



Federal Bureau of Investigation

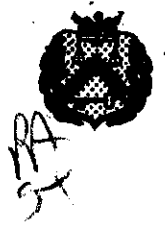
Freedom of Information / Privacy Acts

Release

Subject: JOHN CUNNINGHAM LILLY (DR)

UNDER SECRETARY OF THE TREASURY
WASHINGTON

June 20, 1960



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SA
K 6-1

Dear Mr. Hoover:

A life-long friend of mine, Dr. John C. Lilly,
Box 456, St. Thomas, Virgin Islands, has a personal
problem that he would like to discuss with some
responsible person in your service. If you cannot
see him yourself, I would appreciate it if you could
refer him to someone in authority.

Yours very truly,

Julian B. Baird
Julian B. Baird

6

see Sunday

The Honorable J. Edgar Hoover
Director
Federal Bureau of Investigation
Washington 25, D. C.

62-106172-1

REC-24

MCT 426

JUL 13 1960

EX

~~EXHIBIT~~

Rank 18

53 JUL 21 1960

UNITED STATES GOVERNMENT

Memorandum

Tolson	_____
Mohr	_____
Parsons	_____
Belmont	_____
Callahan	_____
Malone	_____
McGuire	_____
Rosen	_____
Tamm	_____
Trotter	_____
W.C. Sullivan	_____
Tele. Room	_____
Ingram	_____
Gandy	_____

[Handwritten initials]

TO : Mr. DeLoach

DATE: 6-28-60

MA ST

FROM : M. Jones

SUBJECT: DR. JOHN C. LILLY
 DIRECTOR
 COMMUNICATIONS RESEARCH INSTITUTE
 BOX 456
 ST. THOMAS, VIRGIN ISLANDS

[Handwritten notes: K6-1, etc.]

SYNOPSIS: On June 21, 1960, Dr. Lilly was interviewed by SA [redacted] Crime Research Section, upon referral from the Director's Office. Dr. Lilly presented a letter of introduction from Julian B. Baird, Under Secretary of the Treasury. Dr. Lilly is presently conducting experiments with animals and fish to determine their brain capabilities. The Department of Defense [redacted] are interested in his work in view of possible application to the minds of human beings.

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b7C
b7E

Dr. Lilly claimed that as a result of an error on the part of the FBI in May, 1959, he was refused a security clearance and was embarrassed before a gathering of professional colleagues and military officials. He stated that the FBI had incorrectly given information concerning another John Lilly, who had been convicted of a crime, to the Department of Defense. He refused to divulge the source of his allegations concerning the FBI.

An immediate check of our records and the records of the Defense Department reflects that Dr. Lilly is in error. We at no time furnished information of a criminal nature to the Department of Defense concerning him. A request for a "Secret" clearance for Lilly was made by the Defense Department in June, 1959. Our files reflected no derogatory information of a subversive nature. We furnished no information of a criminal nature concerning Dr. Lilly. Lilly was granted "Secret" clearance in August, 1959. Possibility exists that an error was made by someone in the Defense Department and that the blame is being placed on the FBI.

Enclosure *reut 6-29-60*

- 1 - Liaison Section
- 1 - Mr. Belmont
(Attention Name Check Section)
- 1 - Mr. Ingram

REC-24 62-106172-2

5 JUL 13 1960

RWK:cb (8) 519 JUL 22 1960

*memo Laidlaw & Belmont
7-6-60
LHD:cap*

LIAISON
Reut OVER

RECOMMENDATIONS:

1. That the attached airtel directing the San Juan Office to have a mature Agent contact Dr. Lilly be approved and forwarded. Lilly to be advised that the results of an exhaustive inquiry into his allegations have proven them to be completely without foundation. Lilly to be informed that at no time did we ever furnish the Defense Department with information indicating that he had a criminal record and that we unequivocally refuse to accept the blame for any error in the granting of a clearance for him if an error was made. It should be determined ~~for~~ Dr. Lilly whether or not Mr. Baird has been advised of the allegations. If Baird has been informed by Dr. Lilly of these erroneous reports, then Mr. Baird should be told by Liaison of the facts in the matter.

OK. H.

2. That Liaison inform Mr. George J. Gould, Chief, Office of the Secretary of Defense, of the allegations made and that an attempt be made to identify the person or persons responsible for spreading this false information and that these individuals be advised of the facts in this case and of our displeasure at being made the "goat" for any errors that may have been made.

I Agree
JPM
5/1/49
Mia.
H.

Deach
H V

DETAILS Folo →

Jones to DeLoach memo 6-28-60 re; Dr. John C. Lilly

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b7c

Captioned individual was interviewed on June 21, 1960, by SA [redacted] Crime Research Section, upon referral from the Director's Office. Dr. Lilly furnished the interviewing Agent with a letter from Mr. Julian B. Baird, Under Secretary of the Treasury, to Mr. Hoover. This letter is attached and introduces Dr. Lilly, a life-long friend of Mr. Baird's, who has a personal problem to discuss with the FBI.

