

Office Memorandum

• UNITED STATES

GOVERNMENT

TO : MR. D. M. LADD

DATE: March 7, 1950

FROM : A. H. BELMONT

SUBJECT: CHARGES OF SENATOR MCCARTHY CONCERNING SPIES AND REDS IN THE STATE DEPARTMENT INTERNAL SECURITY - C LOYALTY OF GOVERNMENT EMPLOYEES

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

Mr. Joseph Amshey, Security Office, State Department, informed this morning that the State Department files on the cases mentioned by Senator McCarthy, and which were transferred to the White House, are now being checked over very carefully by former investigators of the old Truman Senate Committee. The State Department anticipates that, after this review, the Tydings Committee will be permitted to look at summaries prepared by the investigators from the files.

Now that the "McCarthy" case files have been transferred to the White House, the State Department is working on 385 loyalty case files (not mentioned by McCarthy), and will also transfer these files to the White House when they have been collected from the various Divisions in the State Department, tabulated, and summaries prepared on each.

ACTION:

None. This memorandum is prepared for your information.

G.I.R.V

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A. H. B.

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~~121-39149-1451~~

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EX. - 66

MAR 6 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE: March 7, 1950

FROM : D. M. Ladd *ok*

SUBJECT:

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| Ladd | <input checked="" type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input type="checkbox"/> |
| Nichols | <input type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

I returned the call of Senator Joseph R. McCarthy this morning. Senator McCarthy was not available and as he had previously suggested, I called [REDACTED] U

I advised him that I had checked with the Department and the Department had suggested that it would be inadvisable for the Bureau to call at the Capitol for the purpose of going over the material received by Senator McCarthy concerning the list of State Department employees and suggested that in lieu thereof, [REDACTED] bring any pertinent material to the Bureau where it could be gone over with him to determine whether there were any matters of interest to the Bureau. U

[REDACTED] stated he would do this at the first possible opportunity and further, that he would advise Senator McCarthy of my call. U

DML:dad

cc - Mr. Belmont

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MAR 17 1950

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EX-9

MAR 8 1950

RECEIVED SECTION

MAY 31 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. D. M. LADD

DATE: March 7, 1950

FROM : A. H. BELMONT

SUBJECT: CHARGES OF SENATOR MCCARTHY CONCERNING SPIES AND REDS IN THE STATE DEPARTMENT. INTERNAL SECURITY - C LOYALTY OF GOVERNMENT EMPLOYEES

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Mr. Samuel S. Boykin, Director, Office of Consular Affairs, State Department (a Deputy to Under-Secretary Peurifoy and responsible for the operations of the Security Division), informed [redacted] today that the State Department anticipates being questioned by Senator Tydings (D-Md.) concerning various phases of the security and loyalty investigations activity in the State Department. Mr. Boykin and Mr. Peurifoy state that, undoubtedly, the question of investigations under the Loyalty Program will arise, and that the State Department will probably be asked to explain what they do in compliance with the President's Loyalty Order. The State Department will reply that they send loyalty forms to the FBI for checking against our files and for appropriate loyalty investigations if the data in our files warrants such action.

The next question anticipated by the State Department is what basis is used by the FBI in opening loyalty cases. It is the answer to this question that the State Department desires to receive from the Bureau. Mr. Boykin stated that, if the question is asked of the Secretary of State, Mr. Peurifoy, or himself, they will answer that the State Department does not know, as an answer could only be given by the Bureau. Boykin stated, however, that, for their own information, they would like to know from the Bureau the basis we use for opening loyalty cases; i.e., when do we open a loyalty case and what facts must be present before a case is opened, and how do we determine whether the investigation is to be a preliminary inquiry or full-field investigation.

[redacted] pointed out to Mr. Boykin that it was not understandable why the State Department should be concerned by such a question that may be asked by the Committee, and, certainly, if the Committee had any such inquiries, the State Department was not the proper place to receive an answer. [redacted] further pointed out that each loyalty case is considered upon its own merits and that the matter of conducting preliminary inquiries or full-field investigations is a matter which is judged by the facts in our files on the given case, plus that derogatory information given to us by the employing agency on the loyalty form.

