law, review the evidence taken by the subcommittee during this session of Congress with the object of recalling certain witnesses who have refused to testify.

That the legislation now before committees of Congress which would operate to prevent Communist organization and control of workers in communications and other vital defense industries be considered for early enactment.

That this subcommittee continue the present investigation, in those areas where the evidence brought forth during this series of hearings indicates that the subversion has not yet been fully exposed.

That the executive branch of the Government reevaluate the personnel records and the personal history of all employees brought into the Government, recommended or promoted by persons shown by evidence to have been Soviet agents.

That the executive branch of the Government reevaluate the personnel records and personal histories of all employees who have been closely and intimately associated with, and who were involved in some degree in conspiratorial activity with, persons shown by evidence to have been Soviet agents.

WILLIAM E. JENNER, *Chairman.*

ARTHUR V. WATKINS.

ROBERT C. HENDRICKSON.

HERMAN WELKER.

JOHN MARSHALL BUTLER.

PAT MCCARRAN.

JAMES O. EASTLAND.

OLIN D. JOHNSTON.

○



**Boston Public Library**  
**Central Library, Copley Square**

**Division of**  
**Reference and Research Services**

**Social Sciences**  
**Department**

The Date Due Card in the pocket indicates the date on or before which this book should be returned to the Library.

Please do not remove cards from this pocket.