Dr. Lilly, a medical doctor, was born in St. Paul, Minnesota, on January 6, 1915, and is a graduate of the University of Pennsylvania Medical School. Following his graduation he was employed in the field of medical research by the Johnson Foundation of the University of Pennsylvania (1942-1949). From 1949 to 1953 he was an Associate Professor of medical physics at the University of Pennsylvania. In 1953 he joined the Public Health Service and was assigned to the National Institute of Health where he conducted basic research on the testing of the intellectual capabilities of animals. He subsequently became interested in the abilities of porpoises and other types of fish to communicate among themselves and in their brain potential. In 1958 he established the Communication Research Institute in the Virgin Islands and he has done extensive work under grants from the Office of Naval Research, The National Science Foundation and The National Institute of Health.

Dr. Lilly's problem concerned a meeting held at the Pentagon in May, 1959. This meeting was called in order that ranking officers of the Office of Naval Research, the Air Force and the Army could hear a briefing by Dr. Lilly on his work on the brain of dolphins. Dr. Lilly explained that the military was interested in this field [redacted] inasmuch as research by himself and other scientists had established that by the use of electrodes placed in the brains of animals and humans the will could be controlled by an outside force. He explained that if an electrode were placed in the brain of a subject by merely pressing a button a scientist could completely control the emotions of the subject. He could make the subject experience great extremes of joy or depression, for example. Dr. Lilly stated that the potential of this technique in "brain washing" or interrogation or in the field of controlling the actions of humans and animals is almost limitless. He stated that our officials are aware that the Soviets are intensely interested in this field and that they are conducting extensive experiments and that their progress has roughly paralleled that of ours.

At the meeting at the Pentagon in May, 1959, following Dr. Lilly's presentation of the results of his experiments, a classified film was to be shown. This film was the result of the work of a [redacted] of the Sandia Corporation which, according to Dr. Lilly, does work [redacted] for the military and the Atomic Energy Commission. Prior to the showing of the film, Dr. Lilly was asked to leave the meeting despite his protests, and despite the fact that he had been a speaker at an earlier portion of the meeting, he was not allowed to see the film. Dr. Lilly stated that at the time he did not have a

Jones to DeLoach memo 6-28-60 re: Dr. John C. Lilly

security clearance inasmuch as he had intentionally stayed away from military and security applications of his research. As a scientist he felt he could do his best work free of the control of the military, and while he needed assistance from them, he desired to remain free of their control. The results of his work are, of course, available to the military.

Dr. Lilly stated that at the meeting were many scientists with whom he was closely associated socially and in a professional manner and that he was well acquainted with the military officials who were present. The request for him to leave during the meeting was a source of tremendous embarrassment to him. It was explained to Dr. Lilly that inasmuch as he did not have security clearance he could not remain for the classified portion of the meeting. He protested that since the film was the result of basic work done by him, he should certainly be allowed to remain. Military officials were adamant, however, and he left.

Dr. Lilly has subsequently learned from a source which he refuses to disclose that the reason he was asked to leave the meeting was that a security officer at the meeting, upon learning that Dr. Lilly had no clearance, telephoned the FBI. The security officer was informed by the FBI that Dr. Lilly was a convicted felon, and as a result it was decided that he should be asked to leave the meeting inasmuch as he could not be granted clearance. This same source has also informed Dr. Lilly that the FBI erred in the information which it furnished in that the name of a convict, one John Lilly, was switched with Dr. Lilly's name by the FBI and that the FBI had falsely attached a criminal record to his name. Inasmuch as Dr. Lilly anticipates asking for future grants from Government agencies, he desired that this matter be cleared up and that the mistake made by the Bureau be acknowledged and rectified. Despite repeated questioning, he continued to refuse to divulge his source of information concerning the FBI and our alleged mistake but indicated that it is a scientist associate with the Department of Defense and probably a personal friend of Dr. Lilly. This person was in attendance at the meeting referred to above.

It was explained to Dr. Lilly that the circumstances surrounding the alleged check with the FBI did not ring true because we would not furnish a criminal record of a person on the basis of a name and without fingerprints and without the admonition that such a check could not be accepted as conclusive without fingerprints. In addition, it was highly unlikely that our criminal records would be checked as a result of a telephone call requiring an expedite search of our indices for a security-type clearance. Dr. Lilly was informed that this matter would receive an immediate and intensive investigation and if the FBI was at fault we would certainly rectify our error; however, it was not believed that such a mistake had ever taken place and it was strongly believed that his informant in the matter had furnished him with false information. Dr. Lilly has departed Washington and left no forwarding address at his hotel, the Hay-Adams.

We investigated Under Secretary Treasurer Baird in 1957. He was a prominent banker of St. Paul, Minnesota, and the investigation was highly favorable.