OBSERVATIONS:

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It would appear that the State Department is attempting to anticipate questions and to make replies to questions which are not within their jurisdiction and which should not be of concern to them. It is believed that we should not give to the State Department, even informally, a statement regarding the basis for opening loyalty cases, if the Bureau has not heretofore given such statements to the press or to other Government agencies. If you feel, however, that it would be

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[redacted]

MEMORANDUM FOR MR. LADD

advisable to give the State Department some type of a statement on the inquiry they have presented, then it should be directed to the Liaison Section for personal delivery to either Mr. Boykin or Mr. Peurifoy.

RECOMMENDATION:

This memorandum will be brought to the attention of the Loyalty Section for its information and consideration. In addition, it is recommended that the State Department be again advised by the Liaison Section that each Loyalty case is considered upon its own merits, based on such information as is available to us including information which has been furnished by the employing agency on the Loyalty form. It is not recommended that we go into any of the details as to the exact basis for our investigations and how we determine whether the investigation should be a preliminary inquiry or a full field investigation. In view of the fact that the proceedings are scheduled to open soon, it is recommended that this be handled immediately.

*Mr. Boykin & Mr. Nicholas
State Dept. to be performed.*

*Done
ok*

AHB:tlc

*I agree. The loyalty
Order itself sets
forth the standards
to be used*

3/8

*I agree. Rough was most
alert. We have to be forever alert to fast ones
from State. H.*

Office Memorandum • UNITED STATES GOVERNMENT

TO : The Director

DATE: March 7, 1950

FROM : D. M. Ladd

SUBJECT: DEPARTMENT OF STATE (REMARKS MADE BY MR. PEURIFOY REGARDING 326 "SECURITY CASES" STILL IN PROCESS) LOYALTY OF GOVERNMENT EMPLOYEES

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| Tolson | |
| Ladd | |
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PURPOSE:

To furnish you with information concerning a statement made by Mr. Peurifoy of the State Department concerning 326 security cases still pending in the State Department, as set forth in the Congressional Record-Senate dated March 2, 1950.

BACKGROUND:

On Page 2678 of the Congressional Record-Senate dated March 2, 1950, the following information is set forth concerning testimony of Mr. Peurifoy, Deputy Under Secretary of State, in answer to certain questions by Senator Knowland:

"Page 2678 - Mr. Knowland spoke concerning 'Communists in Government Service.' He included information from Mr. Peurifoy, Deputy Under Secretary of State, giving a breakdown of the 326 security cases which are still in process. Mr. Knowland stated he does not feel there is any justification for any security case to be pending for more than a year. 'It seems to me that security cases of the State Department should be given the highest type of priority. If the FBI says they would like to have additional information, whether it be fingerprints or other information which they are seeking, the request should be sent in regular courier pouches by air, and the information should be returned immediately'."

In a memorandum dated March 3, 1950, from Mr. Glavin to you setting forth the above quoted information, you noted, "This should be looked into at once."

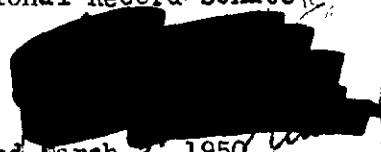
From a review of the remarks made by Mr. Peurifoy, it is obvious he is referring to the submission of Loyalty Forms and fingerprints on personnel of the State Department rather than full field Loyalty investigations, since at the present time we have only five full field Loyalty investigations pending on State Department employees. These cases are, of course, receiving expeditious attention which is afforded to all investigations involving State Department personnel.

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INDEXED - 82

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Regarding Loyalty Forms received from the State Department, as you know, we are still receiving Loyalty Forms at this date, the majority of which are on Foreign Service personnel coming from various parts of the world. On January 11, 1950, there were received in the Records Section of the Bureau 143 Loyalty Forms.

