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In Amerasia Case

U. S. Denies Reports of 5 'Secrets'

By Alfred Friendly
Post Reporter

The chief of the Justice Department Criminal Division yesterday explicitly denied sensational stories listing certain specific "highly secret wartime information" allegedly contained in documents seized in the 1945 Amerasia magazine case.

The stories, published yesterday by the New York Herald Tribune Syndicate and the Scripps-Howard newspapers, listed five documents—on their face obviously very secret and containing crucial information—as among those seized when FBI and Office of Strategic Service investigators raided the magazine's offices.

No documents "remotely resembling" those reported were seized, James M. McInerney told reporters yesterday. McInerney, now head of the Criminal Division, was the acting head at the time of the Amerasia case.

Reporters encountered McInerney in a Capitol office and asked him, regarding each document separately, whether five of the items listed in the news stories were actually among the Amerasia documents.

On four of the items his answer was a flat no. On the fifth, he said the document would have to be identified more precisely before he could give a positive answer, but he could think of nothing of that general nature.

McInerney said he was thoroughly familiar with the 900-odd originals and 800 more duplicates of documents taken by the FBI from the Amerasia magazine offices and from the homes of two of the six defendants in the case. Furthermore, he said, he was familiar with the 20-odd documents seized earlier from the offices in an OSS raid.

If any items like those mentioned in the stories were among the documents, he said, he would know about them.

The two newspaper syndicates did not give the source for their stories, but both said the reports were confirmed by Senator Bourke B. Hickenlooper (R., Iowa), a member of the Senate subcommittee investigating the Amerasia case, along with other charges of communism in government.

Hickenlooper in Iowa

Hickenlooper, however, has been in Iowa for a week or more. He declared in an interview there yesterday that his knowledge of the documents found in the Amerasia haul came from Robert M. Morris, counsel of the Republican minority on the investigating subcommittee.

Meantime, Senator Tydings (Md.), the subcommittee chairman, said he had never seen such documents as those described by the newspaper syndicate stories, and added:

"It's too bad Senator Hickenlooper hasn't heard all the testimony. I wish he had."

At the same time, Edward Morgan, principal subcommittee counsel, said he also had not seen the documents described in the stories, although he conceded that he had not yet gone through all of the many hundred sheets of paper seized. They are now in Justice Department custody.

McInerney testified about the case before a House Judiciary subcommittee in 1946, and only recently testified again in secret session before the Tydings subcommittee.

Yesterday, that group heard two more Justice officials tell of the situation. One was Assistant FBI Director Louis B. Nichols and the other was D. Milton Ladd, assistant to the director, and principal FBI officer in charge of the Amerasia case at the time of the arrests.

Tydings quoted the two men as telling his subcommittee after they had testified "You have all the testimony we have touching the Amerasia case."

Six people were arrested when the raids were made in June 1945. A grand jury declined to indict three and prosecution was later dropped against a fourth. Phillip J. Jaffe, editor of the magazine, pleaded guilty to illegal possession of Government documents and was fined \$2500. The sixth man arrested, Immanuel S. Larsen, pleaded nolo contendere and was fined \$500.

The Tydings subcommittee plans to question Larsen on his part in the case, possibly on Monday after-

noon. The other five defendants in the 1945 case also will be questioned after Larsen, Morgan said.

Ever since the conclusion of legal proceedings on the case, there have been widespread charges in and out of Congress that the case was "whitewashed" and the prosecution "mishandled."

The five "state secrets" documents allegedly in the Amerasia haul about which reporters questioned McInerney, were:

1. A listing of the location of American fleet units in the Pacific, as of a date in 1945. McInerney, denying the existence of this listing among the papers taken, noted that there was, however, a listing of Japanese naval units.

Counter-Intelligence Plan

2. A Naval plan for wartime counter-intelligence operations, sent by Naval Intelligence to intelligence officers of the 14 American naval districts.

3. A document over Secretary of State Hull's signature apparently picturing Amerasia magazine "as a veritable bible on what to do in the Far East."

4. A message from President Roosevelt to Chiang Kai-shek, with

INDEXED - 143

NOT RECORDED
45 FEB 1952

Page /

Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: 6/1/50

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Four Horsemen

Words that desperately needed to be said for the salvation of the country were spoken yesterday on the floor of the Senate by Senator Margaret Chase Smith of Maine. She was perhaps uniquely qualified to speak as she did—because she is a woman and a Republican, but above all because her disinterested patriotism and personal integrity are beyond question. Her "declaration of conscience" may mark an historic turning point in the road back to America.

"As an American," said Mrs. Smith, "I want to see our Nation recapture the strength and unity it once had when we fought the enemy instead of ourselves." A no time in the past 80 years has the strength of the United States been so sapped by confusion and disunity. For the confusion she blamed, and justifiably, "the lack of effective leadership in either the legislative branch or the executive branch of our Government." For the disunity she courageously pointed the finger of blame at elements in her own party who have tried to "ride to political victory on the Four Horsemen of Calumny—Fear, Ignorance, Bigotry and Smear."

Mrs. Smith spoke of long-honored but now forgotten American values—the rights of free expression and of trial by jury instead of trial by accusation. "The American people," she said, "are sick and tired of being afraid to speak their minds lest they be politically smeared as 'Communists' or 'Fascists' by their opponents. Freedom of speech is not what it used to be in America. It has been so abused by some that it is not exercised by others." And then, without mentioning Senator McCarthy but in words we trust he could not have misunderstood, she declared: "I don't like the way the Senate has been made a rendezvous for vilification, for selfish political gain at the sacrifice of individual reputations and national unity. I am not proud of the way we smear outsiders from the floor of the Senate and hide behind the cloak of congressional immunity and still place ourselves beyond criticism on the floor of the Senate. As an American, I am shocked at the way Republicans and Democrats alike are playing directly into the Communist design of 'conquer, divide and conquer'."

We believe that the six Republicans who joined Mrs. Smith in her magnificent declaration constitute an honor roll. They are Tobey, Aiken, Morse, Ives, Thyne and Hendrickson. "It is high time," they agreed, "that we stopped thinking politically as Republicans and Democrats about elections and started thinking patriotically as Americans about national security based on individual freedom." It was this same conviction that led The Washington Post recently to propose a Commission on Security to aid the country in this kind of unpartisan, national thinking. We need the counsel of men who are above the vulgar political battle, men who can be enlisted in the great battle for national redemption.

INDEXED - 17

327
 60 JUL 14 1954

Page
 Times-Herald _____
 Wash. Post 20
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: JUN 2 1954

Tolson _____
 Ladd _____
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 Nichols _____
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Senator Raps Hitchcock's 'Legal Ethics'

By Scripps-Howard Newspapers
 Sen. Homer Ferguson (R., Mich.) charges the Government prosecutor in the Amerasia case violated



Mr. Hitchcock Sen. Ferguson

legal ethics and was "clearly in contempt of court" when he made "a deal" to close the case in 1945.

Sen. Ferguson, a former judge, specifically mentioned Robert M. Hitchcock of Buffalo, special assistant to the Attorney General and prosecutor in the case.

The charge was phrased as a question during a speech by Sen. William Knowland (R., Calif.) demanding that the Amerasia case be reopened. Sen. Ferguson asked if Sen. Knowland "did not know it to be a fact" that—

"Legal ethics prohibit and make a matter of contempt of court to enter into any such agreement as was made by Mr. Hitchcock."

'CONDUCT . . . NOT BECOMING'

He added that "the conduct of the Assistant Attorney General in this case was not even becoming a police court lawyer in any of our great cities."

Sen. Ferguson also stated that it was "the duty and responsibility of the judge to ascertain whether any promise had been made."

The Senator said testimony taken in the Amerasia case shows that the attorney for Philip Jaffe, publisher of Amerasia, was kept in an outer office by Government attorneys and was not permitted to go to the office of the clerk of court to examine documents on file. During this time, he said, Government attorneys arranged with Emmanuel Larsen, former State Department employe and a co-defendant of Jaffe's, to plead no defense to the charge of stealing Government documents.

Mr. Larsen was promised by Government attorneys, Sen. Ferguson

(Continued on Page 41)

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INDEXED - 143

NOT RECORDED
 45 FEB 1952

EX-83

Page

Times-Herald _____
 Wash. Post _____
 Wash. News 3
 Wash. Star _____
 N.Y. Mirror _____

Date: 6-2-52

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Tolson____
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Senator Raps Hitchcock's 'Legal Ethics'

(Continued From Page 3)

said, that Mr. Jaffe would pay his fine and attorney's fee. When Mr. Larsen and Mr. Jaffe were brought into court in an unusual Saturday morning arraignment on Sept. 29, 1945, he added, Mr. Jaffe stepped to the clerk's desk and paid Mr. Larsen's \$500 fine. Immediately thereafter, he said, Mr. Larsen's attorney presented a bill for \$2000 for attorney's fees, and that, too, was paid by Mr. Jaffe.

Sen. Knowland commented: "I was rather shocked, as a layman, to find a statement you might expect the defense attorney to make made by the Government's attorney so that all the defense attorney had to do was to say 'me, too,' and agree to this very pleasant arrangement."

Sen. Knowland said the handling of the Amerasia case in District Court left the impression that the defendants had done nothing seriously amiss. He added that it was clear to him that "a deal was made outside the court room."

Sen. Ferguson said handling of the Amerasia case violated "established rules of procedure." He and Sen. Knowland charged that the Justice Department is trying to leave the impression that bungling of the Amerasia case was the fault of the FBI and the OSS. Both insisted the Justice Department must assume the responsibility.

Democratic senators largely boycotted Sen. Knowland's speech. Only a few were on the floor, and they showed no interest in what was going on.

Page

Times-Herald _____

Wash. Post _____

Wash. News _____

Wash. Star _____

N.Y. Mirror _____

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OSS Hits Back on Amerasia

at Justice Dept. and Tydings Committee

By FREDERICK WOLTMAN *Scripts-Howard Staff Writer*

Two top officials of the wartime Office of Strategic Services (OSS) today struck hard at the Justice Department and the Tydings committee for their handling of the Amerasia case.

Archbold van Beuren, OSS security chief, charged that Tydings investigators tried to get him to contradict testimony of Frank Bielaski, the committee's first witness in its Amerasia inquiry. He upheld the Bielaski testimony.

But the investigators, he said, "seemed more interested in discrediting it than in eliciting information which would further their investigation of the Amerasia case."

Lieutenant Col. Otto C. Doering, chief executive officer of OSS, termed "fantastic" and "ridiculous" the Justice Department's charge, made last Friday, that the OSS 1945 raid on Amerasia caused the "collapse" of the Amerasia prosecutions.

"The OSS is no longer in existence," he said, "so they're using us as an excuse. And it's a poor one. They're trying to hide behind something that isn't there. If they didn't proceed properly, it's not our fault."

'Looking for Way Out of Finding Whitewash'

The department's attempt to pin the blame on OSS "doesn't surprise me," Mr. Van Beuren declared, "since the Tydings committee seems to be looking for a way out of finding there was a whitewash by the Justice Department."

It was Mr. Bielaski who, as OSS chief investigator, led the Amerasia raid that uncovered hundreds of stolen secret Government documents. He testified about it early last month in an executive session of the Tydings committee. His testimony never was made public.



ARCHBOLD VAN BEUREN

Last week the committee announced that members of its legal staff had questioned two of Bielaski's OSS superiors in New York. One was Mr. van Beuren, now editor of Cue Magazine. The other was Major Gen. William J. Donovan, OSS chief, whose principal aide was Col. Doering, now a member of the Donovan law firm. General Donovan since left for London.

Mr. van Beuren said two attorneys for the Tydings committee, L. L. Tyler and Robert Heald, questioned him for one-half to three-quarters of an hour about the OSS discovery of the stolen Amerasia documents. He described it as "a pretty casual dismissal of the affair."

Questions Dealt With Bielaski Testimony

Then they asked a series of questions which he said were designed to find out if he would affirm or disaffirm parts of the Bielaski testimony.

One concerned the OSS investigator's testimony that, after the Hiroshima atomic explosion, he recalled having seen a document in the Amerasia file marked "A Bombing Plan for Japan." Mr. van Beuren was asked if Mr. Bielaski had mentioned that to him before telling it to a newspaperman.

Mr. van Beuren answered that his subordinate had told him about it several years ago.

Another question concerned Mr. Bielaski's testimony that, during the Amerasia raid, he saw an envelope containing top Navy secrets and bearing the name of a prominent writer.

Mr. van Beuren was asked when

(Continued on Page 41)

INDEXED - 143

NOT RECORDED
 45 FEB 1952

Page _____
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EX-83

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N.Y. Mirror

Date: _____

- Tolson _____
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- Tele. Room _____
- Nease _____
- Gandy _____

OSS Hits Back on Amerasia

at Justice Dept. and Tydings Committee

(Continued from Page 3)

this was first mentioned to him by Mr. Bielaski. He replied that Mr. Bielaski told him about it immediately after the raid of March 11, 1945.

"I had a strong feeling they were more interested in my reactions to the Bielaski testimony than in my knowledge of the early stages of the Amerasia case," he said today. He added:

"It was apparent that they wanted to see if, in me, they had a source that could be used to discredit Bielaski's testimony.

'What He Testified Was Exactly True'

"I did not repudiate it in any degree at all. What he testified there was exactly true—the facts were just as I knew them.

"I told them that if there was any question about the importance of the stolen documents we recovered, I'd like to come down and testify."

At the conclusion, according to the OSS security chief, Mr. Tyler said he would recommend against calling him as a witness. "I don't think you can add anything to the case," Mr. van Beuren said he was told.

"If I had contradicted Bielaski," Mr. van Beuren commented today, "I'm damned sure they would have me down there to testify."

The Justice Department spokesman who blamed the OSS for the Amerasia fiasco was James M. McInerney, Assistant Attorney General in charge of the criminal division. He presented the department's side of the case to the committee in closed session last Friday.

"The case primarily was tainted with illegality by the OSS search," Mr. McInerney said. "Nothing the FBI could do after that could make it more tainted. The OSS raid overthrew the whole prosecution."

'If Justice Dept. Failed, It's Not Our Fault'

"I'm surprised they couldn't think of a better excuse; it's so obviously ridiculous," Mr. Doering retorted today. He continued:

"All the OSS did was to go into the Amerasia office to protect our security and then tell the State Department that someone was swiping classified documents.

"From that point on we had nothing to do with the case and were never consulted about it. The Department of Justice had every opportunity to make an intensive, secret investigation, get evidence in a proper manner and proceed in a proper prosecution.

"If they failed to do that, it's not our fault.

"Any lawyer knows that the fact we went in without a search warrant could not have spoiled the case for the Justice Department."

Last week the Tydings committee said it would release secret testimony by General Donovan and Mr. van Beuren. A few days later, Sen. Millard E. Tydings (D., Md.), chairman, rescinded the decision.

Gen. Donovan Denies He Had Been Questioned

But in London Gen. Donovan denied he had ever been questioned.

"I saw two lawyers from the committee in New York on May 24," he declared, "but they did not ask me any questions, and I didn't tell them anything.

"I was rushing to catch my boat and there just wasn't time for me to make any statement. I don't see how there can be any secret testimony by me for the committee release because I didn't give any."

As of today, the Tydings committee has no schedule calling Gen. Donovan as a witness. It was he who first informed Edward C. Stettinius, then Secretary of State, that the OSS had discovered hundreds of secret State Department records in the Amerasia office. That set off the FBI investigation.

Page

- Times-Herald _____
- Wash. Post _____
- Wash. News _____
- Wash. Star _____
- N.Y. Mirror _____

Date: _____

Senator's Challenge

Ferguson Asks: Why Didn't U. S. Push Its Probe?

By Scripps-Howard Newspapers

The Justice Department, under fire for its handling of the Amerasia case, faced a blunt new challenge from Congress today on two chief counts:

- Why it did not fight the case thru the courts in an aggressive prosecution instead of entering into non-trial agreements with two of the defendants, Philip Jaffee and Emmanuel Larsen.
- Why it has not disclosed the FBI's side of the charges of "clumsy" FBI investigative work in the case.

The challenge was issued by Sen. Homer Ferguson (R., Mich.), for 14 years a criminal court judge and before that a teacher of criminal law, in the first detailed review Congress has been given of the law and court opinions relating to the Amerasia affair.

"Do the facts in the case, and the law of search and seizure bear out Assistant Attorney General James McInerney's allegation that the collection of evidence was 'clumsily handled?'" Sen. Ferguson demanded in a Senate speech.

"If the facts and the law do not bear out that allegation, then the prosecution's timidity in contesting the motion to suppress the evidence, and its willingness to enter a deal with the principal defendant, Jaffe, can mean only that the Justice Department had a single purpose in mind to whitewash the whole case."

OPINIONS CITED

Sen. Ferguson cited one court opinion after another to bolster his argument that the Justice Department was not vigilant in prosecuting the case. He acknowledged that entry was made on the premises of both Larsen and Jaffe before the arrests were made, but he insisted that the evidence available for prosecution was obtained later and being incident to the arrest was altogether valid for use in court.

The Senator went directly to FBI testimony before the Hobbs subcommittee of the House to support his contention that Amerasia case evidence was obtained legally.