Jones to DeLoach memo 6-28-60 re: Dr. John C. Lilly

ACTION TAKEN ON DR. LILLY'S COMPLAINT

An immediate check was made of the records of the Identification Division. There are some 37 criminal prints under the name John Lilly. The complainant in this matter, John Cunningham Lilly, has in our files two civil prints, one reflecting his employment by the Department of Health, Education and Welfare in 1955. The other is an elimination print taken in 1934 when Dr. Lilly's mother was the victim of an extortion case. Dr. Lilly and all members of his family were fingerprinted at that time. There is no indication in our files that the information from our Identification Division was every furnished to a official of the Department of Defense. Bufiles reflect no derogatory information of a criminal nature concerning Dr. Lilly. Bufile 100-344452-7-39, page 78, reflects J. C. Lilly as a member of the Federation of American Scientists. This organization was opposed to military control of atomic energy and was in favor of secrecy in scientific work. A Bureau investigation, closed in 1950, did not reflect communist domination of this group. Dr. Lilly's address indicated as Johnson Foundation, Philadelphia, Pennsylvania. Bufiles contain no references pertaining to Communications Research Institute.

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In view of Dr. Lilly's allegations, a check of the Defense Department was made by the Name Check Section. SA [redacted] contacted George J. Gould, Chief, Security Services, Office of the Secretary of Defense, on 6-22-60. Mr. Gould advised that the records of his office reveal that a request had been received by them on 6-26-59 from the Office of Science for a "Secret" clearance for Lilly. Mr. Gould continued that his office made the necessary checks, including a check of the FBI, and as the checks made revealed no derogatory information, a "Secret" clearance was authorized by his office on August 27, 1959.

He stated that the check of FBI records for information of a subversive derogatory nature was returned stamped "No investigation conducted pertinent to your inquiry." Mr. Gould stated further that according to his records no check of the criminal records of the Bureau had been made. All name checks from defense are ordinarily made through Mr. Gould's office, and would not be made by an individual assigned to another office. It is noted that in May, 1959, Dr. Lilly apparently had not received a "Secret" clearance and possibility exists he may have been excluded from a portion of a conference at that time if it involved "Secret" material.

OBSERVATIONS:

It is apparent that the information received by Dr. Lilly is incorrect. It could well be at the time of the meeting mentioned above an error was made by someone in the Defense Department in excluding Dr. Lilly. It may be that now in an attempt to

Jones to DeLoach memo 6-28-60 re: Dr. John C. Lilly

cover up their own error someone in the Defense Department is attempting to place the blame on the FBI. It is believed that we should take immediate action to dispell any uncertainty in Dr. Lilly's mind concerning this matter and to promptly determine, if possible, who in the Defense Department is disseminating this erronecus information in an effort to hide their blunder.

6-29-60

airtel

To: SAC, [redacted]

From: Director, FBI

DR. JOHN C. LILLY
DIRECTOR
COMMUNICATIONS RESEARCH INSTITUTE
BOX 454
SAINT THOMAS, VIRGIN ISLANDS
RESEARCH (SERIES RECORDS)

6-1

On 6-21-60 captioned individual visited Bureau headquarters. He presented a letter from Under Secretary of the Treasury Julian B. Baird introducing Dr. Lilly to me as a life-long friend of Mr. Baird. Dr. Lilly is presently conducting experiments to determine the brain capabilities of certain animals and fish. He advised that the Department of Defense [redacted] are interested in his work in view of possible application of the results of his experiments on the minds of human beings.

b7E

Dr. Lilly claimed that as a result of an error on the part of the FBI in May of 1959 he was refused security clearance and was embarrassed before a gathering of professional colleagues and military officials. He stated that the FBI had incorrectly given information concerning another John Lilly who had been convicted of a crime to the Department of Defense. He refused to divulge the source of his allegations concerning the FBI.

A check of Bureau records reflects that Dr. Lilly is in error. We at no time furnished information of a criminal nature to the Department of Defense concerning him. A check by the Bureau with the Department of Defense reflected that in June of 1960 agreement was made for a "Secret" clearance for Dr. Lilly. We advised the Department of Defense that we had no information of a subversive derogatory nature and we furnished no information concerning a criminal record of Dr. Lilly. The [redacted] Division contain only two civil prints

- Tolson _____
- Mohr _____
- Parsons _____
- Belmont _____
- Callahan _____
- DeLoach _____
- Malone _____
- McGuire _____
- Rosen _____
- Tamm _____
- Trotter _____
- W.C. Sullivan _____
- Tele. Room _____
- Ingram _____
- Gandy _____

- 1 - Liaison [redacted]
- 1 - Mr. Belmont
- 1 - Mr. [redacted]

JUN 29 1960
COMM-FBI

106172
257-13
19 JUN 30 1960

MAIL ROOM TELETYPE UNIT

Airtel to San Juan
DR. JOHN C. LILLY

for Dr. Lilly. He was granted a "Secret" clearance in August, 1959.

The possibility exists that an error was made by someone in the Defense Department and that the blame is being placed on the FBI. You should have a mature and experienced Agent contact Dr. Lilly and advise him that we have conducted an exhaustive inquiry into his allegations and have found them to be without foundation. He should be informed that at no time did we ever furnish the Defense Department with information indicating that he had a criminal record, and that we unequivocally refuse to accept the blame for any error in the granting of a clearance for him if an error was made. Dr. Lilly should not be advised of the information which we have received from the Defense Department. Dr. Lilly should again be requested to furnish the name of the person or persons who made these allegations to him concerning a mistake on the part of the FBI. It is noted that Dr. Lilly refused to furnish this data when he was interviewed on 6-21-60. Dr. Lilly should also be questioned as to whether or not he has informed Mr. Baird of these allegations. If he has done so, it should be pointed out to Dr. Lilly that we intend to promptly contact Mr. Baird and advise him of the facts in this matter.