Loyalty Forms received in the Bureau are being processed on a current basis. However, in some cases it is necessary to return the Forms to the State Department where the forms contain some error or errors of substance; for example, where the employee failed to fill in the item regarding organizations with which affiliated. In October, 1949, we received a number of Loyalty Forms from the State Department and it was necessary to return 121 of these Forms in order that more complete identifying data could be inserted by the State Department. In addition, in some instances, the fingerprints submitted with the Loyalty Form are of such a nature that they cannot be processed by the Identification Division, and it is necessary in such cases to return such prints for resubmission. State Department Loyalty Forms are not returned unless it is absolutely necessary and we have returned no Forms to them for correction since October, 1949. It is, of course, the responsibility of the State Department to insure that Loyalty Forms are properly executed and submitted to the Bureau for processing. In this connection the Federal Personnel Manual contains regulations promulgated by the Civil Service Commission to the effect that, with respect to incumbent employees, it is the responsibility of the employing department or agency to "(1) Establish and maintain within the department or agency a control system for insuring the submission of information on all incumbent employees on the rolls as of September 30, 1947. (2) Obtain and submit the required forms properly prepared for each incumbent employee to the Federal Bureau of Investigation. Certify the completeness of the coverage to the Civil Service Commission in accordance with the procedure prescribed." Similar regulations are also set forth in the Federal Personnel Manual with respect to the responsibilities of the employing department or agency in so far as Loyalty Forms relating to appointees are concerned.

At the present time Loyalty Forms and fingerprints received in the Bureau are handled on a current basis and, as stated above, unless it is absolutely necessary to return Forms or fingerprints to the State Department for correction, the same are processed in an expeditious manner.

ACTION:

None. This is for your information.

OFFICE MEMORANDUM

UNITED STATES GO

March 8, 1950

TO : MR. TOLSON

FROM : Mr. S. J. Tracy

SUBJECT: SENATOR McCARTHY'S LIST OF ALLEGED LEFT WING EMPLOYEES OF THE STATE DEPARTMENT

[REDACTED] telephonically advised me that [REDACTED] informed a member of the AF of L that his name was number [REDACTED] on Senator McCarthy's list.

[REDACTED]

[REDACTED] is a former teacher of languages at some university. His wife, prior to her marriage was employed in the same office with [REDACTED] and so far as he can remember, there was nothing to indicate that she had any left-wing leanings. He does not know her husband.

[REDACTED] is passing on the above information for whatever value it may be to the Bureau.

SJT:efm

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45 MAR 15 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: March 8, 1950

FROM : GUY HOTTEL, SAC, WASHINGTON FIELD

ATTENTION: Assistant Director
D. M. LADD

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS by Senator JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

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

In accordance with instructions received by SAC GUY HOTTEL from Assistant Director D. M. LADD on March 7, 1950, Special Agents [redacted] and [redacted] attended the meeting of the Foreign Relations Sub-Committee, investigation of State Department personnel, in the Caucus Room of the Senate Office Building on March 8, 1950.

This hearing was opened by Senator MILLARD E. TYDINGS, Sub-Committee Chairman, who stated that the Sub-Committee received a mandate from the Senate which contained the authority to investigate and hear charges of disloyalty against the government by employees of the Department of State and other such agencies against whom charges have been heard and to subpoena the loyalty files against all such persons.

Senator JOSEPH R. McCARTHY was sworn in as the first witness.

Chairman TYDINGS then referred to prior testimony of Senator McCARTHY in which Senator McCARTHY had stated on the floor of the Senate that one employee of the State Department who was employed in December 1945 as a Translator had been investigated during 1946 and that this investigation showed evidence which caused his later dismissal due to homo-sexual acts and connection with the Young Communist League. He further stated that on January 22, 1946 the Division of Security and Investigations, State Department, recommended the discharge of this individual and on February 19, 1946 his services were terminated. On April 1, 1946 this termination act was rescinded. Senator McCARTHY's testimony showed that there was a CSA report dated September 27, 1947 which was replete with information that a high official of the State Department tampered with the records of the State Department and personally contacted witnesses and asked them to retract their testimony concerning the aforementioned employee. Senator TYDINGS then asked Senator McCARTHY whether or not he could furnish the Committee the name of this official in the State Department who was charged with tampering with official records and covering up the activities of disloyal employees.