He first quoted FBI agent Myron Gurnea in charge of the investigation as saying no documents were removed from Larsen's apart-

ment at any time other than a arrest—that documents taken were "incidental to the arrest."

He quoted FBI Agent David Ladd as saying:

"The FBI secured no documents thru any means during the course of this investigation except incident to the arrest. They were all legally obtained."

Mr. Ladd had said the only documents obtained illegally were obtained by the Office of Strategic Services before the FBI moved into the case.

Sen. Ferguson argued that the arrests were cleared by the "highest authority"—including the state Department, Justice Department and even direct instructions from the President—indicated the FBI's case at the outset was considered well-grounded and well-prepared.

FBI WASN'T CALLED

Sen. Ferguson noted that when Mr. Larsen's attorney filed a motion to suppress evidence in the case because of the alleged illegal entry into his apartment at a time prior to his arrest, the Justice Department normally would have called on the FBI for facts to combat this motion.

The Senator said the FBI must have made such a report and he demanded that it be made public.

"The Justice Department has had an opportunity to tell its story," he said. "Who is going to speak for the FBI? Who will present the facts to the public as to whether Mr. McInerney's charges that the case was 'clumsily handled' are accurate?"

Only in this way, Mr. Ferguson said, can FBI Director J. Edgar Hoover's side of the story be disclosed.

0-19

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- Harbo _____
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- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

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45 FEB 1952

EX-5

Page

- Times-Herald _____
- Wash. Post _____
- Wash. News 1 & 10
- Wash. Star _____
- N.Y. Mirror _____

Date: JUN 3 1950

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Even if papers had been seized illegally from Larsen's apartment — which was not the case — they could have been used in court against Jaffe and others involved in the case, the Senator said. Similarly, he argued that if any papers taken from Jaffe's Amerasia magazine office in New York had been taken illegally, they could have been used against others involved in the case.

'SPECIAL CASE'

Sen. Ferguson went to other citations of law to support a view that the fact that the evidence taken was Government property—stolen Government documents—also gave it special standing. He argued, too—and sought to draw support from opinions of the late Supreme Court Justice Oliver Wendell Holmes—that the fact that the theft of these papers occurred in time of war made this a special circumstance.

But the case did not rest alone on documents, Sen. Ferguson said. He cited the exhaustive work of the FBI in trailing the people involved and in recording their movements. But, the senator argued, when the Justice Department made the "deal" with Jaffe and Larsen it "didn't want the evidence to come out."

Sen. Ferguson's speech was the first public discussion of the legal phases of the case. Yet there never were more than a dozen out of 96 senators listening to him. Neither Chairman Millard Tydings (D., Md.) nor a single member of the Foreign Relations sub-committee investigating the case were on the floor at the time.

New Blast at Truman By McCarthy Spurs Communist Dispute

President Criticized
For Refusing to Make
All Files Available

By Cecil Holland

The months-old partisan controversy over charges of communism in the Government continued undiminished today in the wake of bitter criticism of President Truman by Senator McCarthy, Republican, of Wisconsin.

Brushing aside a repudiation of his tactics by seven Republican colleagues, Senator McCarthy yesterday accused President Truman of defending "the vicious vested interests" of Communists by refusing to make available all Government loyalty files on persons he has charged with being pro-Communist.

In a Senate speech, the Wisconsin Republican made it clear he plans to continue his attacks despite a statement by Senator Margaret Chase Smith of Maine and six other Republican Senators that "certain elements" of the Republican Party have resorted to "fear, bigotry, ignorance and smear" in hopes of selfish political victories.

Galleries Almost Empty.

Senator McCarthy put a 4,000-word speech in the Congressional Record and then discussed parts of it after obtaining the floor late yesterday. At the time only a few Senators were on the floor and the galleries, usually full when another chapter in the controversy is being enacted, were almost empty.

The Wisconsin Republican made no direct mention of the state.

Most Mrs. Smith delivered on the Senate floor Thursday before the Maine Senator left for Europe. But there were unmistakable references to the criticism and at one place in his prepared speech Senator McCarthy said:

"Let me make it clear to the administration, to the Senate and to the country that this fight against communism shall not stop regardless of what any individual or group in this Senate, or in the administration may say

See Publicity Motive.

He implied that the statement by Mrs. Smith and six other Republican Senators was made for "publicity or political motives."

This was done by saying he would like to "call the roll" of Senators who "completely and wholeheartedly" had supported his anti-Communist crusade. But he refrained from doing so and said "they are not impelled by political motives" and they "are not looking for publicity or political gains."

Joining Mrs. Smith in a statement attacking the McCarthy tactics were Senators Tobey of New Hampshire, Aiken of Vermont, Morse of Oregon, Ives of New York, Thye of Minnesota and Hendrickson of New Jersey. Their statement was described last night by Francis Biddle, former Attorney General and now head of Americans for Democratic Action, as helping "return national discussion and debate to its proper high level."

Asks Truman to Open Files.

In his prepared statement, Senator McCarthy called on Mr. Truman to open all the Government files on any of the persons he has accused of Communist leanings as a complete test of whether his charges are true or false.

If the President would do this, Senator McCarthy added, he would repeat without congressional immunity the charges he has made against such persons as Owen Lattimore, former eastern specialist of Johns Hopkins University, accused by the Wisconsin Republican under the cloak of immunity of being a Communist and Russia's top spy in this country. Mr. Lattimore, vehemently denying the charge, repeatedly has challenged Senator McCarthy to repeat the accusation on the Senate floor without immunity from a libel suit.

President Truman has permitted a Senate Foreign Relations Subcommittee investigating the McCarthy charges to look at the State Department loyalty files on 81 persons accused of being pro-Communists. But on the insistence of Attorney General McGrath and FBI Director J. Edgar Hoover, he has refused to make available the so-called "raw" FBI investigative files on the grounds this would cripple the work of the agency, wreck the loyalty program and smear innocent people.

Reads Van Beuren Statement.

Senator McCarthy read into the record a statement from Archbold Van Beuren, agent of the wartime Office of Strategic Services, complaining about two investigators of the Senate sub-

committee. Van Beuren charged that the investigators—Lyon Tyler and Robert L. Heald, former FBI investigators—in questioning him about the 1945 Amerasia magazine case seemed "primarily interested" in getting information to contradict testimony of another witness "rather than information that would further the investigation." The Senate is looking into the Amerasia case, which involved the alleged theft of Government documents, as part

of its investigation of the McCarthy charges.

Edward P. Morvan, committee counsel, said the Van Beuren charge was "an unmitigated lie" and that the two investigators did "a conscientious job" in questioning the former OSS agent to unravel some threads of the case.

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Tracy ✓
Harbo ✓
Belmont ✓
Mohr ✓
Tele. Room ✓
Nease ✓
Gandy ✓

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Heard
Caum
Griffin
SA

EX. - 83

INDEXED - 73 NOT RECORDED
71 SEP 12 1950

Page

Times-Herald _____
Wash. Post _____
Wash. News _____
Wash. Star A-1 & 2
N.Y. Mirror _____

Date: JUN 3 1950

52 SEP 28 1950

File

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

McINERNEY BACKTRACKS

THE Amerasia cover-up is beginning to crumble.

Three days ago, Assistant Attorney General McInerney said that "nothing resembling" the top secret documents described in this and other newspapers were in the Amerasia files.

Yesterday, Mr. McInerney, after the State Department had revealed the existence of one of the documents, took a second look.

He confessed that he had found three of the five secret papers listed. But they weren't really "documents," said Mr. McInerney. They were just reports. Or personal notes. Or memoranda. Yet Mr. McInerney admitted they contained the information described in the newspapers.

How technical can you get? If a document—pardon us, a report—of a private talk by Assistant Secretary of State Joseph Grew divulges that 25 submarines were in the Tsushima Strait at a certain time, what does it matter that it was not an official Navy Department "document"? All that matters is whether the subs were there, and whether this information in unauthorized hands could have endangered the lives of the submariners.

If a document—again pardon us, a memorandum—marked "top secret—eyes only" tells of two wartime messages from President Roosevelt to Chiang Kai-shek, the only thing important is whether at that crucial stage of the war such a paper should have been passed around to anyone except for those officials to whom it was addressed for their "eyes only."

Next step now, it seems to us, is to open up all the Amerasia files.

For the last five years no one has known about, or had access to, those files, except the defendants who were let off with light fines, or not prosecuted at all, and the prosecutors who didn't prosecute, and perhaps the more important folks who put in the fix. It's about time this information was revealed to all citizens, including the men who at the time this was happening were risking their lives in the Pacific war.

If the Tydings committee isn't ready to undertake a full disclosure, it had better turn over the job to a non-partisan commission which will.

INDEXED - 143
 NOT RECORDED
 45 FEB 1952

100-100000-1000

Page

Times-Herald _____
 Wash. Post _____
 Wash. News 10
 Wash. Star _____
 N.Y. Mirror _____

File 100-100000-1000

61 MAR 3 1952

Date: JUN 3 1950

Tolson _____
Ladd _____
Clegg _____
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Nichols _____
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Belmont _____
Mohr _____
Tele. Room _____
Nease _____
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How McInerney Backtracked on Amerasia Theft

(Page 3)

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INDEXED - 143

NOT RECORDED
45 FEB 12 1952

EX-111

6 MAR 3 1952

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Page _____
Times-Herald _____
Wash. Post _____
Wash. News 1 & 3
Wash. Star _____
N.Y. Mirror _____
Date: JUN 3 1950

Mr. Mac Takes Another Look

and Finds That Stolen Amerasia Papers Contained Secrets After All

By SCRIPPS HOWARD NEWSPAPERS (See editorial on Page 10, and James Daniel on Page 11.)

The Justice Department did an about face today and admitted that the stolen Amerasia documents contained secret military information.

Assistant Attorney General James M. McInerney retracted his previous denial, altho he did not do so specifically.

This newspaper and others published the nature of the contents of five of the stolen documents Wednesday. They included the wartime disposition of 25 U. S. submarines in the Pacific, a cable from the State Department to Chungking, China, and a report of "eyes only" messages from President Roosevelt to China's Generalissimo Chiang Kai-shek.

Mr. McInerney said Wednesday that he had studied all of the Amerasia documents—which were recovered in 1945 by the FBI in a raid on Amerasia's office—and that the contents of none of them "remotely resembled" those described in the newspaper accounts and confirmed by Sen. Bourke Hickenlooper (R., Ia.).

"If there were anything in them like that, I would have known about it," Mr. McInerney said Wednesday.

His about face yesterday followed disclosure by the State Department of the existence of one of the documents — the so-called "Hull" to Chungking cable. In it, the attention of the U. S. Embassy in Chungking was called to an article in the pro-Communist Amerasia magazine.

A few hours after the State Department's disclosure, Mr. McInerney admitted the existence of three of the five papers. His explanation of his erroneous denial was that the documents weren't actually original Government documents — but copies of speeches, or reports, or personal notes.

The information on the location of the 25 submarines, he said, was contained in notes on a wartime speech by former Ambassador Joseph C. Grew. The speech was made before State Department personnel, he said.

Mr. McInerney said he believed that the notes were made by Emanuel S. Larsen, a former State Department worker. Larsen was among the six arrested in 1945 in the Amerasia case. He pleaded no defense and was fined \$500.

Mr. McInerney also said there was found a personal memorandum among the Amerasia documents which refers to the "eyes only" messages—those to be read only by the person to whom they were addressed. But the Assistant Attorney General said the memorandum was not a "Government document."

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SECOND SECRET

AMERASIA REPORT

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Data Reveals Red Inside On China Policy

State Dept. Trusted Friend of Commies

By WILLARD EDWARDS

The contents of a second secret document on the Amerasia scandal, hidden from the public by the Truman administration and the Tydings subcommittee, was made known to this paper yesterday.

It reveals that the State department in 1944 trusted Agnes Smedley, twice accused of espionage by U. S. authorities during a 20-year career working for the Soviet cause in China, as a reliable source of information on conditions in China.

A bulky report by Miss Smedley, who died last month in London at the age of 56, was one of the 1,700 papers stolen in 1945 from government files and discovered in the offices of Amerasia, a New York City magazine which has been described as a channel for transmitting American secrets to

Views Detailed

It details in great length her views on China, her proposals for assistance to Chinese Communists, her program for building up the Soviet guerrillas against the Nationalist government of Chiang Kai-shek, which was an ally of the United States.

The extent of pro-Russian influence in the State department at that time was indicated by a notation that Miss Smedley was regarded as a reliable informant.

The document thus followed closely the line taken in a cable sent in July, 1944, to the American embassy in Chungking under the name of the then State secretary, Cordell Hull, which outlined a policy advocated by Amerasia for building up the Communists in China.

The existence of the Hull-Chungking cable was denied by the Justice department, but confirmed by the State department, which added there was no indication that Hull either saw or signed it.

Part of Russ Spy

This cable and the Smedley report were provided for American officials in the Far East at the time when Earl Browder, head of the American Communist party, according to his testimony, never contradicted by the Administration, was supplying information received from Chinese Communists to the late President Roosevelt. Browder recently told a Senate committee that he was entirely satisfied with the State department's policy during the 1942-1946 period. The loss of China to the Red armies followed four years later.

When an unidentified State department official informed the

(Times to Page 26, Col. 3)

INDEXED - 126

NOT RECORDED
45 FEB 11 1952

Page

Times-Herald /
 Sunday Edition
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

45 FEB 11 1952

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

2d of Amerasia Stolen Papers Bared to Public

(Continued from First Page)

U. S. foreign service that Agnes Smedley was a trusted source of information, government files contained the information that she was an admitted associate of Richard Sorge, the notorious Russian spy, hanged by the Japanese after his operations as head of a wide-flung espionage ring in China and Japan had been exposed.

Toward the end of the first World war in March 1918 Miss Smedley was arrested in New York City for violating the federal espionage act as an agent for the Indian Nationalist party. She spent several weeks in jail and the charges were then dismissed.

In 1928 she went to China as a correspondent for the German newspaper Frankfurter Zeitung and immediately became known as "one of the most energetic workers for the Soviet cause in China," according to an intelligence report.

She was one of the first to write that Chinese Communists were really not Communists, but "local agrarian revolutionists innocent of Soviet connections," a hoax which was part of the official Communist party line.

On Feb. 10, 1949, the United States Army made public a 32,000-word report on the Sorge spy ring in which Miss Smedley was named as a comintern agent. She denied this charge and threatened to sue Gen. MacArthur for libel. On Feb. 18 Col. George S. Eyster, deputy chief of the Army public relations division in Washington, stated that the Army had no proof to back the charges that Miss Smedley was a member of the spy ring.

Friendship Admitted

Miss Smedley admitted knowing both Sorge and Ozaki Hozumi, the top men in the spy ring, both of whom were executed. The Army report said she was the go-between who brought the two men together. She declared that the two men were "excellent sources of information" whom she used in her writings.

Gen. Charles A. Willoughby, chief of Gen. MacArthur's intelligence staff, protested that the release of the spy report by Washington authorities had been against the wishes of Gen. MacArthur. But he added that he differed "emphatically from those who belittle the documentation supporting the report, which is voluminous and has not been published."

Willoughby said he would waive any immunity to libel action if Miss Smedley wanted to sue him, and her attorney, O. John Rogge, a former assistant attorney general, promised to sue. Miss Smedley went off to England where she died while writing the life of Gen. Chu Teh, commander-in-chief of the Chinese Communist army.

Page

Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: _____

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- Tracy _____
- Harbo _____
- Belmont _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

Ex-OSS Official Will Testify Tomorrow in Amerasia Case

Van Beuren Subpenaed by Tydings After McCarthy Charges Whitewash

By WILLARD EDWARDS

A wartime intelligence chief, who has assailed the methods of Tydings subcommittee investigators, was summoned yesterday to testify about the Amerasia stolen-documents case.

Chairman Tydings of Maryland of the Senate foreign relations subcommittee, announced that Archbold van Beuren, former intelligence chief of the Office of Strategic Services, will be questioned at a closed session tomorrow.

Interviewed by Probers

Van Beuren previously had charged that two members of Tydings' staff had interviewed him May 23 in an apparent attempt to induce him to discredit the testimony of Frank Bielaski, former OSS agent, who led the first raid in 1945 upon the offices of Amerasia, a New York City magazine. Bielaski discovered stolen government documents which eventually led to the arrest of six persons, including two State department officials.

When van Beuren refused to contradict the testimony of his subordinate and offered instead to amplify it, the Tydings agents said he would not be called as a witness, he revealed.

Tydings' decision to call van Beuren followed the assertion of Sen. McCarthy (R) of Wisconsin that Tydings' investigators were abusing and intimidating prospective witnesses to bring about a whitewash. The announcement represented another retreat by Tydings in the face of a McCarthy challenge.

Talks With President

Tydings spent a half-hour with President Truman at the White House, presumably discussing appointment of a proposed three-man commission to take over the work of the Tydings group. Both were silent on any decisions reached.

Tydings was said to have repeated to the President what he has told his friends—that reaction to the work of the subcommittee has been so bad that its eventual report already has been discredited in the public mind. Some method must be devised to take the heat off Tydings and Sen. McMahon (D) of Connecticut, both up for re-election, Mr. Truman has been informed.