Advise the Bureau, attention Crime Research Section, of the results of your action in this matter.

NOTE: See Jones to DeLoach memo dated 6-20-60 under same caption. No dead line is being set for San Juan in view of Dr. Lilly's absence from the Virgin Islands and the date of his return is unknown.

UNITED STATES GOVERNMENT

Memorandum

Tolson	_____
Mohr	_____
Parsons	_____
Belmont	_____
Callahan	_____
Malone	_____
McGuire	_____
Rosen	_____
Tamm	_____
Trotter	_____
W C Sullivan	_____
Tele Room	_____
Ingram	_____
Gandy	_____

TO MR. A. H. BELMONT *ABW*

DATE. July 6, 1960

FROM R. O. L'ALLIER *L'*

SUBJECT DR. JOHN C. LILLY
DIRECTOR
COMMUNICATIONS RESEARCH INSTITUTE
BOX 456
ST. THOMAS, VIRGIN ISLANDS

6-1
~~*Max [unclear]*~~
~~*[unclear]*~~
~~*[unclear]*~~
W.C.

As approved in Mr. Jones' attached memorandum of 6-28-60, Liaison discussed with George Gould, Security Services Branch, Office of the Secretary of Defense (OSD), the allegation that FBI had furnished erroneous information concerning Dr. Lilly. Mr. Gould rechecked his records and verified that the first request for security clearance for Dr. Lilly had been received by him on 6-26-59, a month after the meeting which Dr. Lilly was asked to leave because he had been allegedly refused a security clearance.

It was learned that the meeting in question had been arranged by Colonel Philip Mitchell of the Office of Science, OSD. Colonel Mitchell was interviewed on 7-5-60. At the first mention of Dr. Lilly's name, he flushed and was obviously embarrassed. Colonel Mitchell stated that he had invited Dr. Lilly to attend the May, 1959, meeting and assumed that Dr. Lilly possessed the necessary security clearance. Just before the meeting, he discovered that Dr. Lilly had not, in fact, received any clearance and he, therefore, asked Dr. Lilly to leave the meeting prior to discussion of any classified matters. Colonel Mitchell said that the failure to arrange for clearance was his alone and that he felt very badly about it and had subsequently applied for and received a clearance for Dr. Lilly. Colonel Mitchell was told that Dr. Lilly had been informed that his clearance had been refused because the FBI had incorrectly given information concerning another John Lilly to the Department of Defense. We told Colonel Mitchell that the FBI was very exercised at this complete falsehood; that we did not want to be made the goat for anyone else's mistakes; and that we wanted everyone involved to know the truth - that no request had been made of FBI until after the meeting had taken place, at which time clearance was promptly granted by Defense Department and the FBI furnished no inaccurate information.

- GAD:sap (8)
 1-Parsons
 1-DeLoach
 1-Ingram
 1-Krant
 1-Belmont
 1-Liaison
 1-Day
 Enclosure

REC-24
62-106122-4
JUL 13 1960
5-300
Ruck/8

Memorandum L'Allier to Belmont
RE: DR. JOHN C. LILLY

Colonel Mitchell said that he at no time made any statement to Dr. Lilly concerning the FBI or any information furnished by us; further, he has heard no such story. He said he told Dr. Lilly the truth, that through his own oversight no clearance had been secured for Dr. Lilly. From his nervous embarrassed appearance, it seemed possible that he was actually the source of the false allegation concerning us. We told him that Dr. Lilly was being given the true facts and that these were also known to the Defense officials involved in granting clearances.

ACTION:

There is no point in pursuing this further in Defense, unless Dr. Lilly actually names the person from whom he heard the rumor. It appears that this person was Colonel Mitchell and there is no doubt in Mitchell's mind concerning our vigorous protest.

JAL
2/10
7/7
amb

Pa *JD* *JD*

1. Did we do this?
2. I think we should again demand of Lilly the identity of his source which falsely accused the Bureau & if he refuses that he be told that it would appear his complaint is a complete fabrication & our files will reflect his refusal & lack of cooperation.

7-8-60

REC-24

62-106172-4 CODE

RADIOGRAM

URGENT

TO SAC SAN JUAN

FROM DIRECTOR FBI

DR. JOHN C. LILLY. REMY AIRTEL SIX TWENTY-NINE SIXTY. COLONEL PHILIP MITCHELL, PENTAGON, INTERVIEWED. DEMEANOR INDICATED THAT HE MAY BE PERSON RESPONSIBLE FOR FALSELY ACCUSING BUREAU OF ERROR IN MATTER OF GRANTING CLEARANCE TO LILLY. MITCHELL INVITED LILLY TO ATTEND MAY, NINETEEN FIFTY-NINE MEETING. IDENTIFY OF LILLY'S SOURCE OF INFORMATION REGARDING ALLEGED MISTAKE ON BUREAU'S PART SHOULD BE DEMANDED. LILLY TO BE ADVISED THAT IF HE REFUSES TO FURNISH NAME IT WOULD APPEAR HIS COMPLAINT IS A COMPLETE FABRICATION AND OUR FILES WILL REFLECT HIS REFSAL AND LACK OF COOPERATION. LILLY SHOULD NOT BE ADVISED OF RESULTS OF INTERVIEW WITH MITCHELL. LILLY ALSO TO BE QUESTIONED AS TO WHETHER OR NOT BAIRD HAS KNOWLEDGE OF ALLEGATIONS. IF MATTER CANNOT BE HANDLED IMMEDIATELY ADVISE BUREAU OF REASONS FOR DELAY.