Senator McCARTHY did not disclose the name of the high official at this time and brought out that he would present to the Committee in

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Do we know who he is talking about?
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due course all material and evidence which he had in his possession. He stated that for the Sub-Committee to get complete information regarding all individuals that he will mention it will be necessary that the Sub-Committee subpoena four sets of files to wit the State Department investigations file complete with the sub-rosa section, the State Department personnel file, CSC files and FBI files. He further stated that all cases discussed will have derogatory data developed by the FBI.

Senator McCARTHY then proceeded with Case No. 1 and named ~~DOROTHY KENYON~~, a present employee of the State Department who was receiving \$12,000 per annum and who is presently a US member assigned to a committee at the UN. He stated DOROTHY KENYON was affiliated with twentyeight front organizations, nine of the twentyeight being listed by the Attorney General and that her record dates back some ten to fifteen years. He then proceeded to present to the Committee photostatic copies of documents which would show her connection with these subversive organizations.

The Committee was recessed until 10:30 AM on March 9, 1950.

There is enclosed herewith for your information the opening statement to the Sub-Committee by Senator McCARTHY, which had been previously given to the Press and Secretary of State DEAN ACHESON's testimony before the Senate Appropriations Committee on Tuesday, February 28, 1950, which had also been given out to the Press.

Enclosures

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Office Memorandum • UNITED STATES GOVERNMENT

TO : The Director

DATE: March 9, 1950

FROM : D. M. Ladd

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH P. MCCARTHY, R-WISC.)

- Mr. Tolson ✓
- Mr. Clegg ✓
- Mr. Glavin ✓
- Mr. Ladd ✓
- Mr. Nichols ✓
- Mr. Rosen ✓
- Mr. Tracy ✓
- Mr. Egan ✓
- Mr. Gurnea ✓
- Mr. Harbo ✓
- Mr. Mohr ✓
- Mr. Pennington ✓
- Mr. Quinn Tamm ✓
- Tele. Room ✓
- Mr. Nease ✓
- Miss Holmes ✓
- Miss Gandy ✓

PURPOSE

To furnish you with information concerning the State Department's identification of the cases referred to by Senator McCarthy before the Senate.

BACKGROUND

By memorandum dated March 3, 1950, Mr. Belmont informed me that Supervisor [redacted] had been advised by the State Department that they had identified all of the 81 cases cited by Senator McCarthy and that the files on these cases had been transferred to the White House. You noted that "We should make very certain we are in clear as to our investigations in these cases."

You will recall that by memorandum dated February 24, 1950, summary paragraphs were furnished to you on 68 individuals referred to by Senator McCarthy which we were able to identify from a comparison of his testimony with the material furnished to the Bureau on January 29, 1948, by [redacted]. Although the Senator in his testimony talked of having 81 cases, a review of his testimony showed that he omitted four cases, lumped six others as typical of Voice of America employees and cited two cases which were identified as referring to the same individual. Thus, there were only 70 cases cited by Senator McCarthy which could possibly be identified and we identified 68 of them.

The list of names furnished to us by the State Department as representing the individuals referred to by the Senator lists 71 individuals and 68 of them are the ones we previously had identified. It is interesting to note that one of the cases identified by the State Department is "Case No. 35," which was omitted entirely by Senator McCarthy in his testimony before the Senate. The State Department identifies this case as referring to one [redacted], not otherwise identified, and indicates he terminated his employment with the State Department on [redacted]. A check of the Bureau's files on the name [redacted] fails to disclose any information.

Thus, of the 70 cases actually mentioned by the Senator which were subject to possible identification, the State Department has been able to identify the two cases on which we did not have sufficient facts to arrive at an identification, namely, cases numbers 19 and 36. The State Department further indicates that 33 of the persons on their list are still employed.

In connection with Case number 36, Senator McCarthy, in his testimony before the Senate stated "This individual is 43 years of age. He is with the Office of Information and Education. According to the file, he is a known Communist. I might say that when I refer to someone as being a known Communist, I am not evaluating the information myself. I am merely giving what is in the file. This individual also found his way into the Voice of America broadcast. Apparently the easiest way to get in is to be a known Communist."