Adm. Nimitz has been mentioned as being considered by the President to head this "non-partisan" commission. Nimitz has been awaiting the adjustment of conditions in India to take a post as United Nations plebiscite administrator for Kashmir.

McCarthy meanwhile announced he will again talk on the Senate floor today about communism in the State department and promised he will disclose a hitherto secret document which will "shock both sides of the aisle."

Larsen to Tell "All"

The Tydings subcommittee at an executive session grilled Emanuel S. Larsen, one of the six persons arrested in the Amerasia case. Larsen pleaded "non contendere," not contesting the charges, and was fined \$500. Phillip C. Yaffe, editor of Amerasia, was fined \$2,500 on a plea of guilty and the four other cases were dismissed.

Larsen told a reporter he was going to "tell all the facts in the case whether they like it or not." He has charged that there was "a mysterious whitewash of the chief actors" in the espionage case.

"There was a well-organized and successful campaign inside the State department to shift America's Far Eastern policy to a pro-Soviet line," declared Larsen who was China expert for the State department until his arrest. He contended he was induced to make his plea by Justice when paid his

INDEXED - 103
NOT RECORDED
45 FEB 1952
EX-5

Page 2
Times-Herald _____
Wash. Post _____
Wash. News _____
Wash. Star _____
N.Y. Mirror _____

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- Tracy _____
- Harbo _____
- Belmont _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

New Line of Attack

Senator McCarthy, who is versatile if nothing else, is attacking from a new direction. He now says that the Tydings committee, backed by "all of the power of Washington bureaucracy and its combined highly paid press staff," may yet convince him that it is hopeless to force acceptance of further proof in support of his charges against the State Department. The Wisconsin Senator leaves the impression, however, that he is no quitter and that he is in this fight to the last witness.

This is indeed a new role for the embattled Senator. Here is a man who has made specific accusations which, if true, are of first importance. He has said that he has a list of 57 card-carrying Communists who are now in the State Department. And he has also said that he is willing to rest his whole case on the accuracy of his charge that Owen Lattimore is the top Communist espionage agent in this country.

The Senator has failed, however, to produce a shred of evidence to support either charge. In four months he has not named one, to say nothing of 57, card-carrying Communists in the State Department. And yet he has the gall to ask the country to believe that the fault lies not with him, but with the Tydings committee. Having failed, and probably being unable, to come up with any proof in support of his really serious charges, he takes a new stand on the line of the Amerasia case, which, for better or worse, was handled five years ago, and shouts from the housetops that the committee will not listen to his proof.

This is what the military men would call a disengaging maneuver. The Amerasia case has its importance, and Senator McCarthy should and undoubtedly will be given full opportunity to present any evidence bearing on it which he may have. But what may have been done, or not done, in the State Department five years ago is of secondary concern. The most important of the matters raised by Senator McCarthy is whether, as he implies, the State Department continues in 1950 to be a nest of Communists. That is the major count in his indictment, and, having made the charge, he should not be permitted to slide out from under it.

This is the consideration which lends force to Senator Thye's suggestion that the Senate Republicans should take a "responsible position" in the matter of charges. Evidently the Republicans have refused to take any position. That is an attitude which leaves the impression that they hope to enjoy the benefit of any political advantage which may flow from the McCarthy performance without assuming any responsibility for what he says and does. That may be "practical politics," but it is not an admirable brand.

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Page _____
 Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star 10
 N.Y. Mirror _____

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- Tracy _____
- Harbo _____
- Belmont _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

Amerasia Got F.D.'s China Plan

to Make Stilwell Boss

By FREDERICK WOLTMAN Scripps-Howard Staff Writer

The controversial "eyes only" Amerasia document, which last week sent the Justice Department into a tailspin, revealed a top secret wartime plan of President Roosevelt and Chiang Kai-shek to put an American commander in charge of all China's armies.

It was to be a drastic step, the document disclosed, and was to include the Communist troops as well as the Nationalist. The President's choice was Lieut. Gen. Joseph Stilwell.

But the plan fell thru. A few months later, Gen. Stilwell was relieved of his post of American commander at Chungking.

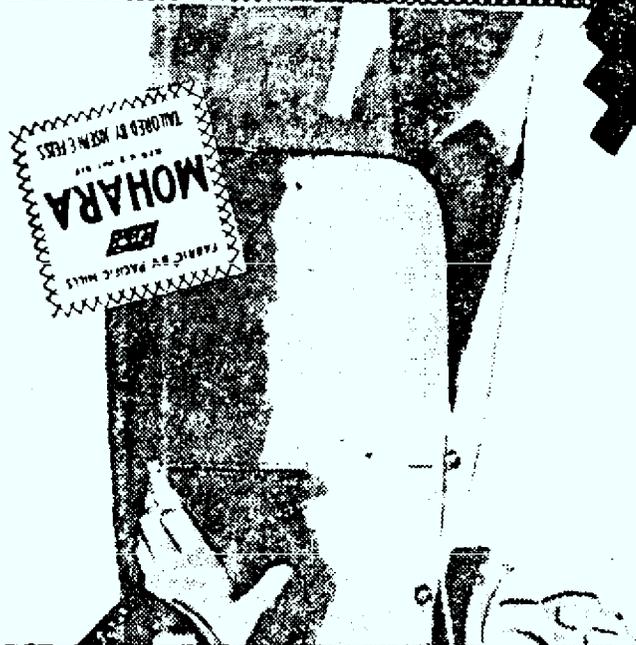
The Scripps-Howard and other newspapers last week listed the "eyes only" document as one of five positively identified as stolen from Government files in the Amerasia case.

Whereupon, James M. McInerney,



109
NOT RECORDED
45 FEB 1 1952

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Page

- Herald _____
- Post _____
- News
- Star _____
- N.Y. Mirror _____

N.Y. Mirror

Date: 1-6-56

- Tolson ✓
- Ladd ✓
- Clegg ✓
- Glavin ✓
- Nichols ✓
- Rosen ✓
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- Belmont ✓
- Mohr ✓
- Tele. Room ✓
- Nease ✓
- Gandy ✓

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 ✓ *Spec. Inv.*
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New Group Is to Study Loyalty Files

President Truman has decided to name a group of distinguished citizens to study the charges of Senator McCarthy (R., Wis.) that there are Communists in the State Department.

An official statement on the make-up of the group, and an explanation of its task, probably will be issued by the White House today.

Mr. Truman, according to those who ought to know, has no intention of appointing a "super-board" to look into McCarthy's charges. The distinguished citizens he asks to serve probably will be added temporarily to the Loyalty Review Board headed by Seth Richardson, a Republican lawyer, who was Assistant Attorney General in the Hoover Administration.

They would be asked to make a study of the files of 81 persons against whom McCarthy has made charges.

Among those who have been under consideration are Admiral Chester Nimitz (USN) (ret.), Judge John Patrick Higgins, Chief Justice of the Massachusetts Superior Court, and Judge John J. Parker of North Carolina, presiding judge of the Fourth Circuit United States Court of Appeals.

Others also have been under consideration, and reporters were warned not to go out on a limb with respect to those three.

Senator McCarthy made his charges about Communist spies operating in the State Department back in February. The Senate promptly ordered its Foreign Relations Committee to make an investigation of the charges, and a subcommittee of that committee headed by Senator Tydings (D., Md.) was given the assignment.

Tydings and other members of the committee have been going to the White House to study the much-talked-about "81 files." It has been slow going, however, and about the best they have been able to do is to go over one file a day.

About two weeks ago, on one of his visits to the White House, Tydings proposed to Mr. Truman that he name a nonpartisan group of distinguished citizens and ask it to make a detached study of all the evidence in the controversy. This, he and his colleagues felt, would take the matter out of the political heat generated by Senator McCarthy's charges.

At about this same time, The Washington Post suggested in an editorial, "The Road Back to America," that the President create a Commission on National Security. This commission would make a survey of the major aspects of national security, including "the internal menace of the fifth column."

Mr. Truman, asked for comment on The Washington Post editorial at a news conference, said he saw no reason for a super-government in the United States—that he was trying to run the Government under the Constitution.

The Washington Post, in another editorial the following day, said:

"There is undoubtedly room for difference of opinion as to the proper scope of a Commission on National Security—even as to the wisdom of establishing such a commission at this time. But to say that such a commission would constitute a sort of supergovernment not contemplated by the Constitution is tantamount to saying that

the President may not in a period of crisis seek the advice and assistance of his fellow Americans."

The Chief Executive, from all indications, has been loath to set up any new machinery because of his faith in the job being done by Seth Richardson and other members of the Loyalty Review Board.

In a speech before the Federal Bar Association here on April 24, Mr. Truman praised the members of the Loyalty Review Board, and pointed out that it was made up about half and half of Republicans and Democrats.

The President, in that same speech, said that, thanks to the loyalty program, not a single person adjudged to be a Communist remains on the Government payroll. He invited anybody who knew of a Communist in the Government service to give his information to the Attorney General.

Senator Tydings called at the White House yesterday afternoon, presumably to talk to Mr. Truman about selection of the citizens who are to check an Senator McCarthy's charges about the State Department.

Tydings went in and out of a side door of the White House, with the result that reporters waiting in the lobby had no chance to talk to him.

White House Press Secretary Charles G. Ross declined to throw any light on the Truman-Tydings conference, answering all questions with a "No comment."

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- Wash. News _____
- Wash. Star _____
- N.Y. Mirror _____

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 Tele. Room _____
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 Gandy _____

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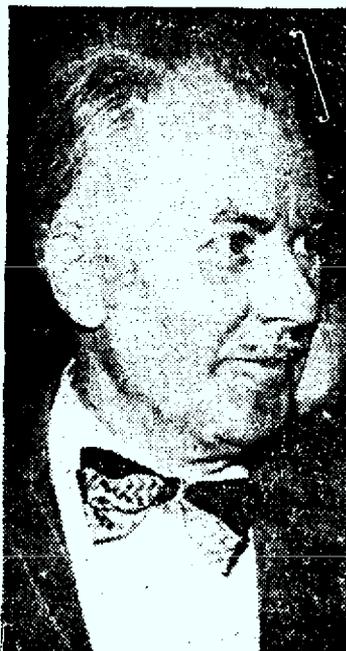
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Van Beuren Is Called Before Tydings Group

By the United Press

Archbold Van Beuren, wartime security chief of the Office of Strategic Services, was ordered yesterday to appear before Senate Communist investigators Wednesday for questioning about the Amerasia stolen secrets case.

The decision to call him was announced by Chairman Millard E. Tydings (D., Md.) after the investigators had spent some time questioning Immanuel S. Larsen, one of persons



Associated Press Photo
EMMANUEL S. LARSEN
 . . . To be quizzed again

two men fined in the mystery-shrouded 5-year-old affair.

Tydings refused to reveal details of Larsen's testimony but said he will be recalled today. He said Van Beuren, who has been quoted as criticizing the committee's methods, will be questioned behind closed doors.

Senator Joseph R. McCarthy (R., Wis.), who claims the case is the "key" to his Red charges against the State Department, said Van Beuren wrote that the committee decided not to call him after learning he would not discredit the testimony of former OSS agent Frank Bielaski.

Bielaski, who already has been before the committee, led the first raid on the New York offices of the magazine Amerasia in 1945. The raid turned up hundreds of secret

diplomatic and military papers and eventually led to the arrest of six persons.

Page

Times-Herald _____

Wash. Post 1

Wash. News _____

Wash. Star _____

- Tolson
- Ladd
- Clegg
- Glavin
- Nichols
- Rosen
- Tracy
- Harbo
- Belmont
- Mohr
- Tele. Room
- Nease
- Gandy

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Reds Are Still There—M'Carthy

At Least 3 Spies in State Dept., He Says

By WILLARD EDWARDS

A secret FBI report, listing 20 Soviet agents in the State department in 1946 of whom at least three still hold office, shocked the Senate yesterday.

Sen. McCarthy (R) of Wisconsin, presented the evidence from a restricted document. The impression made was so profound that Sen. Ives (R) of New York, a bitter critic of the Wisconsin senator's methods, was moved to utter what amounted to a public apology.

McCarthy had stressed in his presentation that he was giving an FBI report which could not be denounced as a "McCarthy smear." When he had finished, Ives, who joined only last week in a statement by seven G.O.P. senators denouncing "political smears" in the Communism inquiry, arose to announce:

"I commend the senator from Wisconsin for his excellent presentation and constructive approach. I've had occasion to be slightly critical of him in the past but I feel very strongly that all subversive elements must be

wedded out of the government, I offer my full cooperation."

Sen. Knowland (R) of California, declared that the new evidence was "so startling that it may lay a foundation for far more serious proceedings."

McCarthy produced a 108-page report labeled "Investigation of State Department Personnel Security" which had been prepared by a security officer in 1946. This document referred to a detailed chart compiled by the FBI which carried the following tabulation of Communists:

Agents, 20; Communists, 13; Sympathizers, 14; Suspects, 77.

Classifications Explained

Agents were defined as men engaged in espionage. Communists were individuals who, the evidence indicated, were members of the Communist party. Sympathizers were defined as men whose associations and indications indicated a pro-Soviet attitude. Suspects were those on whom information available indicated the need for investigation.

The date of this tabulation on a photostatic copy made public by McCarthy was May 15, 1947, but McCarthy said his information indicated this was a stenographic error and the year was actually 1946.

On July 12, the report further showed, about two months later the number had been reduced to the following: Agents, 11; Communists, 10; Sympathizers, 11; Suspects, 74.

McCarthy said the report was apparently ignored and the FBI Director again made such a tabulation. His own investigation

showed, he said, that at least three of the men listed as "agents" were still in the State department and were among the disloyalty cases he presented to the Senate four months ago.

"I am not giving names," said McCarthy. "If I gave them to the Senate foreign relations subcommittee (headed by Sen. Tydings (D) of Maryland which has been probing the McCarthy charges) the names would be leaked out and there would be talk of another McCarthy smear."

"I demand that the Tydings subcommittee subpoena this FBI chart at once so that it may obtain the names of all those listed. There may be many more than three persons still in the State department and others may have obtained government employment elsewhere."

"This information has never been brought to the Senate or the American people. It is part of the record which has been hidden by Mr. Truman."

"The FBI in this instance performed a function which, as far as I know, it has never performed since. It is a fact-finding body. But it must have been so tremendously disturbed at the time that it sent to the State department this detailed report. It did with such little favorability on the part of the State department that it never submitted a like chart since that date."

McCarthy

Page

Times-Herald

Wash. Post

Wash. News

Wash. Star

N.Y. Mirror

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Date: JUN 7 1950

Only 18 Removed

The chart shows there were 134 agents, Communists, sympathizers and suspects in the State department in 1946. In a two-month period, only 18 were removed, leaving 108 on the pay roll. The least that could have been expected of the State department was that it would at least suspend all these men, pending a complete and thorough investigation.

"It is understandable that the FBI became disgusted when the State department failed to discharge Soviet agents named by the bureau."

"I can tell the Senate that at least three of the agents are still holding high positions in the State department. I am not calling them Communists agents. The FBI has done so. But the three men have also been named by me to the Tydings subcommittee on evidence secured before I had obtained this FBI report."

"I hope to be able to give the Senate a complete picture of how many of the total of agents, sympathizers and Communists are still in the government. I think it is reasonable to insist that the subcommittee subpoena this FBI chart and check on all those named. They cannot dispose of this one as a McCarthy smear. The proof was not dug up by me but the FBI. I don't think the FBI is indulging in irresponsible smears."

Some Communists Shifted

The report stated that a number of the State department Communists had been shifted from the foreign economic administration, the office of war information, and the office of strategic services after the war ended. McCarthy remarked that Owen Lattimore, a State department consultant, had been a top officer in the OWI.

"This is by far the most significant evidence yet presented to the Senate," declared Sen. Knowland. "The Tydings subcommittee will be derelict in its duty to the people and the Senate if it does not subpoena the complete FBI report immediately. If it does not, then the country will know that it is engaged in a whitewash and a cover-up."

"The whole thing could be cleared up if Mr. Truman would open all the files," said McCarthy. "If it were not for some very loyal people in the government departments themselves, I would not be

able to get this much evidence. But I will continue the fight until this Administration rids itself of dangerous individuals or until there is a different Administration."

Loyalty Board Discussed

"Were these three individuals cleared by loyalty boards?" asked Sen. Douglas (D) of Illinois.

"I presume they were, like Alger Hiss and William Remington," said McCarthy. Hiss has been convicted of perjury to conceal espionage. Remington is now under investigation by a New York grand jury which is reported about ready to make a decision.

"I understand the President now intends to appoint a sort of superloyalty board," continued McCarthy. "He needn't do that. All he needs to do is call in FBI Director Hoover and the heads of Army and Navy and other intelligence agencies, who have access to the files and ask them to give him a report."

"If he insists on a civilian board, let him appoint men like Judge Harold Medina (who presided at the trial of the 11 Communist leaders) or David Dubinsky, who has a great record for fighting communism, not some gentlemen of high-sounding reputation who know nothing about communism."