- Tolson _____
- Mohr _____
- Parsons _____
- Belmont _____
- Callahan _____
- DeLoach _____
- Malone _____
- McGuire _____
- Rosen _____
- Tamm _____
- Trotter _____
- W C Sullivan _____
- Tele Room _____
- Ingram _____
- Gandy _____

- 1 - Mr. Ingram
- 1 - Mr. Belmont (Attention Name Check Section)
- 1 - Liaison Section

NOTE: See Jones to DeLoach memo 7-8-60 captioned "Dr. John C. Lilly, Director, Communications Research Institute, Box 456, St. Thomas, Virgin Islands."

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAIL ROOM TELETYPE UNIT

RWK:ebe sent via 8:06 AM ju di

not

Pa *just* *gave* *DeLoach*

Back

FBI

Date 7/7/60

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI
FROM: SAC, SAN JUAN (94-35)

126-1

DR. JOHN C. LILLY
Director
Communications Research Institute
Box 456
Saint Thomas, Virgin Islands
RESEARCH (Crime Records)

RebuAirtel 6/29/60.

On 7/6/60 inquiry at Charlotte Amalie,
St. Thomas, Virgin Islands, reflects Dr. JOHN C. LILLY
departed June 26, 1960 leaving a forwarding address of
3605 Pociana Avenue, Coconut Grove, Miami 33, Florida.
LILLY is not expected to return to St. Thomas in the near
future. 6

Enclosed for Miami are two verifax copies of
referenced Airtel. Miami handle.

REC-24

62-106172-5

RUC
3 - Bureau
2 - Miami (Enc. 2)
1 - San Juan
AWO'B:am
(6)

18 JUL 8 1960

CRIME RESEARCH

Approved [Signature]
Special Agent in Charge

Sent _____ M Per _____

63 JUL 27 1960

DECODED COPY

9A
9F

- Tolson _____
- Mohr _____
- Parsons _____
- Belmont _____
- Callahan _____
- DeLoach _____
- Malone _____
- McGuire _____
- Rosen _____
- Tamm _____
- Trotter _____
- W.C. Sullivan _____
- Tele. Room _____
- Ingram _____
- Gandy _____

Radio

Teletype

URGENT 7-9-60

TO DIRECTOR AND SAC MIAMI

FROM SAC SAN JUAN 091515

DR. ^{NR} JOHN C. ^{NR} LILLY. REBURAD JULY 8 LAST, SJ AIRTEL TO WA AND MIAMI JULY 7 LAST AND BU AIRTEL JUNE 29 LAST. REFERENCED SJ AIRTEL POINTS OUT LILLY DEPARTED VIRGIN ISLANDS JUNE 26 LAST LEAVING FORWARDING ADDRESS OF 3605 POCIANA AVENUE, COCONUT GROVE, MIAMI 33, FLORIDA. NOT EXPECTED TO RETURN VI IN NEAR FUTURE. SJ AIRTEL ENCLOSED REBUAIRTEL FOR MIAMI. FOR ADDITIONAL INFO MIAMI, REBURAD ADVISED, "COLONEL PHILIP MITCHELL, PENTAGON, INTERVIEWED. DEMEANOR INDICATED THAT HE MAY BE PERSON RESPONSIBLE FOR FALSELY ACCUSING BUREAU OF ERROR IN MATTER OF GRANTING CLEARANCE TO LILLY. MITCHELL INVITED LILLY TO ATTEND MAY, 1959 MEETING. IDENTITY OF LILLYS SOURCE OF INFO REGARDING ALLEGED MISTAKE ON BUREAUS PART SHOULD BE DEMANDED. LILLY TO BE ADVISED THAT IF HE REFUSES TO FURNISH NAME IT WOULD APPEAR HIS COMPLAINT IS A COMPLETE FABRICATION AND OUR FILES WILL REFLECT HIS REFUSAL AND LACK OF COOPERATION. LILLY SHOULD NOT BE ADVISED OF RESULTS OF INTERVIEW WITH MITCHELL. LILLY ALSO TO BE QUESTIONED AS TO WHETHER OR NOT BAIRD HAS KNOWLEDGE OF ALLEGATIONS. IF MATTER CANNOT BE HANDLED IMMEDIATELY ADVISE BUREAU OF REASONS FOR DELAY." MIAMI HANDLE. RUC.