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In regard to "Case No. 36," the State Department identifies this case as pertaining to one [REDACTED]. It is noted the State Department inserted a question mark after the name, possibly indicating that they are not sure of this identification. The State Department further indicated that [REDACTED] presently is employed but they did not furnish any identifying data concerning this individual. [REDACTED]

In connection with "Case No. 19," the State Department identifies this case as referring to [REDACTED] and indicates that he has never been employed by the State Department. Our files disclose that one [REDACTED] who is possibly identical with the individual in question, was investigated by the Bureau in 1949 under Executive Order 9835. [REDACTED]

You will recall that in addition to the above, in the case of [REDACTED] and [REDACTED] the Bureau had not conducted previous investigations. In my memorandum of March 6, 1950, this was pointed out to you and Mr. Tolson

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noted in connection with [REDACTED] that "We should order a preliminary inquiry on [REDACTED] at once." You indicated "Yes." This has been done. In respect to [REDACTED] my memorandum of March 6, 1950, pointed out that an investigation presently is being conducted under the Atomic Energy Act concerning [REDACTED]. Mr. Tolson noted, "We should expedite this investigation; Liaison should advise Jack Neal of the current investigation." You noted "Yes." On March 8, 1950, Mr. Jack Neal of the State Department was informed of this investigation. The investigation is being given expeditious attention and copies of the reports will be furnished not only to the Atomic Energy Commission but also to the Civil Service Commission and the State Department.

As mentioned above, the State Department has advised that they have identified 33 individuals mentioned by Senator McCarthy who are still employed. In addition to the individuals mentioned above, an analysis of the cases of the others still employed by the State Department reflects that Loyalty type investigations, Voice of America investigations, preliminary inquiries, applicant type investigations or security investigations have been conducted where information in the Bureau's possession warrants or where the State Department has furnished disloyal information to the Bureau for investigation. Of course it is possible that the State Department has disloyal information in its files concerning the cases which have been identified by the Bureau as well as other cases which Senator McCarthy may possibly have in his possession, which has not been brought to the Bureau's attention.

ACTION

None. This is for your information.

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Office Memorandum • UNITED STATES GOVERNMENT

TO : The Director

DATE: March 9, 1950

FROM : D. M. Ladd

SUBJECT: ¹ COMMUNIST IN THE STATE DEPARTMENT
(Allegations by Senator Joseph R. McCarthy)
LOYALTY OF GOVERNMENT EMPLOYEES

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| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input checked="" type="checkbox"/> |
| Nichols | <input checked="" type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

PURPOSE

To inform you of the identity of the State Department employee referred to yesterday by Senator Millard E. Tydings at the hearings of the Senate Foreign Relations Subcommittee as being terminated by the State Department on February 19, 1946, for "homosexual acts and connection with the Young Communist League," the termination being rescinded April 1, 1946, through intervention of a "high official of the State Department." The identity of the "high official of the State Department" is also set forth for your information.

BACKGROUND

You will recall the Washington Field Office, by letter dated March 8, 1950, advised the Bureau regarding certain details taken up at the opening session of the Foreign Relations Subcommittee hearing on State Department personnel. Senator Tydings referred to prior testimony of Senator McCarthy in which he had stated on the floor of the Senate that one employee of the State Department who was employed in December, 1945, as a translator had been investigated during 1946 and this investigation showed evidence which caused his later dismissal due to homosexual acts and connection with the Young Communist League; that on January 22, 1946, the Division of Security and Investigations, State Department, recommended the discharge of this individual and on February 19, 1946, his services were terminated; that on April 1, 1946, this termination act was rescinded; that a CSA report, dated September 27, 1947, was replete with information that a high official of the State Department tampered with the records of the State Department and personally contacted witnesses asking them to retract their testimony concerning the aforementioned employee. Senator Tydings asked Senator McCarthy whether he could furnish the Committee with the name of this official in the State Department who was charged with tampering with official records and covering up activities of disloyal employees.

You noted concerning this information, "Do we know who he is talking about?"

From a comparison of Senator Tydings' remarks, as set forth above, with the previous testimony of Senator McCarthy before the Senate, as published in the Congressional Record under date of February 20, 1950, it is obvious that the State Department employee he is talking about is [redacted] who McCarthy originally referred to as "Case No. 14."