Last night the State department issued another of a series of statements in which it has attempted repeatedly to discredit McCarthy.

Charges Called "False"

The statement sought to show that the FBI had no connection with the chart of Communist agents, and characterized as "absolutely false" McCarthy's evidence that three of the agents still work for the State department.

"Sen. McCarthy based his charge on the completely erroneous belief that the FBI prepared a chart referred to in the photostated document," said the statement, issued by Michael J. McDermott, department spokesman. After asserting the FBI had informed the department it had not prepared such a chart, McDermott admitted security officers of the State department itself had prepared such a chart "as a basis for further investigation."

In denying the mentioned agent still work for the department, McDermott made a sweeping qualification, saying "... except those

whose loyalty has since been thoroughly checked... under the President's loyalty program."

The White House last night announced that appointment of a new loyalty panel would be delayed. No reason was given but difficulty was being encountered, according to reports, in obtaining persons to serve on the board.

JUN 7 1950

NEWS BEHIND THE NEWS

By ERNEST LINDLEY

New 'Jury' on McCarthy Charges Can't Entirely Relieve Tydings Body

It became evident some time ago that the Tydings subcommittee investigating the McCarthy charges could not make a report which would be universally accepted. The Democratic members got off to a bad start by jumping on "Jumping Joe." They felt justified in doing so because they knew that McCarthy's original charges of Communist infiltration into the State Department were based on three and four-year-old information. Since then all the individuals on those old lists who remained in the Department had been subjected to new loyalty examinations, including full FBI investigations. The general public did not know this, however. Instead of exploding the McCarthy charges, the Democrats managed to give the impression that they were neither judicious nor determined to get to the bottom of his charges.

Senator Tydings, in particular, strengthened this impression by what he said on a few subsequent occasions. He talked too freely and, on two or three occasions, imprecisely. Few if any members of the Senate doubt that Tydings would fearlessly expose wrongdoing or serious laxness if he found them. But at a distance he has to some extent prejudiced his position as an investigator and judge.



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B. K. Egle
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A unanimous report by the Tydings committee probably would overcome all charges and suspicions of a "whitewash." But there has never been more than a remote prospect of a unanimous report. Senator Henry Cabot Lodge Jr., one of the two Republican members, has shown a judicial reserve toward the McCarthy charges. The other Republican, Senator Bourke Hickenlooper, is the man who a year ago charged the Atomic Energy Commission with "gross maladministration." The ensuing investigation indicated that Hickenlooper had been guilty of gross exaggeration. But most of his Republican colleagues on the investigating committee—the Joint Atomic Energy Committee—joined in a minority report which found enough to criticize in the AEC to censure Hickenlooper. Republicans believe

that Hickenlooper would do at least as much for McCarthy.

The evidence concerning McCarthy's original charges is—or should be—in the files of the 81 present or former State Department employes which the President belatedly made available to the Tydings committee. Some of these loyalty review files are voluminous.

Tydings is willing to—and probably will—report his own conclusions concerning these files to the Senate. But he became convinced some time ago that it was impractical to persuade all five members of the committee to take the time necessary to study these files and reach firm verdicts. He realized, also, that nothing less than a unanimous report—which seemed beyond the realm of possibility—would settle the controversy.

The appointment of an impartial board of outstanding private citizens to review these cases was therefore logical. Such a board is probably the only kind whose conclusions would be almost universally accepted.

Such a board cannot relieve the Tydings committee of all of its responsibilities, however. McCarthy has made supplementary charges which require investigation, some of them involving individuals outside the State Department and even outside the Government. These will leave the Tydings committee with plenty of work and trouble even after it has been relieved of the job of reading and weighing scores of thousands of pages in the loyalty review files.

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 Tele. Room _____
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Witness Names Vardaman in Amerasia Case

Former White House
 Aide 'Never Heard'
 Of Case in 1945

By The Associated Press

James K. Vardaman, one-time naval aide to President Truman, reportedly was named to Senate investigators yesterday as the man who may have tried to delay prosecution in the 1945 Amerasia secret documents case.

Vardaman quickly and emphatically denied it. He is now a member of the Federal Reserve Board of Governors.

"I had just come back to this country from the initial assault on Okinawa when the Amerasia case first broke," Vardaman told the Associated Press.

"I'd never heard of the case, and I never discussed it with anyone at the White House or anywhere else. I didn't know a thing about it. Mine was purely an administrative job of running the war map room in the White House."

Holmes Called Informant

Authoritative informants said Brig. Gen. Julius Holmes, an assistant Secretary of State at the time of the Amerasia arrests, told a Senate inquiry committee today his best recollection is that Vardaman asked that the prosecution be delayed.

Holmes also testified that as soon as President Truman heard of the delay maneuver, he quashed it and ordered vigorous action in the case.

"I never heard of Holmes," Vardaman told a reporter tonight. "Under no stretch of White House policy would such a case have been referred to my office."

"It might have been referred to the chief of staff, but not to me. I never discussed it with Admiral Leahy (the President's personal chief of staff during the war) or anyone else."

In view of Holmes' testimony

yesterday the committee has arranged to hear Vardaman at a session behind closed doors Friday.

Holmes told newsmen today that the FBI had developed a "good case" in the Amerasia episode, but he said—without naming the individual—that someone in the Government put in a go-slow order on the prosecution.

President Truman countermanded the delay order, Holmes said, and called for vigorous action in the case.

Holmes was an assistant Secretary of State under the late Secretary

**Tydings Action Assailed
 By Young Republicans**

The Young Republican Club of Montgomery County met at the Bethesda County Building Monday and adopted a resolution condemning Senator Millard E. Tydings' "failure to carry out the spirit and intent of the Senate Resolution to investigate communism in the State Department."

tary Edward R. Stettinius, jr., at the time of the Amerasia arrests in June, 1945. He is now United States Minister to London.

The general refused to say who issued the go-slow order, but he told newsmen:

"It was not anyone in the State Department."

"Was it anyone in the White

INDEXED 4
 RECORDED 4

NOT RECORDED
 45 FEB 11 1952

Page

- Times-Herald _____
- Wash. Post 1
- Wash. News _____
- Wash. Star _____
- N.Y. Mirror _____

64 MAR 3 1952

Date: 6/8/52

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

House?" a reporter asked.

"I would rather not say," he replied.

Holmes testified at a closed session of a Senate investigating committee.

The committee, headed by Chairman Tydings (D., Md.), has revived the Amerasia case as part of its inquiry into charges by Senator McCarthy (R., Wis.).

McCarthy has contended the Amerasia case, involving the alleged illegal removal of hundreds of secret Government documents, is the key to his general charges of a Red network in the department.

The Senator and some of his Republican colleagues have claimed there was a "cover-up" of the Justice Department's failure to win prison-term convictions in prosecuting the case. Only two of the six persons arrested by the FBI paid fines; the others were cleared.

"The committee has sealed my lips," Holmes said after testifying.

However, he clarified two points. Asked whether the delay order came from David K. Niles, a presidential aide, Holmes answered:

"So far as I know, it was not."

He also ruled out Alger Hiss as the source, repeating that it was not issued by anyone in the State Department.

Hiss, a former top-level State Department official, was convicted several months ago of lying when he swore he had never leaked State Department secrets to a Soviet spy ring courier.

At the time of the Amerasia arrests, Hiss was Secretary General of the United Nations Conference in San Francisco.

Last week Senator Ferguson (R., Mich.) said it was "reasonable" to

Grew told the committee:

"In this regard, I can say categorically that I was not forced to resign. For some time I had desired to retire. The war was over, I was past the retirement age, and I was facing the prospect of a major operation."

He said that when James F. Byrnes became Secretary of State, succeeding Stettinius, he renewed his request to retire "and Secretary Byrnes agreed."

In his comment to reporters, Holmes confirmed the testimony given by FBI Agent Myron Gurnea before a House Judiciary Subcommittee during its probe of the Amerasia case in 1946.

Gurnea told the House group:

"On May 31, 1945 (a week before the Amerasia arrests), the Department of Justice advised the FBI that any prosecution in connection with this matter was to be held in abeyance until the conclusion of the San Francisco (U. N.) conference."

Gurnea said he understood that some of the men connected with the San Francisco Conference

didn't want the Amerasia case prosecuted at that time because it might cause friction.

Holmes told reporters yesterday he went to President Truman when he got wind of the go-slow order, but he refused to say whether he told Mr. Truman who gave the order.

Page

Times-Herald _____
 Wash. Post 1
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: 6/8/50



Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

Stopped FBI Arrest of Six, Says Holmes

Senate Probers Call Former Naval Aide

By WILLARD EDWARDS

Senate investigators were told yesterday that James K. Vardaman jr., formerly President Truman's naval aide, was the government official who sought to halt arrests of six persons in the notorious Amerasia espionage case of 1945.

Vardaman, now a member of the federal reserve system board of governors, was summoned for questioning by the Senate foreign relations subcommittee, headed by Sen. Tydings (D) of Maryland, which had heard testimony involving him.

Holmes Identifies Him

Julius Holmes, U.S. minister to London, was the witness who identified Vardaman. He was a brigadier general and an assistant secretary of state in charge of security matters at the time of the Amerasia scandal.

Holmes' identification was not positive but he said it was his "best recollection" that it was Mr. Truman's naval aide who issued a temporary stop order in the case just when the FBI was ready to arrest six persons.

Vardaman, contacted by subcommittee investigators, immediately offered to testify tomorrow. He is said to have stated that he had no recollection of playing any role in the case.

Tydings Clamps Lid

Tydings had earlier clamped a censorship lid on the Holmes testimony. Before going into the committee room, Holmes told reporters that the person responsible was "not in the State department." He was then asked if it was a White House official and declared he would not talk until after he had testified.

When he emerged from the closed session, Holmes said he had been ordered by Tydings not to discuss his testimony. Asked if the responsible official was David K. Niles, White House assistant in both the Roosevelt and Truman administrations, he said it was not Niles.

Early in 1945, an office of strategic services agent raided the New York offices of Amerasia, an obscure magazine of pro-Soviet sympathies and discovered hundreds of secret government documents.

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Page

✓ Times-Herald 1
 5-Star Edition
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: 6-8-55

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Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

Vardaman Issued 'Gag' Order In Amerasia Case, Probe Told

Stopped FBI Arrest Of Six, Says Holmes

(Continued from First Page)

ments stolen from the State department and other federal agencies.

Enough Evidence Gathered

The FBI took over the case and on May 30 the Justice department and the FBI agreed that enough evidence had been procured to justify the arrest of the editor, Philip C. Jaffe, and five others, including two State department officials.

But on May 31, the Justice department advised the FBI that any prosecution was to be held in abeyance until the conclusion of the San Francisco conference then drafting a United Nations charter. Testimony by an FBI agent before a House committee, recently revealed, was as follows:

"I understand that some of the men who were connected with the San Francisco conference were of the opinion that a prosecution of this case at that particular time might cause friction at the conference and it was felt it should be postponed until a later date. The attorney general was advised of that fact."

Credited to State Dept.

Since all persons connected with the San Francisco conference were State department officials, led by Secretary Stettinius, this testimony indicated that the State department was responsible for the hold-up order.

The Holmes denial appeared to eliminate Alger Hiss, a State department official who was secretary general of the San Francisco conference. Hiss is appealing a



JAMES K. VARDAMAN JR.
 Named in Probe

five-year prison sentence imposed for perjury to conceal the theft of State department papers.

On June 2, Holmes informed President Truman personally of the "hold in abeyance" order from San Francisco. The president immediately ordered prosecution of the case and the six persons were arrested June 6. But undercover pressures again intervened. Charges against four of the defendants were dropped and two were fined.

The subcommittee put into its record yesterday a statement from Joseph C. Grew, State undersecretary at the time of the Amerasia case, which appeared to dispose of Justice department contentions that the FBI "clumsily handled" the gathering of evidence, thus impeding a successful prosecution.

Caused Grew to Wonder

Grew stated that he was informed by Holmes that six persons were involved in a stolen documents case. He asked if the FBI believed it had a complete case and if the Justice department believed the evidence was sufficient virtually to assure a conviction. He was given an affirmative answer on both counts and acceded to the arrests.

Grew informed the subcommittee he thought it extremely strange that the "air-tight" case ended with only a guilty plea by Jaffe and a fine of \$2,500 and a \$500 fine for Emanuel S. Larsen, State department employee, who presented no defense.

Grew said he had not asked what persons were involved and learned their names only after the arrests had been made. He resigned from the State department in August, 1945, while the Amerasia case was still pending. Left wingers boasted they had "forced" Grew out of the department.

Page

Times-Herald _____

Wash. Post _____

Wash. News _____

Wash. Star _____

N.Y. Mirror _____

Date: _____

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

McGrath Can't Alibi This

The last defense for the Amerasia scandal has now been exploded by Senator Homer Ferguson, (R) of Michigan, and so completely that anybody can see and understand the whole thing.



Homer Ferguson

stand the whole thing.

See the Congressional Record for June 2, 1950, pages 8098-8104, inclusive, for the detailed facts.



J. Edgar Hoover

There, Senator Ferguson sets forth a precise and compelling analysis of the attempt by the

Truman Gang to smear J. Edgar Hoover and the FBI in order to excuse their own mishandling of a serious and important crime against the United States in time of war.

In excuse for the way the Amerasia evidence was used, the present U. S. Judge James P. McGranery, then an assistant attorney general in the Justice Department, said to a House committee in 1946:

"If we had not handled it in that way I do not think we would have had any case at all. None of the evidence was obtained in a manner in which we ordinarily would have obtained it. It was very clumsily handled."

What was the Amerasia evidence? It consisted of some 1,700 government documents, and by now the attempts to say the documents were "unimportant" have been so thoroughly exposed there is no present need to run through the facts again.

The evidence also concerned the comings, goings, meetings and movements of some six persons arrested by the Federal Bureau of Investigation on June 6, 1945, on charges of conspiracy to violate the espionage laws of the United States.

Of the people arrested, two held important positions in the State department, one was an officer in the United States Navy and all had connections of importance throughout the Truman administration.

Page

✓ Times-Herald 20
5-Star Edition

Wash. Post _____

Wash. News _____

Wash. Star _____

N.Y. Mirror _____

Date: 6-8-50

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

~~It is obvious~~ that the FBI's operations in this ~~matter~~ were carried out under J. Edgar Hoover's personal direction. Mere field agents do not rush out and arrest government employes in the midst of a war on charges of conspiring to violate the espionage laws. That kind of thing involves the highest order of preparation and skill of handling.

More than that, Hoover's chief assistants have since testified on the point. They prepared for the Amerasia arrests with the greatest care and precision.

**Fixed From
The Start**

Yet what happened? No sooner were these people arrested than the charge was reduced—not by the FBI but by the Department of Justice which has the oath and obligation to prosecute evidence handed to it by the FBI—down to one dealing with conspiracy to embezzle and mutilate government documents.

Right there, the thing begins. Why did the Department of Justice reverse the field on the FBI, which had made the arrests and sworn out the warrants and booked the prisoners?

And on from there, as all the world now knows, the case was watered and watered down from a high and serious espionage matter to a mere business of putting small fines against two people.

Why? Mr. McGranery's excuse is that the evidence was "very clumsily handled."

* * *

Senator Ferguson has shot that story as full of holes as a Swiss cheese. Lawyers, who delight in seeing a masterly technical analysis of precedent and rules of law, will enjoy reading his dissertation.

He produces the famous work *Wigmore, on Evidence*, section 2184a. He quotes from controlling Supreme Court decisions, such as *Parts Manufacturing Co., v. Lynch*, and *Silverthorne Lumber Company, Incorporated v. United States*, just to cite a couple, and on and on through the rest, in full exposure of the ~~alibi for~~ what it is.

**The Alibi
Exploded**

~~He quotes~~ D. Milton Ladd, assistant director of FBI, who testified under oath:

The federal bureau of investigation secured no documents through any means during the course of this investigation except incident to arrest. They were all legally obtained.

Everybody knows perfectly well Mr. Ladd is telling the truth. And that anybody would be foolish, if not worse, to try making it appear otherwise. The Amerasia evidence was a major undertaking of the FBI. To suggest that J. Edgar Hoover would flub the technical necessity to get his evidence so it would stand up in court, is to talk rot.

You can't alibi this Amerasia scandal, Attorney General McGrath. You may as well come on out with the ~~nasty truth~~ and get done with it.

Page

Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

Date: _____

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

THESE DAYS

By George Sokolsky

ROBERT M. HITCHCOCK'S testimony before the Tydings committee must stimulate wonder as to what were the purposes of Francis Biddle, who was attorney general when the "Amerasia" case began, and why Mr. Hitchcock and his associates acted as they did.

Let us grant, for the sake of argument, that a spy can go to the State and other departments and steal 1,700 documents, some of the most secret nature, and that nothing can be done about it if the agents of the OSS and the FBI entered the premises where the documents were found without a search warrant.

Yet, this question arises: The OSS raid occurred on March 11, 1945. Maybe no court case could be made out of that because Frank B. Bielaski did not have a search warrant. However, the Bielaski seizures are not among the 1,700 documents we are now talking about. Those were seized by the FBI in June.