Resident
4/23/60
R67

6

RECEIVED: 11:43 AM RADIO

REC-24

62-106172-6

12:01 PM CODING UNIT MN

13 JUL 11 1960

RELAYED TO MIAMI

EX

File
Ruck/a
7/11/60

7/11/60
54

BT

FEDERAL BUREAU OF INVESTIGATION
U S DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL 9 1960

TELETYPE

Mr. Tolson	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Belmont	_____
Mr. Callahan	_____
Mr. DeLoach	_____
Mr. Malone	_____
Mr. McGuire	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr Trotter	_____
Mr W C Sullivan	_____
Tele Room	_____
Mr Ingram	_____
Miss Gandy	_____

URGENT 7-9-60 4-52 PM BM

TO DIRECTOR, FBI

FROM SAC, MIAMI 1 P

DOCTOR JOHN C. LILLY. RE SAN JUAN TELETYPE JULY NINE,

INSTANT. INTERVIEW WILL BE CONDUCTED IMMEDIATELY UPON RECEIPT

SAN JUAN AIRTEL, JULY SEVEN, LAST, SUPPLYING BACKGROUND

DATA.

END

1-26-24

62-106172-7

5 JUL 13 1960

5-52 PM OK FBI A XXXX WA JA

64 JUL 20 1960

TU DISC

Reck/8
7/11/60

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

11 1960

TELETYPE

Mr. Tolson	✓
Mr. Mohr	✓
Mr. Parsons	✓
Mr. Belmont	✓
Mr. Callahan	✓
Mr. DeLoach	✓
Mr. Malone	✓
Mr. M. C. ...	✓
Mr. Rosen	✓
Mr. Tamm	✓
Mr. Trotter	✓
Mr. W.C. Sullivan	✓
Tele. Room	✓
Mr. Ingram	✓
Miss Gandy	✓

URGENT 7-11-60 3-37 PM EST MHO

TO DIRECTOR, FBI
FROM SAC, MIAMI 2P

DR. JOHN C. LILLY, RESEARCH PAREN (CRIME RECORDS) PAREN.

REMYTEL JULY NINE LAST. DR. LILLY INTERVIEWED TODAY BY SAS

*Lilly's
Wells
6-1*

SPECIAL AGENTS

ROBERT K. LEWIS AND [REDACTED] HE AGAIN REFUSED TO

b6
b7c

IDENTIFY HIS SOURCE AND SAID HE PROMISED SOURCE NAME WOULD NOT

BE DIVULGED. STATES HE HAS GIVEN NAME OF BUREAU REPRESENTATIVE

[REDACTED] TO HIS SOURCE, AND THAT SOURCE WILL CONTACT

[REDACTED] IF SOURCE DECIDES TO MAKE HIS IDENTITY KNOWN. LILLY

NOW STATES HIS SOURCE SAID FBI QUOTE "MIGHT" UNQUOTE HAVE

FURNISHED INFORMATION OF A CRIMINAL NATURE CONCERNING HIM BUT

DID NOT SAY DEFINITELY THAT IT WAS FBI. DR. LILLY STATES HE

FURNISHED TO UNDER SECRETARY OF THE TREASURY JULIAN B. BAIRD

THE SAME INFORMATION CONCERNING THE ALLEGED MISTAKE BY FBI THAT

HE FURNISHED TO BUREAU HEADQUARTERS. AGENTS TODAY ADVISED DR.

LILLY THAT EXHAUSTIVE INQUIRY INTO HIS ALLEGATIONS WAS DETERMINED

THEY ARE WITHOUT FOUNDATION, THAT AT NO TIME HAS FBI FURNISHED

END PAGE ONE

*Lilly's
Wells
6-1*

51 JUL 20 1960

REC-24 62-106172-8

PAGE TWO

DEFENSE DEPARTMENT INFORMATION INDICATING HE HAS CRIMINAL
RECORD, AND THAT FBI REFUSES TO ACCEPT BLAME FOR ANY ERROR IN
GRANTING HIM CLEARANCE IF ANY ERROR MADE. DR. LILLY WAS INFORMED
THAT BUREAU INTENDS TO INFORM MR. BAIRD OF THE FALSITY OF DR.
LILLY-S ALLEGATIONS AND TO RECORD IN OUR FILES HIS REFUSAL TO
COOPERATE IN IDENTIFYING HIS SOURCE. RUC.

END ACK PLS

4-40 PM OK FBI WA NH

TU DISC

*Dr. Lilly
4-40 PM OK*

10

1 2

10 10

10 10

UNITED STATES GOVERNMENT

Memorandum

Tolson	✓
Mohr	✓
Parsons	✓
Belmont	✓
Callahan	✓
DeLoach	✓
Malone	✓
McGuire	✓
Rosen	✓
Tamm	✓
Trotter	✓
W.C. Sullivan	✓
Tele. Room	✓
Ingram	✓
Gandy	✓

TO Mr. DeLoach

DATE 7-8-60

FROM M. A. Jones

SUBJECT **DR. JOHN C. LILLY**
DIRECTOR
COMMUNICATIONS RESEARCH INSTITUTE
BOX 456
ST. THOMAS, VIRGIN ISLANDS

Remy memo dated 6-28-60 advising of Dr. Lilly's visit to FBI Headquarters on 6-21-60. Dr. Lilly presented a letter of introduction from Julian B. Baird, Under Secretary of the Treasury. Dr. Lilly claimed the FBI had made an error in information given to the Defense Department for a security clearance for Dr. Lilly. An immediate check reflected that Dr. Lilly was in error and that possibly someone in the Defense Department put the blame on the FBI in order to cover a mistake on their part.