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FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

3 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- Deleted under exemption(s) b 7(c) b(6) with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) _____, was/were forwarded to them for direct response to you.

_____ Page(s) referred for consultation to the following government agency(ies); _____ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

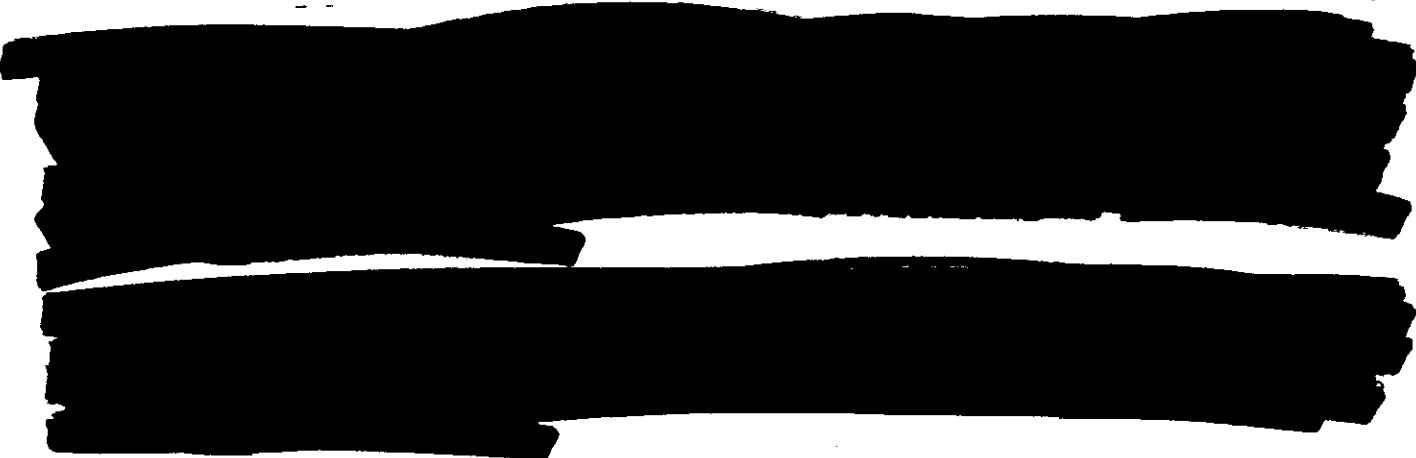
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For your information: _____

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ACTION

None. This is for your information.

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Mr. Ladd
Mr. Nichols

Loyalty Section

Allegation by Senator McCarthy

"Case No. 141 This is a case of pressure from a high State Department official to obtain security clearance for an individual with a bad background from the standpoint of security. He was appointed in December 1945 as a translator in the State Department.

"This is an interesting case showing the extent to which some of their superior officers will go when they find that some of these very unusual individuals are going to lose their jobs. He was appointed in December 1945 as a translator in the State Department. A report from another Government investigating agency under date of January 9, 1946, advised that the subject should be dismissed as a bad security risk because he was flagrantly homosexual. He had extremely close connections with other individuals with the same tendencies, and who were active members of Communist-front organizations, including the Young Communist League.

"I think this is interesting, Mr. President. I asked one of our top intelligence men in Washington, one day, 'Why do you find men who are so fanatically Communist? Is there something about the Communist philosophy that attracts them?'

"He said, 'Senator McCarthy, if you had been in this work as long as we have been, you would realize that there is something wrong with each one of these individuals. You will find that practically every active Communist is twisted mentally or physically in some way.'

"The State Department's own security agency recommended the discharge of this employee on January 22, 1946. On February 19, 1946, this individual's services were terminated with the State Department. Subsequently on April 1, 1946, the action discharging this individual was rescinded and he was reinstated in his job in the State Department. In this case a CIA report of September 2, 1947, is replete with information covering the attempt of a high State Department official to induce several individuals who had signed affidavits reflecting adversely upon the employee to repudiate their affidavits. The file shows that that high State Department employee even went out and personally contacted the individuals who signed the affidavits and asked them, 'Won't you repudiate them?'