WHY WAS it not possible for the Department of Justice to get a search warrant between March and June? What held up due process of law in an espionage case for three months?

Let us go further. Mr. Hitchcock testified:

"The FBI, in connection with the arrest of Jaffe and Kate Mitchell at the Amerasia offices, had seized several hundred papers, many of which were clearly the property of one or more government agencies, most of them of the State department.

"Many others of the seized papers later were clearly established to be copies of similar records. The bulk of them were classified, as, for example, restricted, confidential, secret, etc."

Maybe those documents could not be used against Jaffe and Kate Mitchell, but they did involve others among them Roth, Service and Larsen. Certainly, once the Department of Justice saw the documents, these others were involved. They could be held under the law for information gained in this manner.

Similarly Hitchcock said: "In (Mark) Gayn's apartment, when he was arrested, the FBI seized 60 items, of which 22 were federal communications commission reports or copies pertaining to interrogation of Japanese prisoners of war. About 20 were typewritten copies of State department papers, and 18 were correspondence or papers which were wholly personal.

"Copies of some of the items found in Gayn's apartment were found in the Amerasia offices. When Gayn was arrested, he made a statement that he knew some of the material seized was not generally available to the public.

"He said he intended using it for background and no other reason. When he was asked where he got it, he said that in some instance he did not recall, and that in others, as a reputable newspaperman he could not disclose the sources."

THAT, of course, raises a very curious issue. We, of the press, hate to disclose confidences, although many of us have learned to refuse to receive confidences from certain types of politicians as involving participation in matters a gentleman should avoid.

However, can a newspaperman hold to the position in time of war that he has a right to be the recipient of files stolen or taken, whichever he chooses, from the government without personal responsibility for their possession?

Gayn finally admitted that he received the FCC reports from the New York office of the OWI; that George Edward Taylor and Elizabeth Downing (Barker by marriage) gave them to him.

ONE of the major difficulties with Hitchcock's testimony is that the documents he testified about do not describe accurately the 1,700 now in the possession of the Tydings committee, some of which were disclosed by Senator Hickenlooper to Bert Andrews of the New York Herald Tribune.

Did Hitchcock, as the prosecuting attorney, read the 1,700 documents or did he accept the word of Service, Jaffe, Gayn, Mitchell and Roth concerning them? As these documents are being published, the discrepancy between their actual character and the attempt of Mr. Hitchcock to minimize them is startling.

ACCORDING to Mr. Hitchcock, Kate Mitchell, when she was arrested, said "that she knew the source of (some documents) but refused to divulge it. Later she told us and the grand jury that it was her understanding that Jaffe obtained them from Larsen."

Mr. Hitchcock could have made a case had he pursued it. The question of public concern is: Why was the case not pursued?

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45 FEB 1952

EX-5

Page

✓ Times-Herald 20
 5-STAR Edition

Wash. Post _____

Wash. News _____

Wash. Star _____

N.Y. Mirror _____

Date: 6-8-50

6-8-50
 1952
 1952

- Tolson _____
- Ladd _____
- Clegg _____
- Glavin _____
- Nichols _____
- Rosen _____
- Tracy _____
- Harbo _____
- Belmont _____
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

Fire Acheson For Aiding Reds, McCarthy Urges

MILWAUKEE, June 9 (AP). Sen. McCarthy (R) of Wisconsin loosed a bitter new blast at Secretary of State Acheson today. He demanded again that Acheson be fired immediately.

Referring to him as "the red dean of fashion," McCarthy declared that Acheson had "worked on the team of world strategy to create a Red China and a Red Poland" and "should be removed from the high command of our foreign policy at once."

Keynote Address

McCarthy spoke out in a speech prepared as the keynote address of the Wisconsin Republican State convention.

Acheson, he said, is at the forefront of what he called the Truman administration's policy of "war-mongering abroad while it permits the enemy within our gates to operate with impunity."

"You can condemn communism in general terms," the Wisconsin senator declared, "in the Acheson manner with a lace handkerchief, a silk glove and a Harvard accent, if you please."

"But you can't fight Communists in that fashion. I know of not one single reason why Communists should be handled with kid gloves. They don't use kid gloves or powderpuffs on us."

Raps Loan to Poland

McCarthy devoted a large part of his speech to criticism of a \$90,000,000 American loan to Communist Poland in 1946, at a time when Acheson's former law firm was handling Poland's business in this country. Acheson was then undersecretary of state.

"Fifty million of that \$90,000,000 went to equip and arm the Communist army and the dreaded U.S. Communist army has been just being set up in Poland," McCarthy said.

"It was Mr. Acheson who placed the guns, the whips, the machines and the guns in the U.S. army has been set up in Poland," McCarthy said.

them with bullets to keep a Christian population under Soviet discipline. It was Mr. Acheson who helped put uniforms on the masters of prostrate Poland."

McCarthy renewed his charges against Far Eastern affairs authority Owen Lattimore, ambassador-at-large Philip C. Jessup—and the Senate foreign relations subcommittee which is looking into all of his accusations, under the direction of Sen. Tydings (D) of Maryland.

He said the Tydings group is "whitewashing" its investigation.

Page

- ✓ Times-Herald 5
- 10-Star Edition
- Wash. Post _____
- Wash. News _____
- Wash. Star _____
- N.Y. Mirror _____

1946

Tolson _____
 Ladd _____
 Clegg _____
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Forrestal's Role in Amerasia Case Disclosed in Diary; Notes Show He Tried Only to Aid U.N. Talks

Secretary Sought To Notify Truman Of Arrest Plans

By Cecil Holland

Information has been found in the secret personal diary of the late James V. Forrestal dispelling the mystery of who reportedly sought to delay arrests in the 1945 Amerasia magazine case, it was learned today.

The material will confirm reports that it was Mr. Forrestal

Gold to Be Returned to Brooklyn if He Wants Trial. Page A-3

himself, then Secretary of the Navy, who intervened in the case to be sure that President Truman was fully informed of the matter and not, apparently, with any intention of delaying the arrests.

The data, it is expected, will be made available Monday to the public. The diary was seized as part of its investigation of charges of communism in the State Department.

Feared Truman Embarrassment. It will show:

1. Mr. Forrestal acted on his own initiative and from the highest motives since he feared arrest at that time in the alleged theft of classified Government documents would "greatly embarrass" President Truman in his dealings with Russia during the critical days during which the United Nations was being established at the San Francisco Conference.

2. Mr. Forrestal telephoned FBI Director J. Edgar Hoover and urged him to have Tom Clark—then in charge of the the Justice Department's Criminal Division and now a Supreme Court justice—see that the President was "in full information of all the facts in the matter as well as their implication."

3. That Mr. Forrestal said he directed James K. Vardaman, then the White House naval aide, "to see that the President was informed on the matter."

Informed of the notes in Mr. Forrestal's papers, Mr. Vardaman, now a governor of the Federal Reserve Bank of Atlanta, said last week that he had nothing what-

(See COMMUNISTS, Page A-2.)

Forrestal's diary

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RECORDED - 4
 INDEXED - 4
 NOT RECORDED
 45 FEB 14 1952

Page _____
 Times-Herald _____
 Wash. Post _____
 Wash. Star **A1 & 2**
 N.Y. Mirror: _____
 Date: JUN 10 1950

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64 MAR 3 1952

Communists

(Continued From First Page.)

ever to do with this case at any time."

Vardaman Knew of Diary.

Mr. Vardaman said he knew about the diary before he made his statement and that, owing to other activities in which he was engaged at the time, Mr. Forrestal could not have taken the matter up with him.

Mr. Vardaman's name was brought into the Senate inquiry this week when Brig. Gen. Julius Holmes, Assistant Secretary of State at the time, testified he seemed to recollect that Mr. Vardaman had acted to obtain a delay.

The committee also has received testimony from Assistant Attorney General James M. McInerney, chief of the Justice Department's criminal division, that it was Mr. Forrestal who intervened in the case.

References Found in Notes.

The references to the Amerasia case, baffling and mysterious for five years, were found in diary notes among Mr. Forrestal's papers in New York.

They showed that Mr. Forrestal acted in the case after being informed on Monday, May 28, 1945, by one of his special assistants, Maj. Mathias F. Correa, that arrests were scheduled to be made two days later, including a lieutenant in naval intelligence.

In a May 28 entry Mr. Forrestal said:

"Maj. Correa reported to me that the Department of Justice had evidence to the effect that Lt. Andrew Roth had been furnishing confidential and secret documents to a man named Jaffe, head of a publication named Amerasia in New York City. Jaffe has had intimate relationship with the Russian Consul in New York.

Other Departments Involved.

"Other departments of the Government involved are the Office of Strategic Services, the State Department and the Foreign Economic Administration.

"Maj. Correa reported that it was proposed that Lt. Roth should be taken into surveillance (Mr. Forrestal apparently meant to say 'custody') Wednesday. He said the FBI thought that unless speedy action were taken important evidence would be dissipated, lost and destroyed.

"I pointed out that the inevitable course of such action now would be to greatly embarrass the President now in his current conversations with Stalin because of the anti-Russian playup the incident would receive out of all proportions to its importance. . . .

"I asked Capt. Vardaman to see to it that the President was informed in the matter and I then called Mr. Edgar Hoover and suggested that he advise Mr. Tom Clark and have him also see that the President is in full information of all the facts in the matter as well as their implication."

The discovery of the information in the Forrestal papers became known as Senators Knowland of California and Brewster of Maine, both Republicans, were demanding that the Senate subcommittee subpoena the diary to see if it would shed any light on the mysterious and hotly-disputed case.

The personal papers of Mr. Forrestal have been kept secret since he died last year in a plunge from an upper floor of the Bethesda Naval Hospital shortly after retiring as the country's first Secretary of Defense.

The question of who intervened in the Amerasia case, and why he did, has had only an indirect importance in the Senate investigation because President Truman, when informed of the suggested delay, himself countermanded the order and directed a full and vigorous prosecution of the case.

Apparently Delayed Arrests.

Mr. Forrestal's action in the case, the diary showed, was made on May 28, two days before scheduled arrests, and apparently delayed action until the matter came to the attention of Mr. Truman.

The matter was brought directly to the President's attention by Gen. Holmes, now American Minister in London, who was then handling the Amerasia matter for that department.

On June 2, 1945, Gen. Holmes took the unusual step of going to the White House and personally laying the matter before the President.

The President ordered the Justice Department to proceed with the case and the FBI made the arrests on June 6, 1945—nine days after Mr. Forrestal had sought a delay.

Six persons were arrested on charges of a conspiracy to obtain illegal possession of Government documents.

They were Roth, the naval lieutenant; Philip Jaffe, editor of the obscure magazine devoted to Far Eastern affairs that has since

ceased publication; John S. Service, veteran State Department career officer; Emmanuel S. Larsen, another State Department employe; Kate Mitchell, co-editor of the magazine, and Andrew Gayn, a writer.

A grand jury here refused to indict Mr. Service, Miss Mitchell and Mr. Gayn. Jaffe subsequently pleaded guilty and was fined \$2,500. Larsen pleaded no defense and was fined \$500 and charges against Roth were dropped.

The matter was investigated by a House Judiciary subcommittee in 1946 and its long-sealed testimony was made available only recently.

Truman Pushed Case.

It showed that an FBI agent had testified that on May 31, 1945:

"The Department of Justice advised the bureau that any prosecution in connection with this matter was to be held in abeyance until the conclusion of the San Francisco Conference."

Later, the FBI agent testified, "the President called the bureau and stated he wanted action taken on the case as quickly as possible, and wanted it to be vigorously followed."

The disclosure of this testimony brought immediate Republican demands for a full inquiry into this phase of the case to determine who sought the delay. There were some suggestions that a "pro-Communist" group within the State Department had sought to hold off the arrests.

It is expected that the Forrestal notes will be laid before the Senate subcommittee at a session on Monday for which Jaffe has been subpoenaed.

6-11
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 Clegg ✓
 Glavin ✓
 Nichols ✓
 Rosen ✓
 Tracy ✓
 Harbo ✓
 Belmont ✓
 Mohr ✓
 Tele. Room ✓
 Nease ✓
 Gandy ✓

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McCarthy On "Payoffs"

That illustrious author and housing expert, Joseph McCarthy, in his spare time a United States Senator from Wisconsin, has accused John E. Peurifoy, employed full-time as Deputy Undersecretary of State, of arranging a secret "payoff" for a witness in the investigation of alleged Communists in the State Department. The witness in question, Emmanuel S. Larsen, who represents himself as a full-time author, otherwise unemployed, says the Senator's statements are "complete lies"—an evaluation made so frequently in the past about other McCarthy statements that it has become a kind of cliché which a high-priced author like the Senator would probably deplore.

Senator McCarthy must be ranked as one of the highest-priced authors of our time, or any other time. That \$10,000 paid to him for a little brochure on housing by the Lusitron Publishing Corp.—which used to build prefabricated houses on the side until it went broke through no fault of Senator McCarthy—puts him right up in a class with such literary figures as the Duke of Windsor or Joe Louis. In fact, his take as a writer compares favorably with that of his fastidious colleague, Senator Styles Bridges, who accepted a salary of \$35,000 a year for serving as a trustee of the United Mine Workers pension fund while drawing compensation as a United States Senator.

Of course, such versatility is nothing new with Senator McCarthy. He held on to a Wisconsin judgeship while campaigning for the Senate, despite a provision in the Wisconsin constitution forbidding judges to seek political office. Any author as high-priced as Mr. McCarthy certainly ought to know what the word "payoff" means.

INDEXED - 13

12-1-2-3-4-5-6-7-8-9-10-11-12

ST-125

Page
 Times-Herald _____
 Wash. Post A 8
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

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325
 JUN 12 1950

Date: JUN 1 1950

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 Tracy _____
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Making McCarthy Look Bad

SPEAKING OF POLITICS, we must note that the Truman Administration is having one whale of a hard time making McCarthy look bad.

To make McCarthy look bad is a **must** for the Trumanites because of the creeping realization among the people that the fiery Senator from Wisconsin, despite an occasional tendency toward a wild pitch, has something.

That realization among the people is not good for Trumanite chances in the Fall congressional elections.

So Dean Acheson's State Department was stung into whipping up an aggrieved reply to McCarthy charges that Acheson, himself, in 1946, as Acting Secretary of State, pushed and approved a loan of \$90,000,000 to Poland, then already in the grip of the Communists.

The State Department pooh-poohed McCarthy. It said that in 1946 the department *"still had hopes that the Mikolajczyk government, then in power in Poland, might be saved from Russian domination."*

A plausible-sounding explanation—except that there are two people who know the record: Mikolajczyk, now a refugee from Communist Poland, and Arthur Bliss Lane, our former ambassador to that country.

Mr. Mikolajczyk says the government ruling in Poland at the time was "certainly not" a Mikolajczyk government; he was just a member; the Communists were seizing power; they dominated economic policies. He soon had to flee for his life.

Mr. Lane says the State Department reply to McCarthy is "ridiculous." He was on the scene at the time. He was dismayed at the \$90,000,000 loan. He had advised Washington that it would be taken as acquiescence to the Communist policies of the Warsaw regime. Yet he received cables signed "Acheson" informing him he was overruled, and the loan would be granted. It was.

The more the Trumanites try to fan out McCarthy's fire, the better it seems to burn.

INDEXED - 41

JUL 5 1950

[Handwritten signature]

Page

Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror 15

JUL 7 1950

Date: _____

McGrath to Act Soon on Baring Amerasia Data

Promises Decision On Grand Jury Plea To Inform Public

By the Associated Press

Attorney General McGrath said today the Justice Department will decide soon whether to make a full report on the 1945 Amerasia case as recommended by a Federal grand jury.

Mr. McGrath's comment to a reporter came after a week end bustling with new developments involving the charges of Senator McCarthy, Republican, of Wisconsin that the State Department harbors Communists and Communist sympathizers.

A key part of those charges, Senator McCarthy has said, concerns the five-year-old episode in which six persons were arrested after the FBI had found hundreds of secret Government documents in the offices of the defunct magazine Amerasia.

Republicans Blast McCarthy.

These were the developments:

1. Three more Republicans joined those party members who have criticized Senator McCarthy's methods in attacking the State Department. The three—Govs. Earl Warren of California and James H. Duff of Pennsylvania, and Senator Bridges of New Hampshire—also had some criticism of the way Democrats have handled the Communist-in-Government issue.

2. An official transcript of testimony taken by the Senate Committee investigating Senator McCarthy's charges showed that Amerasia defendant Emmanuel S. Larsen spoke of former Navy Lt. Andrew Roth as a "real Communist" and "the principal conspirator" in the case.

3. Senator McCarthy demanded that the Senate inquiry group open its doors to the public when it takes testimony Thursday from State Department consular official John S. Service—another of the six accused in the Amerasia episode five years ago. The committee plans to hear Mr. Service, as has other Amerasia witnesses, behind closed doors.

The State Department accused Senator McCarthy of "liberate distortion of the public record" in saying that Dean Acheson—now Secretary of State—had helped create a Red Poland by approving a \$90 million loan to that country in 1946.

Meeting Sought by Spellman.