Liaison was directed to inform appropriate official at the Department of Defense of our displeasure at being blamed for what could have been an oversight or mistake on their part.

Attached L'Allier to Belmont memo dated 7-6-60 reflects results of interview conducted at Defense Department by SA [redacted] of the Liaison Section. The entire matter was discussed with Mr. George Gould, Security Services Branch, Office of the Secretary of Defense (OSD) and our position was explained and Gould was informed of our unequivocal refusal to accept blame for any error in the granting of a clearance for Dr. Lilly, if an error was made. Interview with Colonel Philip Mitchell, Office of Science, OSD, reflects that Colonel Mitchell may have been the person who furnished false information to Lilly. While Colonel Mitchell did not admit any misconduct on his own part, his demeanor indicated that he may have been the source of the allegations and a vigorous protest was lodged with him. Mitchell was also told that Dr. Lilly was being given the true facts and that these were also known to the Defense officials involved in granting clearances.

The Director has noted: "1. Did we do this? 2. I think we should again demand of Lilly the identity of his source which falsely accused the Bureau & if he refuses that he be told that it would appear his complaint is a complete fabrication & our files will reflect his refusal & lack of cooperation. H"

- 1 - Mr. Ingram
- 1 - Mr. Belmont
(Attention Name Check Section)
- 1 - Liaison Section

RWK:cl **51 JUL 20 1960**
 (6)

REC-64

62-106112-9

5 JUL 14 1960

*Am... G. Frank
 7-12-60
 RWK dc*

CRIME RESEARCH

OVER [Signature]

Jones to DeLoach memo 7-8-60 re: Dr. John C. Lilly

The San Juan Office was directed by airtel dated 6-29-60 to have an Agent contact Dr. Lilly and advise him that his allegations were without foundation. Dr. Lilly was also to be questioned as to who in the Defense Department had told him that the FBI had made an error and also whether or not Mr. Baird had been advised of the allegations.

RECOMMENDATION:

That the attached radiogram reiterating instructions to San Juan concerning interview with Dr. Lilly and directing San Juan to inform Dr. Lilly that unless he furnishes the identity of his source our files will reflect his lack of cooperation, be approved and forwarded. Results of interview with Colonel Mitchell furnished for San Juan's use and not to be given to Dr. Lilly.

*20.1 + 7/8/60
ERC*

Am 7/8
Pa
Deck
7/8
✓ keep ERC 7/8
Gen
EJG

*It is I don't understand.
Mitchell looks like the
culprit & I see no reason
for shielding him.*

A

UNITED STATES GOVERNMENT

Memorandum

Tolson _____
 Mohr _____
 Parsons _____
 Belmont _____
 Callahan _____
 DeLoach _____
 Malone _____
 McGuire _____
 Rosen _____
 Tamm _____
 Trotter _____
 W C Sullivan _____
 Tele Room _____
 Ingram _____
 Gandy _____

TO MR. A. H. BELMONT *also*

DATE July 15, 1960

FROM R. O. L'ALLIER *L'*

SUBJECT DR. JOHN C. LILLY
DIRECTOR, COMMUNICATIONS RESEARCH INSTITUTE

Handwritten signature/initials

Previous memoranda have reported that Dr. Lilly was forced to leave a conference at the Defense Department due to the fact that he had no clearance. He was told by someone in Defense that the reason his clearance had not been granted was that the FBI had erred and had furnished information on a convict named John Lilly. Lilly has refused to disclose who told him this. He was sent to the Bureau by Mr. Julian B. Baird, Under Secretary of the Treasury for Monetary Affairs.

On 7-15-60 Mr. Baird was advised of the facts in this matter. It was pointed out to him that we had not furnished any information of a criminal nature concerning Dr. Lilly to the Defense Department, and that this appeared to be an attempt by someone in the Defense Department to cover up its error. Mr. Baird also was advised that we had told Dr. Lilly of the true facts in this matter and that Dr. Lilly had refused to name his source.

Mr. Baird stated that he was very glad that the Bureau had cleared up this matter and stated that he had no respect for anyone who would blame another agency for their own error. Mr. Baird stated that he did not know who Dr. Lilly's source was in this matter

ACTION:

For information.

BAW:sap (7)

- 1-Parsons
- 1-Belmont
- 1-Ingram
- 1-Krant
- 1-Liaison
- 1-Wells

Handwritten initials: JAC, 7/15

Handwritten initials: G...

Handwritten initials: Pa

Handwritten mark: V.