"This individual, according to the security files of the State Department, was a very close associate of active Soviet agents. As to whether he is in the State Department at this time or not, I frankly do not know, but in view of fact that he was reinstated, I assume that he is."

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/19/01 BY 60322
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ENCLOSURE

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121-23278-24

Possible Identification

This individual apparently is [REDACTED] The Bureau files reflect we conducted a Loyalty investigation of [REDACTED] from December 14, 1948, to March 3, 1949; a Departmental applicant investigation from June 15, 1938, to December 12, 1938; [REDACTED]

Investigation has disclosed information that [REDACTED]

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[REDACTED]

Reports reflecting the results of the loyalty investigation were furnished the Civil Service Commission under date of March 3, 1949. The Civil Service Commission under date of November 7, 1949, advised regarding the disposition of the case that [REDACTED] was "eligible on loyalty."

In addition to the Civil Service Commission, information relating to [REDACTED] has been disseminated to the following: The Attorney General, Office for Emergency Management, Department of State, Senator Elmer Thomas of Oklahoma, Department of the Army, and the Office of Naval Intelligence.

[REDACTED]

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Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. LADD
FROM : A. H. BELMONT

DATE: March 9, 1950

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS OF SENATOR JOSEPH P. MCCARTHY) *Informant*
LOYALTY OF GOVERNMENT EMPLOYEES

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

[REDACTED] of the Washington Field Office, called to advise that the hearings of the Subcommittee of the Senate Committee on Foreign Relations, continued this morning with Senator McCarthy as witness.

Senator McCarthy continued his observations on the case of Dorothy Kenyon. He refused to name the high official concerning whom he talked on March 8, 1950. He reiterated that it was important to get the FBI files, as these were the only ones not tampered with. He stated that the State Department files had been rifled and tampered with. Senator McCarthy advised that this issue will test the authority of the Committee to subpoena files. He refused to give the Committee the documents in his possession regarding the high official and accused the Committee of having as its purpose the disclosure of his informants so that the Committee could take punitive action regarding his informants in the State Department. He called the Committee a tool of the State Department. Senator McCarthy said that the FBI file on Kenyon is more complete than the information he has furnished and shows that she was affiliated with more than twenty-eight subversive organizations. He pointed out that in connection with the Loyalty Program the FBI does not screen employees and makes no recommendations in Loyalty cases. He said that the FBI has done a good job on the Loyalty Program and the FBI is not responsible for security risks in the State Department.

[REDACTED] advised that the Committee is considering having members of the State Department Loyalty Board appear before the Committee with reference to these cases. The hearing was adjourned until further notice.

The Washington Field Office was instructed to confirm this information by letter.

OBSERVATIONS:

As pointed out in my memorandum of March 8, 1950, it is very possible that the Subcommittee of the Senate Committee on Foreign Relations will attempt to secure FBI files relating to the individuals mentioned by Senator McCarthy.

121-23278-25
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MAR 14 1950
31

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57 APR 25 1950

EX-15

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OFFICE MEMORANDUM

UNITED STATES OF

DATE: March 10, 1950

TO : MR. A. H. BELMONT

FROM : MR. V. P. KEAY

SUBJECT: [REDACTED]

[REDACTED] on March 7, 1950 advised the Liaison Section that he had discussed the subject of sexual perversion of CIA and State Department employees with [REDACTED] [REDACTED] indicated that [REDACTED] was conducting an inquiry for Senator McCarthy regarding the sexual perversion habits of such employees, and that Senator McCarthy planned to expose the CIA employees, along with the State Department employees, in his present hearings on the Hill regarding subversives in the State Department.

ACTION:

None. This is for informational purposes only. 4

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52 APR 6 1950

ORIGINAL NO.

Original copy filed in 66-80750-1121

Office Memorandum • UNITED STATES GOVERNMENT

- Mr. Clegg
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Harbo
- Mr. Belmont
- Mr. Mohr
- Tele. Room
- Mr. Nease
- Mr. Gandy

TO : DIRECTOR, FBI

FROM : GUY HOTTEL, SAC, WASHINGTON FIELD

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH McCARTHY)
IGE

DATE: March 9, 1950

ATTN: Assistant Director
D. M. LADD

Office

In accordance with verbal instructions by Assistant Director D. M. LADD TO SAC GUY HOTTEL on March 7, 1950, Special Agents [redacted] and [redacted] attended the meeting of the Foreign Relations Subcommittee investigation of State Department personnel in the Caucus Room of the Senate Office, on March 9, 1950.