5. Officials disclosed that Cardinal Spellman had sought the meeting he had Friday with Deputy Undersecretary of State John E. Peurifoy—possibly to discuss United States representation at the Vatican. Mr. Peurifoy denied speculation that he had initiated the meeting so he could ask the Cardinal to "call off" Senator McCarthy.

Attorney General McGrath discussed the grand jury's action with a reporter after returning from a trip to the West Coast.

He said he had not had a chance to make a careful study of the jury's views.

"But I intend to discuss the matter with officials in the department at the first opportunity I have," Mr. McGrath said.

In Congress, Senator Knowland, Republican, of California, said the Justice Department "would be well advised" to follow the grand jury's suggestion for a statement on the case, accompanied by a description of the Government papers which figured in it.

Dewey's Reaction "Mixed."

Govs. Warren and Duff expressed their criticism of Senator McCarthy's methods in separate interviews at the Governors' Conference at White Sulphur Springs, W. Va. Both accused Senator McCarthy of failing to furnish evidence supporting his charges.

"I personally don't like to see blanket accusations made against groups of individuals or individuals standing alone," Gov. Warren said. "No good can come out of such charges unless there is the intention to prove such statements and accusations in accordance with our laws and democratic processes."

Gov. Thomas E. Dewey of New York, also at the conference, said without elaboration that his reaction to the McCarthy charges is "mixed."

Bridges Criticizes Methods.

Senator Bridges made known his differences with Senator McCarthy on a television broadcast yesterday. He called the Wisconsin Senator's aims praiseworthy, but added:

"I think I would have adopted different methods."

All three men pointed some of their criticism at the opposition party. Gov. Duff said he feels the administration hasn't been "clean" with all the facts. Gov. Warren criticized Democrats in

the Senate inquiry group, indicating he believes they have not been entirely objective in their investigation. Senator Bridges commented that the State Department has a number of questions to answer on its security setup.

None of the three referred specifically to the Amerasia case, which in recent weeks has become the main object of attention in connection with Senator McCarthy's charges.

Larsen, a former State Department employe who was one of the leading figures in the case, testified before the Senate committee June 5 and 6. Copies of his testimony were obtained over the week end by some newsmen.

Brief Phone Interview Cited.

In it, Larsen said he based his description of Lt. Roth as a "real Communist" on "his presence right now with Ho Chih Minh, the Communist leader in Indo-China."

Lt. Roth is now in Europe after spending several years as Far Eastern correspondent for The Nation magazine. Editor Freda Kirchwey said she had covered both sides in the Indo-China struggle about two years ago, but she said his only contact with Ho Chih Minh was through a telephone interview of a few minutes duration which Lt. Roth arranged while in Indonesia.

Senator McCarthy, in a new attack on the Senate investigating committee, accused it yesterday of "trying to bottle up Service's testimony" on the Amerasia case by holding its hearings behind closed doors.

"The time for secrecy and cover-up in the Amerasia case ended a long time ago," he said.

Chairman Tydings of the committee said in a radio broadcast that pertinent information on the case will be made public when the inquiry is completed. He added:

"All I want to do in this case is to make a fair, square, complete job of investigating—neither witch-hunting nor whitewashing, let the chips fall where they may."

"There are some people who want me to witch-hunt. There are probably some who want me to whitewash. As far as I am concerned, I shall do neither."

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- Glavin ✓
- Nichols ✓
- Rosen _____
- Tracy _____
- Harbo _____
- Belmont ✓
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

J. Edgar Hoover

INDEXED - 13
121-23278-11

Wash. Post _____
Wash. News _____
Wash. Star 1
N.Y. Mirror _____

Page _____
Times-Herald _____

EX-115
File 24

Date: JUN 19 1950

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 Belmont
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 Tele. Room
 Nease
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'Very Fine Job'
Peurifoy
Indorsed by
Sen. Bridges

Republican Senator Styles Bridges yesterday criticized the methods of Senator Joseph R. McCarthy (R., Wis.) in pressing charges, but said McCarthy's objective is praiseworthy.

Bridges, of New Hampshire, sharply differed with McCarthy on another point by calling John E. Peurifoy, Deputy Undersecretary of State, "a very able man" who has done "a very fine job."

McCarthy bitterly assailed Peurifoy in a speech last week, accusing him of offering favors to an investigation witness. This drew denials from both.

Bridges' discussion of McCarthy's feud with the department came as McCarthy demanded that Senate investigators question career diplomat John S. Service about the 1945 Amerasia secret document case at a public hearing instead of behind closed doors.

That case, which involved alleged theft of a big batch of confidential Government papers, is being investigated by a Senate Foreign Relations Subcommittee as part of its general inquiry into McCarthy's charges. The committee has summoned Service, who was arrested in the case and then cleared, to a closed meeting Thursday.

Bridges told a television audience (NBC) he has tried to ster

clear "of McCarthy's technique of making charges," but he feels the department has a number of questions to answer regarding its security setup.

Bridges called McCarthy "A very sincere man" with a "very wonderful war record," and said he should be commended for trying to get rid of any Communists in the Government. Bridges added that if he were in McCarthy's shoes, "I think I would have adopted different methods."

Bridges had warm praise, too, for Dr. Conrad E. Snow, head of the State Department's loyalty board, who also has drawn McCarthy's fire. Snow, said Bridges, is "doing a very fine job."

Bridges said, however, that both Snow and Peurifoy have sometimes been overruled by their superiors in the department.

Asked why there has not been more open Republican support of McCarthy in the Senate, Bridges said there is a general feeling that McCarthy is "on the right track" but that some Republicans "definitely question his methods."

In calling on Senate investigators to hear Service at a public session, McCarthy said:

"The time for secrecy and cover-up in the Amerasia case ended a long time ago. There is absolutely no excuse for trying to bottle up Service's testimony on this important matter."

Service, veteran Foreign Service officer, was arrested along with five others in 1945 after Federal agents turned up hundreds of secret Government documents in the New York headquarters of Amerasia magazine, and elsewhere. Two were fined for conspiracy to obtain illegal possession of Federal papers. The others went clear.

Service was cleared and returned to duty in the State Department. Amerasia Editor Philip Jaffe pleaded guilty and was fined \$2500. Former State Department employee Immanuel S. Larsen pleaded no defense and paid a \$500 fine.

121-23278-A

NOT RECORDED
 75 JUL 18 1950

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Page

Times-Herald _____
 Wash. Post 1
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____

JUL 18 1950
 Date: _____

1212

Service Says China Charges Are Unfounded

By Alfred Friendly
Post Reporter

State Department Diplomat John S. Service yesterday firmly denied, in general and in detail, the two basic accusations that have been laid against him: that he fostered a pro-Communist policy when he served in China, and that he was guilty of wrongdoing in the 1945 Amerasia stolen documents case.

The thin, youthful-looking career officer made his defense before a special Senate Subcommittee investigating the charge of Senator McCarthy (R., Wis.) and the Amerasia affair. In a last minute change of plans, the hearings were opened to the press and public.

As they ended—seven hours of them—a major and new charge, made by imputation rather than directly, was still unsolved. It was the intimation, from the Republican subcommittee members' counsel, that Service had passed "military information" to Philip J. Jaffe, the editor of Amerasia magazine, the principal figure who was convicted in that case, and who has been reported as having had close Communist connections.

Service Flatly Denies It

Service denied flatly that he had ever given Jaffe any "secret military information" in any of the half-dozen contacts he had with him in April and May, 1945, just before he, Jaffe, and four others were arrested in the Amerasia case.

But the minority members' counsel, Robert Morris, referred pointedly to some FBI testimony and documents, produced before the subcommittee at an earlier, secret session. He asked to have this testimony or evidence made a part of the record in Service's hearing. From what he said about it, guardedly, it apparently suggested that Service had, indeed, given classified military data to Jaffe.

Subcommittee Chairman Tydings (D., Md.) refused Morris' request, on grounds that the evidence had come out at closed hearings and that he did not choose to put parts of secret testimony on the record piecemeal. He said he wanted the whole story that the FBI had to tell about the Amerasia case to come out at one time.

cated that might be done later, when his subcommittee made its report.

Meantime, however, the matter Morris was pressing will be resumed, this time in closed sessions with Service, at 1:30 p. m. today.

Service Reads Statement

For the first part of the long day, Service read in a slow, low voice, an extensive prepared statement in which he took up, one by one, the various accusations made against him, dating back to the days when former Ambassador to China Patrick Hurley attacked him in 1945.

These were divided into two categories. One related to his activities and reports, as a State Department political adviser attached to American Army headquarters in China during the war. The second concerned his involvement in the Amerasia matter.

With respect to the first period, Service told how a major part of his duty was gathering political intelligence in China, especially from the Communists, and how all his extensive contacts with them—a matter of pride to him and not of apology—were on orders, and were "a basic and vital" part of his assignment.

Denies McCarthy Charge

He told how he was commended for the work he did and the reports he rendered by his two Army chiefs, Generals Stillwell and Wedemeyer. In answer to specific charges of McCarthy, and as a demonstration of his own position, he said:

"Senator McCarthy has charged that when Chiang Kai-shek was fighting our war, I sent back official reports to the State Department urging that we torpedo our ally, Chiang Kai-shek, and stating

in effect that communism was the best hope of China.

"Actually, as a reading of my reports will disclose, such recommendations as I have made were designed to prevent the collapse of Chiang Kai-shek's government and to resist the domination of China by communism."

"Senator McCarthy has charged that I have been in the Far East trying to turn the whole business over to Russia. Actually, as my reports written from China clearly indicate, I had a full appreciation of the dangers of Russian domination and sought means of preventing such domination.

"Senator McCarthy has charged that I am one of a dozen top policy makers in the entire Department of State on Far Eastern policy. Actually, I have never occupied a policy making position in the Department of State."

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- Rosen _____
- Tracy _____
- Harbo _____
- Belmont 10-19
- Mohr _____
- Tele. Room _____
- Nease _____
- Gandy _____

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INDEXED
NOT RECORDED
45 FEB 11 1952

Page

- Times-Herald _____
- Wash. Post 1
- Wash. News _____
- Wash. Star _____
- N.Y. Mirror _____
- N. Y. Compass _____

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JUN 23 1950
Date: _____

64 MAR 3 1952

Kenann Analyzed Data

The best testimony as to what his point of view was, and how well and objectively he did his work, Service argued, was certainly the memoranda he wrote while in China. Therefore, he said, when he recently appeared before a State Department Loyalty Board resurveying his case, he had those memoranda produced and analyzed.

The analyst was George F. Kenann, councillor of the department and by general repute the Government's foremost expert on Communist theory and practice. Kenann reviewed all the documents Service wrote in his three years in China, more than 125 of them, and testified to the loyalty board:

"I find no evidence that the reports acquired their character from any ulterior motive or association or from any impulse other than the desire on the part of the reporting officer to acquaint the department with the facts as he saw and interpreted them.

"I find no indication that the reports reported anything but his best judgment candidly stated to the department.

Not From "A Closed Mind"

"On the contrary, the general level of thoughtfulness and intellectual flexibility which pervades the reporting is such that it seems to me out of the question that it could be the work of a man with a closed mind or with ideological preconceptions, and it is my conclusion that it was not."

In questioning Service, Morris sought to make the point that Service had in his possession various statements of Chinese Communist leaders showing they were clearly linked to the Kremlin, whereas Service had reported that the Chinese Communists had an independent orientation and would look to America, not Russia, for material help.

Service contended that some of



Associated Press Photo
JOHN S. SERVICE
... explains Amerasia link

the leaders' statements were sheer pro forma vows of fealty to Russian communism, and some were dated very early in Chinese Communist history, when they were indeed bound to the Kremlin.

The argument was involved, and the Senators appeared to be left with a choice between Morris' analysis that Service perpetrated slanted, inaccurate reports, and

Kenann's judgment that Service's reporting was objective.

Cites Defense by Byrnes

Service also dealt with charges against him by Hurley, which he answered with an equally vigorous public defense that former Secretary of State James F. Byrnes made of him five years ago when Hurley sounded off.

To charges by Emmanuel S. Larsen, a former State Department employe who was fined for his part in the Amerasia matter, Service produced recent loyalty board testimony of Larsen admitting he had no evidence. Larsen had said in the past that Service tried to sabotage Hurley and did not like him.

Senators appeared more interested in the second set of charges against Service, those relating to Amerasia.

Jaffe Had U. S. Documents

This was a case in which Jaffe, as editor of the now defunct magazine, was found to have amassed some several hundred classified Government documents. Many were passed to him by Larsen. Some were copies of Service's own reports, but these Larsen had admitted he supplied.

The three men were arrested June 6, 1945, along with Kate Mitchell, Jaffe's co-editor; Mark Gayn, a free-lance writer and associate of Jaffe, and Navy Lieut. Andrew Roth, who seemed to have been the man who introduced Jaffe to many of his Washington contacts.

A grand jury voted unanimously against indicting Service. But the question the subcommittee wanted to have answered was what were Service's relations with Jaffe and the others and what information he supplied. The FBI, which kept Jaffe under surveillance for weeks before the arrests, had found Service in about half a dozen contacts with Jaffe.

Yesterday, Service insisted he had done nothing wrong nor irregular. He said he was introduced to Jaffe after his return from China by Roth, and thought him to be simply a journalist specializing in Far Eastern matters, running a small, special-interest magazine.

Job Was to Aid Writers

Part of his job, informal but recognized, was to aid writers and reporters and to give them proper and accurate background material, Service said. So he showed Jaffe a memorandum he wrote on a Chinese Communist presentation of their own position. Later, he let Jaffe borrow eight or ten of his other memoranda which he considered it would be appropriate to allow Jaffe, as a writer on China, to see."

Service insisted these documents were purely reportorial and contained no military or other secrets and no classified material on American policy or position.

Service pointed out that the first secret raid on the Amerasia offices was made while he was in China, and that it demonstrated "that whatever channels Jaffe had for obtaining official documents were already in existence and functioning very well indeed." For the raid showed that there were masses of secret Government documents in Jaffe's office.

Next, Service said, it appeared that the FBI testified that it had notified the State and Navy Departments it was ready to make the arrests, and was satisfied it had solved the case, just six days after Service returned from China, before he had even met Jaffe. Hence, Service said, "I could not possibly have been one of those suspected at that time."

Admits Indiscretions

Service readily admitted that his giving his memoranda, and his conversations with Jaffe were indiscretions. He said he had suffered for them for five years.

Republican subcommittee members, Senators Hickenlooper (Iowa) and Lodge (Mass.), pounded him with questions on two points:

Had he devoted as much time and attention to other journalists as he had to Jaffe?

Why had he always gone to Jaffe's hotel, or office, or apartment, and why had Jaffe only once come to his, Service's, office? Did not reporters seeking information from an official come to the official and not vice versa?

Service answered that he talked to and spent much time with many writers on Fortune, Time, Newsweek and other magazines, and that he met with many of them outside his office, at lunch or at their homes.

McCarthy Makes Notes

Senator McCarthy, who lashed at Service in the first speech he made, when he touched off the current investigation of Communists in Government last February, sat behind subcommittee members yesterday, making notes while Service talked.

He told a reporter, "Service said he gave information to Jaffe, but he thought he was just giving background information to an authentic journalist. He would have to be pretty naive to have fallen for that."

Lodge and Hickenlooper also wanted to know by what right did Service show to Jaffe documents that had been given security classifications. Service replied that he had done the classifying, that the documents were copies of his memoranda, and that he had enough knowledge of the facts to know when they could be disclosed, after a lapse of time and events. This was properly a matter within his judgment and authority, he declared.

F. D. E. Messages to Chiang

Service was questioned at length about one of the documents seized in the Amerasia offices at the time the arrests were made. It identified itself as a summary of an account Service gave of two top secret "eyes only" messages from President Roosevelt to Chiang Kashesk, relating to unifying the Chinese Army command under General Stillwell.

Service said he assumed the document was written from notes, probably taken by Mrs. Gayn, during a conversation he had with her and her husband. He said he had felt at liberty to talk about the messages, then 10 months only, because the facts had taken place, and because the background had already been published, particularly in an article six months earlier.

It was a sensational scoop by the New York Times' China correspondent, Brooks Atkinson. Service said he was informed that President Roosevelt himself had permitted the release of Atkinson's dispatch because it was factually accurate.

Never Gave Military Secrets

To the questions on whether he ever passed military information to Jaffe, and whether he had cautioned Jaffe not to reveal or make use of it, Service appealed for a clearer definition of terms.

He never gave Jaffe military secrets, he was sure. He said that

it was impossible to talk about China then without talking about the military situation. But he insisted he had no knowledge of American military plans or secrets.

To a hint that the subject might have been prospective American landings in China, Service replied that though the topic was in the air—Admiral Nimitz had mentioned at a press conference the need for such a landing—he, Service, did not know "if, when or where" any landing was to be made.

He may have cautioned Jaffe about not using certain information, Service speculated, but if so, it was only in accordance with usual practice of an official talking to a journalist, giving him some information for his own guidance, but not for publication.

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 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

Tydings Shuts Doors As Service's Ties To Amerasia Are Bared

Chairman Fears 'False Impressions'
 From Stories of Information Leaks

By WILLARD EDWARDS

An open Senate hearing into disloyalty charges against John S. Service, a 17-year veteran of the State department's foreign service, was abruptly ended last night after repeated disclosures of the official's connections with the Amerasia spy case of 1945.