Handwritten initials: JAC

Handwritten initials: E

REC-79

62-100-170-10

10 JUL 20 1960

Handwritten initials: Rux/e

62 JUL 22 1960

UNITED STATES GOVERNMENT

Memorandum

Tolson	_____
Mohr	_____
Parsons	_____
Belmont	_____
Callahan	_____
DeLoach	_____
Malone	_____
McGuire	_____
Rosen	_____
Tamm	_____
Trotter	_____
W C Sullivan	_____
Tele Room	_____
Ingram	_____
Gandy	_____

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 312
 [Signature]

TO Mr. DeLoach *[initials]*

DATE 7-12-60

FROM M. A. Jones *[initials]*

SUBJECT DR. JOHN C. LILLY, DIRECTOR
COMMUNICATIONS RESEARCH INSTITUTE

no loc
 Remy memo 7-8-60 and radiogram to San Juan to interview Dr. Lilly and determine source of his information. Dr. Lilly not be advised of the results of our interview with Colonel Philip Mitchell whose demeanor indicated he may have been the person responsible. 7-9-60 radiogram from San Juan reflected that Dr. Lilly had departed the Virgin Islands on 6-26-60 leaving a forwarding address in Miami, Florida, and requested Miami to handle.

At 9 a. m. on the morning of July 11, SA [redacted] Crime Research Section, received a telephone call from Dr. Lilly as to the status of our inquiries. Dr. Lilly was informed that we had completed our investigation into the matter and that he would be contacted by Agents of our Miami Office.

b6
b7c

The Director noted regarding the Jones to DeLoach memo of 7-8-60: "This I don't understand. Mitchell looks like the culprit & I see no reason for shielding him. H". Mr. Hoover's comments were received in the Crime Research Section at 12:07 p. m. on July 11.

At approximately 12 noon on 7-11-60, Dr. Lilly again called the Bureau and requested to speak to [redacted]. Later in the afternoon of July 11, Krant returned Lilly's call. Lilly advised that two Agents of the Miami Office had visited him. The Agents had informed him the FBI had thoroughly investigated his allegations and determined they were without foundation. Dr. Lilly then complained that the Agents insisted he identify the source of his information regarding the alleged mistake by the FBI. He also stated the Agents told him our files would reflect his refusal to cooperate if he failed to name his source.

Lilly was told by [redacted] in no certain terms that at this point we were thoroughly disappointed in him. On the basis of his allegations we had conducted a thorough and exhaustive inquiry. We felt it was his duty and obligation at this point to give us the name of his informant regarding these aspersions on our name. Lilly said he could not do this as he had given his word to the person who had furnished the information that he would not disclose it. Lilly was told we could not accept this excuse inasmuch as we now were determined that the true facts be known to Defense officials involved in granting clearances. (As you know, we have informed George Gould, Office of the Secretary of Defense, of our

Enclosure investigation of these allegations and of our determination not to be

- 1 - Mr. Ingram
- 1 - Mr. Belmont (Attention Name Check Section)
- 1 - Liaison Section

RWK: [initials]
 (7) 62 JUL 22 1960

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10 JUL 20 1960

CRIME RESEARCH

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 [Signature]

Jones to DeLoach memo 7-12-60 re: Dr. John C. Lilly
blamed for someone else's error, if an error was made.)

Lilly was asked whether he had informed Under Secretary of the Treasury Baird of the details of this matter. He admitted that he had [redacted] told Lilly that Baird would be informed by us of the truth of the matter and that we did not appreciate his spreading these allegations prior to our being given the opportunity to determine the truth. Lilly claimed he had told Baird in order that he might receive his letter of introduction to Mr. Hoover. Further, a very close relationship existed between himself and Baird as a result of a long family friendship.

b6
b7C

Lilly was then told we had interviewed Colonel Mitchell and that Mitchell's demeanor indicated to us that he was the guilty party in this affair. Lilly was then asked directly whether or not Mitchell had, in fact, given him the false information. He denied it. He stated he has given SA [redacted] name to his source of information and he has requested that person advise [redacted] of his identity. He felt that the matter could then be properly disposed of if this person did talk to [redacted]. Lilly was informed this was certainly not the correct way to handle the situation. He should, instead, tell [redacted] the name of his informant and [redacted] would promptly contact him. Lilly claimed that he could not do this because his informant's position might be jeopardized by Lilly releasing his name prior to receiving permission. Lilly stated he would see the informant late this summer and would prevail upon him to contact the FBI and receive directly from us the facts in this case.

Lilly was told we refused to accept his protest regarding our handling of this matter. We felt frankly he had let us down and that the conduct of the Agents at Miami reflected our thinking completely and that their forceful action had been at our specific direction. He was also advised that unless he showed some cooperation on his part he could not expect assistance from us and we were extremely disappointed in his attitude.

Subsequent to telephonic conversation with Dr. Lilly the attached ^{teletype} airtel 7-11-60, was received from the Miami Office reflecting their interview with Dr. Lilly.

RECOMMENDATIONS:

1. That Mr. Julian B. Baird, Under Secretary of the Treasury, be advised of the facts in this matter by Liaison inasmuch as he has been informed of the rumors concerning the FBI by Lilly.

V [Handwritten initials]

2. That no further contact be had with Lilly and that any future inquiries or requests from him be treated in the light of his refusal to cooperate.

Disagree - V [Handwritten initials]
[Handwritten initials]
1/12
[Handwritten initials]