Chairman Tydings of Maryland, ordered the hearing continued behind closed doors today, asserting that he didn't want "false impressions" to be given to the public.

Service had been confronted with a top-secret document bearing his name which was found in the raid upon the offices of Amerasia, a pro-Soviet magazine.

Quizzed on Leaks

He was also quizzed concerning an FBI report, based upon a dictaphone recording, that he gave military information on China to Philip J. Jaffe, editor of Amerasia, with the warning that "this is secret and must be handled carefully."

Then Attorney Robert Morris, representing the Republican minority, was given his first opportunity to cross-examine a witness since the Tydings subcommittee on foreign relations began functioning four months ago. A former naval intelligence official, noted as an authority on Soviet espionage, Morris had been barred by Tydings from participating in the questioning.

Morris delved into official State department reports by Service discovered in the Amerasia raid which advocated "sympathetic support" for Japanese Communists and declared that Chinese Communists had "democratic ends." He produced personal letters written by Service while Tydings complained that Service "is not on trial charged with a crime" and his right to privacy was being invaded.

Then Tydings Breaks In

Then Morris produced an address book taken by the FBI from Service and read the first two names in it. They were those of Eugene Vinogradoff, attache to the Soviet embassy in Chungking, and Gunther Stein, named as a Soviet spy in an Army report.

At this point, Tydings called off the open hearing. Service and his attorneys joined in protesting, but the chairman was adamant. He wasn't going to have a "one-sided" story going out, he said

and the rest of the questions would be in secret.

Service was not visible during the nearly 10 hours he spent in the witness chair. He calmly insisted he was innocent of any complicity in the theft of 1,700 confidential documents from government files.

The tall and slender diplomat was one of six persons arrested by the FBI on June 6, 1945. Service was not indicted by the grand jury which handled the case. Of the two of the six were prosecuted and received fines. Charges against the other four were dropped. The committee is investigating charges that the Justice department washed the defendants at the insistence of the State department.

Service was on his way to Italy to take an important post there when Sen. McCarthy (R) of Wisconsin named him as one of the pro-Communist clique in the State department. He was recalled to a new loyalty board hearing which is still pending.

Times-Herald _____
 Wash. Post _____
 Wash. News _____
 Wash. Star _____
 N.Y. Mirror _____
 N. Y. Compass _____

112-23278-A
 NOT RECORDED

65 FEB 12 1952

64 MAR 3 1952

JUN 23 1950
 Date: _____

Just before the hearing was held Morris asked Service if he was a member of the Communist party, receiving a denial, and then demanded:

"Have you ever transmitted secret military items to Jaffe?" Service hesitated.

"I don't mean to quibble," he said, "but there must be a definition of terms. I have never knowingly transmitted secret military plans but in discussions it was customary to give writers, for their guidance, information which was in classified (secret) documents."

Morris demanded that testimony given the FBI at closed sessions concerning Service be read into the record so that he could cross-examine the witness on it. Tydings refused the request.

Secret Payer Presented

After Service completed reading a lengthy and detailed statement, which accused former Ambassador to China Patrick J. Hurley and McCarthy of making false charges against him, committee counsel Edward P. Morgan produced a photostatic copy of one of the documents seized in the Amerasia raid. Never before made public, it read:

"The Stilwell affair and Hurley's appointment.

"This information, classified as top secret ("eyes only") is supplied by John S. Service. Special caution must be shown in the use of the two White House messages to Chiang Kai-shek whose text is given below.

"The first message, paraphrased by Service on May 19, 1945, was:

"The situation in China is desperate and calls for drastic steps. The President (Roosevelt) therefore suggests that all armies in China, including those of the Communists, be placed under an American commander. Although the President knows of Chiang's dislike for Gen. (Joseph) Stilwell, he nevertheless believes that Stilwell's experience and record make him the best man for the job."

Second Message Offered

"About 10 days after the President's first message, another message arrived at Chungking. It gives a fair indication of Chiang's reply to the White House. The second message said in essence:

"I am glad that you are in principle agreed to my suggestion for an American commander over all the forces in the China theater. Although, as you say, there are political factors which must be considered and there is also the important question of timing, I believe that the situation is so urgent that we should not delay; the political questions can certainly be solved. I agree with your suggestion for a high ranking political representative who can discuss the political and military matters and I am looking now to find such a man who can have our complete confidence."

"Service is not sure who was responsible for the choice of Hurley but believes that Harry Hopkins as F.D.R.'s chief adviser, had his hand in the selection. Hurley arrived in Chungking in September a few weeks after Stilwell became a four-star general. At first Hurley was friendly with Stilwell but later went over to the Chinese view that Stilwell must be fired for the sake of Sino-American unity. Stilwell today believes that Hurley stabbed him in the back by strongly urging the President to recall Stilwell."

Service declared he had not given this paper to Jaffe. He said he recalled a conversation in the home of Mark Gayn, a writer (another defendant in the Amerasia case who went free) in which he gave Gayn the gist of the document while Mrs. Gayn took shorthand notes. He offered the theory that Gayn turned the report over to Jaffe but said this was only an assumption.

Service insisted the information he gave Gayn was not secret at the time he gave it, in May 1945, eight months after the White House messages were sent. When he asserted that the "eyes only" marking on the dispatches was not a security classification, Sen. Lodge (R) of Massachusetts said it was one of the highest security labels possible.

Both Morgan and Sen. Hickenlooper questioned Service concerning an FBI report based upon dictaphone recordings taken in a Staller hotel room adjacent that occupied by Jaffe, central figure in the spy case. Jaffe now faces a Senate contempt citation for refusing to answer questions concerning his role in the case and whether he is a member of the Communist party.

Service had admitted giving documents to Jaffe on three occasions but again insisted, as in the case with Gayn, that these papers, although some of them were marked "secret," were no longer confidential. The FBI agents listened to a conversation between Service and Jaffe and the questions asked Service were based upon their report.

Service "Can't Recall"

"Did you ever say to Jaffe in his hotel room that 'the military information in these documents is secret or top secret and must be carefully handled?'" asked Hickenlooper.

"I did not give him military information in documents," asserted Service.

"Did you make that remark to Jaffe?"

"I do not recall it," said Service, cautiously. "In discussing the over-all picture of the situation in China, I may have made some statements for his use as background material but not for publication. I could not say we never discussed anything that was technically secret nor touched upon something of military significance. I expect we did."

Service said he first met Jaffe on April 19, 1945, less than two months before the arrests in the Amerasia case, and asserted he had never sent reports to Jaffe before that date. He was informed that a number of dispatches and reports, bearing his name, had been found in the Amerasia raid and insisted he could not explain how they arrived there. He said the documents he did give Jaffe were all returned to him.

Gave Memo to Jaffe

Service recounted various meetings with Jaffe, Roth, Gayn, Kate Mitchell, co-editor of Amerasia, and Emmanuel S. Larsen, the other five arrested, picturing himself as innocently providing information on China to these persons. He gave Jaffe only eight or 10 "personal memoranda" on his observations in China, he said, which had never been in official files.

The witness also said he was acquainted with Owen Lattimore, State department consultant, who has been named an espionage agent by McCarthy and Louis Budenz, former Communist editor. He spent a week end at the Lattimore home in Baltimore, just before the Amerasia arrests, in company with Roth and others, he said.

Asked if he knew Lauchlin Currie, former White House administrative assistant, Service said he appealed to Currie for "advice" following his arrest. Currie was named by Elizabeth Bentley, admitted Soviet agent, as one of her informants.

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Bared 2 Secrets—Service

Diplomat Admits 'Indiscretion' At Senate Quiz on Amerasia

By JAMES LEE

WASHINGTON, June 22 (INS).—Career diplomat John S. Service admitted today that he gave one of the men arrested in the Amerasia stolen documents case the "substance" of two secret wartime messages from the late President Roosevelt to Chiang Kai-shek.

Fighting to clear himself of the charge made by Sen. McCarthy (R-Wis.) that he is a "poor security risk" with "Communist affiliations," the 40-year-old Service was testifying at an open session of the Senate Loyalty Committee when evidence concerning the messages was introduced.

Committee Chairman Tydings (D-Md.), who previously had insisted on secrecy, threw open the hearing at Service's request. Tydings said he could not do otherwise when "a man's life and his reputation are at stake."

Admit Indiscretion

Service acknowledged that he became involved in the 1945 Amerasia case through "indiscretion." But he insisted that he never aided the Chinese Reds and in fact sought to "resist the domination of China by the Communists."

The immaculately-groomed foreign service officer, perspiring freely, but seldom raising his voice, made the admission about the Roosevelt-Chiang messages under questioning by Sen. Hickel (Iowa).

Service said he told Mark Gayn, a writer, about the messages. He insisted that he did not think they were secret. But Hickel producer a photo copy of a document which he said was seized in an FBI raid on Amerasia magazine. The document included the FDR messages and bore this notation:

"This information is classified as top secret and was supplied by John S. Service."

Identifies Document

Service freely identified the Amerasia document as "the text of notes taken by Mrs. Mark Gayn from a conversation I had with him (Gayn) at breakfast."

He said he had given the material to Gayn for a magazine article on Gen. Joseph (Vinegar Joe) Stilwell, then U. S. Commander in the Far East.

Both Gayn and Service were arrested in the Amerasia case along with Philip Jaffe, editor of the now defunct magazine, Andrew Roth, then a Naval Intelligence officer, Emmanuel Larsen, then a State Department official, and Kate L. Mitchell, an editorial associate of Jaffe.

Jaffe and Larsen were fined in the case. Roth was indicted but not prosecuted, and a grand jury found insufficient evidence to indict Service, Gayn, and Mitchell.



JOHN S. SERVICE
Admits Amerasia case "indiscretion."
(International Photo)

Page

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- Wash. News _____
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Revealed No Secrets: Service ³

Washington, June 22 (AP)—Career diplomat John S. Service acknowledged today that he told a figure in the Amerasia case what was in two messages from President Roosevelt to Chiang Kai-shek.

Service insisted he did nothing irregular. He said the information was old stuff, given out by high military authorities to newspapermen months before.

Also, he said, it had appeared in print, reportedly cleared for publication by President Roosevelt himself. The messages dealt with the President's suggestion for appointment of Gen. Joseph C. Stilwell to head all forces in China fighting Japan.

Service, requesting an open hearing, appeared before a Senate investigating committee to make a point-by-point denial of Sen. McCarthy's charges that he collaborated with Communists. He declared he strove to resist Communist domination of China, where he served for many years.

Service also asserted he was "innocent of the charges" in the 1945 Amerasia case. He was one of six arrested — and one of those cleared — after Federal agents turned up hundreds of government documents in raids on offices of the now-defunct Amerasia magazine, which dealt with Asiatic af-

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Information in the Public Department

W. J. Sawyer

LODGE SAID ABOUT 200 WITNESSES--ROUGHLY 10 IN EACH CASE--WOULD HAVE TO BE SUMMONED BY THE SENATE COMMITTEE TO MAKE ANY KIND OF A RELIABLE FINDING. THIS HE DESCRIBED AS "IMPOSSIBLE."

HE WAS THE FIRST COMMITTEE MEMBER TO ANNOUNCE THE RESULT OF HIS FILE PERUSAL WHICH HAS EXTENDED OVER MANY WEEKS. THE FILES WERE MADE AVAILABLE TO THE COMMITTEE IN THE WHITE HOUSE CABINET ROOM ON MR. TRUMAN'S ORDERS AND THEIR AVAILABILITY ENDS SUNDAY NIGHT.

LODGE SAID THEY WERE IN AN "UNFINISHED, UNDEVELOPED STATE," AND THAT ALLEGATIONS WERE NOT FOLLOWED UP. "SOME ALLEGATIONS APPEAR ONCE AND YOU NEVER SEE THEM AGAIN," HE SAID. LODGE SAID THIS WAS TRUE BOTH OF FILES CONTAINING FULL FBI FIELD INVESTIGATIONS AND THOSE WITHOUT SUCH FBI CHECKUPS.

LODGE ALREADY HAS INTRODUCED A RESOLUTION TO TURN LOYALTY INVESTIGATIONS OVER TO A 12-MAN BI-PARTISAN COMMISSION. HE SAID HE WOULD PUSH THE MOVE AS A RESULT OF HIS FILE READING. SENATORS, HE MAINTAINED, JUST DO NOT HAVE THE TIME OR STAFF FACILITIES TO DO THE INVESTIGATIVE WORK REQUIRED FOR AN ADEQUATE INVESTIGATION.

COMMITTEE CHAIRMAN TYDINGS, WHEN INFORMED OF LODGE'S POSITION--WHICH WAS EXPRESSED IN RESPONSE TO REPORTERS QUESTIONS--SAID LODGE, OF COURSE, WAS "ENTITLED TO HIS OPINION; MINE WILL BE IN WRITING."

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End of Red Probe Seen As Tydings Committee Votes to Make Report

A possible quick windup of the Senate investigation of the McCarthy charges of Communists in the Government was seen today after the Senate Foreign Relations subcommittee voted, 3 to 2, to make a report on its findings to date.

The vote in the investigating committee was strictly along party lines. Senator Tydings, Democrat, of Maryland, the chairman, and Senators Green of Rhode Island and McMahon of Connecticut, vote to make the report.

Opposed were the two Republican committee members, Senators Hickenlooper of Iowa and Lodge of Massachusetts.

Would Be Interior Report.

Senator Tydings said it would be an interior report based on an examination of the loyalty files on persons accused of having Communist leanings.

Senator Hickenlooper disagreed and said the record of yesterday's closed hearing, at which the vote was taken, would not bear out the characterization of the report as a preliminary one. "It will be a report on which conclusions can be based," he added.

McCarthy to Push Action.

Senator McCarthy, Republican, of Wisconsin, whose charges set off the investigation last February, had this to say:

"If this means the windup of that whitewash operation, it's good news for the country. It leaves the way open for another committee interested in investi-

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McCarthy Plans Cards For Anti-Communists

Sen. McCarthy (R) of Wisconsin plans a new "card-carrying" movement, this one for "anti-Communists." He told reporters he is having cards printed which will certify that the bearer is a "card-carrying anti-Communist." They will be sent to people who have contributed money to his campaign against the State Department.

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SUBJECT Joseph McCarthy
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76 pages

Truman May Order Loyalty Study to Beat New McCarthy Blast

John Marshall Butler
Urges Renewal of Inquiry
Into State Department

By the Associated Press

Democrats bracing for another Communist-in-Government attack by Senator McCarthy, Republican of Wisconsin, are wondering whether President Truman will try to head it off by setting a loyalty study commission.

Creation of such a special commission was recommended last month by the Senate Foreign Relations subcommittee which investigated Senator McCarthy's charges that Communists and Red sympathizers had infiltrated the State Department.

Senator Lodge, Republican of Massachusetts, a minority member, also called for appointment of a non-partisan commission to make a new inquiry. Senator Lodge and the other Republican on the subcommittee, Senator McClellan, refused to join the majority report which labeled Senator McCarthy's accusations "a fraud and a hoax."

Action Was Delayed.

There were reports at that time that Mr. Truman had decided to name a commission which would go thoroughly into the whole matter of the loyalty of Government employes, including an analysis of the existing loyalty board program. However, nothing was done about it.

Senator McCarthy and other Republicans accused the Democrats on the inquiry committee of conducting a "whitewash." The charge was angrily denied by the Democrats and the two points of view became a hot issue in the Congressional elections campaign.

The balloting last week brought the defeat of Senator Tydings, Democrat of Maryland, who headed the investigation committee. Senator McCarthy campaigned against him.

John Marshall Butler, Republican newcomer to politics who defeated Senator Tydings, yesterday listed the communism-in-Government charges as the dominant issue in his successful campaign.

Butler Urges New Inquiry.

Appearing on the program, he said there is a Communist in the people's minds and whether the State Department has harbored Communists. The Maryland Senator-elect predicted that the new Congress convening in January will take some action along that line.

Republican gains at the polls have prompted Republican Senators to demand a new inquiry. Senator McCarthy has made it plain he plans to renew his blasting at the State Department and to bring other Government agencies under fire.

That prospect has set some administration Democrats to thinking about counter-strategy. One of them said in his opinion it would be a smart move for Mr. Truman to appoint a study commission right away.

That Senator added that the Democrats ought to take the initiative and not wait for Senator McCarthy to tee off again. The Senator said he had not discussed the matter with Mr. Truman and had no idea whether the President was considering it.

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Page

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The Way the Smear Technique Was Born

Rep. Fred Busbey of Chicago discovers that he can't find anywhere in Washington a record of the hearings which the late Dr. William A. Wirt first exposed communist influences in the New Deal. Even the copies of the Library of Congress have disappeared, and not by accident, Mr. Busbey suspects. The Roosevelt history fakers have little to learn from Big Brother's Department of Truth as George Orwell described it.

Dr. Wirt's reward for his attempt to warn the nation was a barrage of ridicule and calumny that may have hastened his death. He got his information during a visit to Washington in 1935, when he attended a small dinner party. Among those present was Lawrence Todd, then and now a member of the official Soviet news and espionage agency Tass. The other guests, most of them in the government service, took him for one of the plotters, and spoke freely.

It was there that the phrase was uttered that Roosevelt was only the Kerensky of the revolution, to be replaced by a Stalin. Dr. Wirt was told that the center of a Communist conspiracy was the Department of Agriculture, under Henry Wallace and Rexford Guy Tugwell.

At that time Alger Hiss, whose conviction as a perverter-spy is now on appeal before the Supreme court,

was one of the bright young men on the AAA legal staff under Wallace. Lee Pressman, another member of that staff, has since confessed his Communist connections and named some of his associates.

Dr. Wirt was hauled before a packed committee of New Deal congressmen. He was denied representation counsel, although James A. Reed, former senator and one of the nation's ablest lawyers, had volunteered to serve him and was on hand.

The smearing of Dr. Wirt and the whitewashing of the Communists within the Administration was later described, in repentance and self-accusation, by former Senator O'Connor, who as a member of the committee was a leader in the process. In 1940 he said publicly:

"What a tossing around Dr. Wirt did get. Members of the House, who then took the New Deal as a cult, denounced and excoriated the doctor on the floor and in the press. Little did we know that most of the happenings which Dr. Wirt said the plotters had predicted would come to pass."

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SEP 13 1951

	Page
Times-Herald	17
Wash. Post	_____
Wash. News	_____
Wash. Star	_____
N.Y. Mirror	_____
N.Y. Compass	_____
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SEE NEXT PAGE

Most people came to think of Dr. Wirt not as the brilliant and patriotic educator he was, but as the garrulous busybody that the perjured testimony before the Bulwinkle committee made him out to be. And his charges, which time has proved true, were forgotten, and the plotters had another 15 years in which to commit treason against America.

* * *

The Wirt case was important because it was the first application against a private citizen of the smear technique which Charley Michelson, with a hundred eager

Importance

Of Wirt Case

Democratic mouthpieces in Congress, had developed against Herbert Hoover to make the New Deal possible. The New Dealers and Communists never forgot the lesson. The American public was, and is, slow to learn that any decent citizen, no matter how carefully he speaks the truth against radicalism and subversion in the Administration, does so at the risk of his reputation.

The committee on un-American activities, which for a time was the public's only protector against Red infiltration of Washington, got the smear treatment from its inception, and is still getting it. Every variety of dead cat was thrown at Rep. Dies, its first chairman, and all his successors and their colleagues.

It is fashionable in "liberal"—i.e., fellow traveling—circles to speak of the "un-American committee." The Administration has constantly denied it official records, while making the same records, openly or surreptitiously, available to those whom the committee is investigating. The wonder, in view of this, is that the committee has been able to perform its priceless service to the nation in protecting it from spies, saboteurs and traitors.

The New Deal smear bund has attempted to impose on the country a double system of morals. It has demanded that its accusers proceed through a sea of perjury with the certainty of the FBI and the dignity of the Supreme court, while the New Dealers themselves conduct their inquiries in the liberal tradition of one of Stalin's people's courts. There was no essential difference between the tactics used against Dr. Wirt in 1934 and those of the Communists and their lawyers before Judge Medina in 1949.

The same tactics are now being used against everyone who questions the wisdom of Truman and Acheson, everyone who questions the holiness of Alger Hiss' U.N., everyone who asks what Hiss' comrades are still doing in the Administration. The new smear word is "McCarthyism." The tactics are being used successfully, and will continue to be successful, until Americans recognize the smear for what it is.

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J. Edgar Hoover
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ADD 2 ACHESON

ACHESON DISCLOSED THAT ADDITIONAL STATE DEPARTMENT EMPLOYEES HAVE BEEN
 SUSPENDED PENDING INVESTIGATION OF SECURITY CHARGES AGAINST THEM.

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ADD 3 ACHESON

ACHESON DID NOT STATE HOW MANY SUSPENSIONS THERE HAVE BEEN BUT SAID THERE HAVE BEEN "MORE" THAN THOSE PREVIOUSLY ANNOUNCED.

THE DEPARTMENT DISCLOSED YESTERDAY THAT DIPLOMATS JOHN PATON DAVIES, JR., AND O. EDMUND CLUBB HAD BEEN SUSPENDED PENDING HEARINGS ON SECURITY CHARGES BROUGHT AGAINST THEM. IT CALLED THE SUSPENSIONS "AUTOMATIC" UNDER THE LAW.

SEN. JOSEPH R. MCCARTHY HAD DEMANDED IN A LETTER TO HIRAM BINGHAM, CHAIRMAN OF THE CIVIL SERVICE LOYALTY REVIEW BOARD, TO KNOW WHY OTHER ACCUSED STATE DEPARTMENT OFFICIALS HAVE NOT BEEN SUSPENDED. HE MENTIONED CAREER DIPLOMAT JOHN CARTER VINCENT AND AMBASSADOR-AT-LARGE PHILIP C. JESSUP. MCCARTHY HAS ACCUSED THEM OF BEING PRO-COMMUNIST.

BINGHAM WAS NOT AVAILABLE FOR COMMENT ON THE LETTER, BUT HIS OFFICE SAID HE HAD NO AUTHORITY TO SUSPEND DEPARTMENT EMPLOYEES.

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ADD 4 ACHESON

THOSE SUSPENDED ARE AMONG THE 500 STATE DEPARTMENT EMPLOYEES WHOSE LOYALTY OR SECURITY STANDING IS BEING INVESTIGATED UNDER RECENTLY TIGHTENED LAWS.

ACHESON SAID THAT THE STATE DEPARTMENT AS A MATTER OF POLICY IS NOT ANNOUNCING DETAILED PROCEDURAL ACTIONS IN SPECIFIC CASES UNTIL A FINAL DECISION TO FIRE OR RETAIN THE EMPLOYEE IS MADE.

UNDER THIS POLICY, ACHESON WOULD NOT TELL HOW MANY EMPLOYEES HAVE BEEN SUSPENDED OR WHO THEY ARE.

IT WAS INDICATED, HOWEVER, THAT NO OTHER EMPLOYEES OF THE STANDING OF CLUBB OR DAVIES ARE UNDER SUSPENSION. ASKED WHETHER THERE WERE ANY ADDITIONAL SUEPENSIONS, ACHESON REPLIED AT FIRST THAT THE ADDITIONAL SUSPENSIONS, ACHESON REPLIED AT FIRST THAT THERE WERE NONE. AN AIDE, HOWEVER, INFORMED HIM THAT THERE HAD BEEN AND ACHESON CORRECTED HIMSELF.

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Washington Post to Department

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ADD 3 SUSPENSIONS

DEPARTMENT PRESS OFFICER MICHAEL J. McDERMOTT, WHO MADE THE ANNOUNCEMENT, SAID THE DEPARTMENT WAS REQUIRED UNDER THE LAW "TO SUSPEND ANY EMPLOYEE WHEN IT HAS BEEN DETERMINED THAT SECURITY CHARGES SHOULD BE PRETERRED AND FORMAL HEARINGS CONDUCTED."

HE ADDED THAT SUSPENSION "DOES NOT INDICATE THAT A PERSON IS GUILTY OF MISCONDUCT OR IS A SECURITY RISK" BUT THAT ACTION IS REQUIRED IN THE CASES WHERE HEARINGS ARE TO BE HELD.

THE DEPARTMENT SAID THE CASES WOULD BE HEARD ON SECURITY RATHER THAN LOYALTY GROUNDS. ALTHOUGH IT WOULD NOT COMMENT ON THE CASES, IN THE STATE DEPARTMENT'S VIEW SECURITY NORMALLY PERTAINS TO CLASSIFIED INFORMATION RATHER THAN POLITICAL ASSOCIATION.

THE DEPARTMENT SAID IT WOULD "MAKE NO FURTHER COMMENT ON THE TWO CASES UNTIL THEY ARE COMPLETELY ADJUDICATED."

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ADD 4 SUSPENSIONS

CLUBB IS A CLASS ONE FOREIGN SERVICE OFFICER, ELIGIBLE FOR A SALARY OF BETWEEN \$12,000 AND \$13,500 A YEAR. DAVIES IS ONLY ONE NOTCH LOWER, ELIGIBLE FOR A SALARY OF \$10,330 TO \$11,900 A YEAR.

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ADD 5 SUSPENSIONS

SEN. JOSEPH P. McCARTHY, R., WIS., SAID OF THE DEPARTMENT'S ACTION: "THIS IS ONE OF THE FIRST HEALTHY INDICATIONS THAT THE STATE DEPARTMENT IS GETTING AFRAID OF THE MCCARRAN (SENATE INTERNAL SECURITY SUBCOMMITTEE) COMMITTEE AND IS READY TO START CLEANING HOUSE."

MCCARTHY CLAIMED DAVIES WAS ONE OF THE STATE DEPARTMENT OFFICERS HE NAMED IN PRIVATE TESTIMONY BEFORE THE TYDINGS COMMITTEE WHICH INVESTIGATED HIS CHARGES LAST YEAR. MCCARTHY SAID HE DID NOT RECALL THE "SPECIFIC CHARGES" HE MADE AT THAT TIME.

THE SENATOR ALSO SAID HE HAD "A FILE" ON CLUBB, BUT DID NOT FEEL HE "HAD ENOUGH ON HIM" LAST YEAR TO TURN HIS NAME OVER TO THE TYDINGS GROUP.

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ADD 6 SUSPENSIONS

CLUBB SAID HE WAS CAUGHT BY SURPRISE AT THE ANNOUNCEMENT AND HAD NO COMMENT AT THIS TIME.* HE INDICATED ACQUAINTANCE WITH DAVIES.

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McCarthy May Name 26 Being Investigated

By The Associated Press
 Senator Joseph R. McCarthy (R., Wis.) said yesterday he might make a "progress report" to the Senate naming 26 State Department employes whose cases he says have been reopened on security grounds.

Noting Secretary of State Acheson's statement that the department makes an effort not to give out procedural information regarding such matters, McCarthy told a reporter:

"The State Department seems bashful and perhaps I should name the persons involved in these cases. If their records are so bad that rehearings have been ordered, they certainly should not have access to documents in the department that not even members of Congress can see."

Last Thursday the Department announced the suspension of two high-ranking career diplomats pending hearings on security charges. They were John P. Davies, a member of Acheson's top-level policy planning staff, and Oliver B. Clubb, director of the Department's Office of China Affairs. It emphasized the suspension carried no implication of guilt pending outcome of hearings.

In a letter to Hiram Bingham, chairman of the Civil Service Loyalty Review Board, McCarthy said his records indicate that cases of 26 State Department employes had been reopened. He said 23 "still have full access" to secret documents and added that "would seem to be an extremely dangerous practice."

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INDEXED - 8

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McCarthy Hints Of Report on 26 Acheson Aides

Sen. McCarthy (R) of Wisconsin said yesterday he might make a "progress report" to the Senate naming 26 State department employees whose cases he says have been re-opened on security grounds.

Noting Secretary of State Acheson's statement that the department makes an effort not to give out procedural information regarding such matters, McCarthy said:

"The State department seems bashful and perhaps I should name the persons involved in these cases. If their records are so bad that rehearings have been ordered, they certainly should not have access to documents in the department that not even members of Congress can see."

Two Suspensions Cited

Last Thursday the department announced the suspension of two high-ranking career diplomats pending hearings on security charges. They are John P. Davies, a member of Acheson's top level policy planning staff, and Oliver E. Clubb, director of the department's office of China affairs.

The department said the suspensions were mandatory under the law once it had been decided to file security charges and that hearings should be conducted. It emphasized that the action carried no implication of guilt pending outcome of the hearings.

Saturday President Truman ordered a study of the administration of the powers of government agencies to fire or refuse to hire individuals on the grounds they are poor security risks. He asked the national security council and the civil service commission to conduct the survey.

Dangerous Practice. Says Senator

The president said "a number of reports" he had received recently regarding actions by government agency chiefs had raised a question as to whether the rights of federal jobholders and applicants were being abused.

In a letter to Hiram Bingham, chairman of the civil service loyalty review board, McCarthy said his records indicate that cases of 26 State department employees have been reopened. He said 23 of them "still have full access" to secret documents and added that "would seem to be an extremely dangerous practice."

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McCarthy Makes New Threat to Give Names Of Security 'Risks'

His Demands Rejected By State Department as 'Political Stratagem'

Senator McCarthy, Republican, of Wisconsin renewed today a name-calling threat that the State Department described yesterday as "holding hostage the reputation and rights" of employes cleared of disloyalty charges.

The department brusquely rejected as a "political stratagem" Senator McCarthy's demand for assurance that 29 of its employes are being kept away from secret papers.

The Senator threatened in a letter to Secretary of State Acheson Monday to name publicly 29 persons he said face loyalty checks unless he got such assurance.

"I am inclined to think I have no choice but to name them unless the State Department completely reverses its stand," Senator McCarthy said today. "The situation is too dangerous not to do so."

Humelsine Answers Charges.

Deputy Undersecretary of State Carlisle H. Humelsine wrote the Senator yesterday that his allegation that the 29 persons he named are involved in pending loyalty cases "is incorrect."

All of the individuals have been named by Senator McCarthy before, Mr. Humelsine pointed out. He added that some are not State Department employes, some already have been cleared and some

been cleared of the allegations against them," Mr. Humelsine told the Senator.

He said the department "does not permit any employe to have access to secret material when it has determined that such access might constitute a danger to the security of the United States."

Details of Program Outlined.

But the President's loyalty program directive of March 13, 1948, precludes the furnishing of any "reports, records or files relative to the loyalty of employes," Mr. Humelsine said.

His letter to Senator McCarthy outlined details of what he described as a "total security program" conducted by the State Department. Under this program, an employe does not have to be found positively disloyal to be discharged. Mr. Humelsine emphasized that any individual considered a "security risk" is separated.

But he stressed that "we will not compromise our legal and ethical responsibilities under pressure of political stratagem or threat."

Senator McCarthy charged that Mr. Humelsine's letter was "deliberately calculated to mislead." He was not certain when he may make his next move. He said he may name the 29 either this week or next.

McCarthy

(Continued From First Page.)

are "in process through the loyalty program."

"Your indiscriminate lumping together of names and the threat to make them public is tantamount to holding hostage the reputation and rights of those employes who have been or may

NOT RECORDED
145 JUN 6 1951

Page

- Times-Herald _____
- Wash. Post _____
- Wash. News _____
- Wash. Sta. _____
- N.Y. Mirror _____

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Tolson _____
 Ladd _____
 Clegg _____
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 Nichols _____
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 Tracy _____
 Harbo _____
 Alden _____
 Belmont _____
 Laughlin _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

McCarthy Says He'll Name 29 Anyway State Department Tells Joe to Go Fly His Citations

By United Press

The State Department angrily de-
 fied Sen. Joseph R. McCarthy to-
 day, and all but dared him to name
 29 persons he claims are security
 risks.

Sen. McCarthy promptly accepted
 the challenge and said he would re-
 veal the names in a Senate speech
 "within a few days."

Sen. McCarthy said he had made
 a "reasonable" request that he be
 assured that the 29 persons be
 barred from "secret materials"
 while their "loyalty" cases were
 pending before the department's
 loyalty-security board. He said the
 department gave him "no choice"
 but to make the names public.

RAPS 'THREAT'

In an angry letter late yesterday,
 the department told McCarthy that
 it would not yield or compromise
 his "political strategy or threat."

Undersecretary of State Carlisle
 H. Humelsine, head of the depart-
 ment's loyalty-security division,
 wrote the blistering reply to Sen.
 McCarthy. Mr. Humelsine said dis-
 closure of the names would violate
 President Truman's order forbidding
 release of any information on pend-
 ing loyalty cases.

The caustic exchange could be
 the opening cross-fire of a new row
 between the State Department and
 Sen. McCarthy.

The State Department made no at-
 tempt at tactfully mollifying Sen.
 McCarthy. Mr. Humelsine said the
 Senator's attack was made "for
 purely political reasons, and with-
 out regard to the facts."

He said Sen. McCarthy's list—
 "like your previous lists"—contained
 the names of persons not working
 for the State Department, some who
 already have been cleared and oth-
 ers whose cases actually are pend-
 ing."

'HOLDING HOSTAGE'

"Your indiscriminate lumping to-
 gether of names and the threat to
 make them public," Mr. Humelsine
 wrote, "is tantamount to holding
 hostage the reputation and rights
 of those employes who have been
 or may be cleared of the allegations
 against them."

Sen. McCarthy said his list of
 names "cannot be incorrect" because
 he got it from Chairman Hiram
 Bingham of the Civil Service Com-
 mission's top-level Loyalty Review
 Board.

Told of Sen. McCarthy's state-
 ment, a State Department spokes-
 man said that if Mr. Bingham did
 supply the names, "then Sen. Mc-
 Carthy and Mr. Bingham will have
 to share the responsibility for mak-
 ing them public."

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Page

Times-Herald ___
 Wash. Post ___
 Wash. News ___
 Wash. Star ___
 N. Y. Mirror ___
 N. Y. Observer ___

NOT RECORDED
 145 OCT 6 1951

Date: 7/26