The hearing was opened by Senator TYDINGS, who asked Senator McCARTHY if he had the name of the individual that he promised the Committee at yesterday's hearing, which was referred to as Case #14. Senator McCARTHY then handed the Committee the name of the subject of this Case #14 and stated that the name of the high official in the State Department, who was accused of altering records, would be found in this person's file. At this point, Senator McCARTHY reiterated that it would be very important for the Committee to get the State Department looseleaf and loyalty files together with the Civil Service Commission and FBI files. He advised that the Committee can now test their authority of subpoena by obtaining these files. Chairman TYDINGS replied that "we will, in due time, attempt and obtain access to these files."

The Subcommittee then pressed Senator McCARTHY for the name of the high State Department official and asked whether or not he had this name in his possession or in his personal files. Senator McCARTHY stated that numerous names were reflected in his files and, in his own mind, he believed he knew who this high State Department official was; however, the only way that the Committee would be able to ascertain definitely who the official was would be to get possession of the State Department secret files.

The Committee then pressed Senator McCARTHY as to just what documents and evidence he had in his possession concerning this high State Department official and also questioned him as to how he knew or had reason to know who this official might be. Senator McCARTHY then stated that he was well aware of the purpose behind their wanting this information - that it was to find out the names of the individuals who had furnished information to him, so that the names could be turned over to the Department of State so that the necessary heads would fall." Senator McCARTHY stated that he was sorry that the Committee has turned out to be a tool of the State Department. Chairman TYDINGS, at this point, repudiated McCARTHY's statement and advised that the Committee will exhaust every avenue to investigate the charges made.

Enclosure

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EX-55

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WASHINGTON FIELD OFFICE LETTER TO DIRECTOR, FBI
RE: COMMUNISTS IN THE STATE DEPARTMENT

Senator McCARTHY then brought out the point that it would be a valuable aid to the State Department to be aware of just what documents he had in his possession, if any, in the way of photostatic copies of their files, because if the story of rifling of files is true, then the Department of State would know just what documents to make available to the Committee and would not "be caught short."

Senator McCARTHY then discussed the Loyalty Board at the State Department and stated that he questioned their competence and ability to perform the job designated when a Board could review so many loyalty cases and only find one person who had to be dismissed from the Department and find every other person loyal to the Government.

The Committee then decided that they would call before it, at some future time, all nine members of the Loyalty Board at the State Department; with the latter decision being made that they would wait until they had received further information from Senator McCARTHY relative to the exact number of cases he knew of in which the Loyalty Board cleared the employees and where the Civil Service Commission Board, at a later date, noted that a mistake must have been made and sent this information back to the State Department Loyalty Board.

After considerable discussion concerning the setup of the Loyalty Boards in the various agencies, together with the Appeal Boards, Senator McCARTHY stated that he wanted to make this clear, that the FBI does no screening and makes no recommendations whatsoever, simply conducts the investigation and sends the investigative report, upon completion, to the agency concerned which, in turn, makes the necessary decision. He stated that in the case of ~~DOROTHY KENYON~~ that the FBI did an excellent job and intimated that the FBI report, as furnished to the State Department, contained information relating to her membership in organizations cited as subversive in excess of the twenty-eight, as mentioned by him in the original accusations.

Senator McCARTHY, at this point, also wanted to reiterate his prior statement about the necessity of subpoenaing all files and wanted to state that the FBI file could be depended upon not to have been tampered with in any way.

Senator McCARTHY also stated that the FBI was, in no way, responsible for the presence of any persons considered security risks now in the State Department.

WASHINGTON FIELD OFFICE LETTER TO DIRECTOR, FBI
RE: COMMUNISTS IN THE STATE DEPARTMENT

The Subcommittee then asked Senator McCARTHY whether or not he had any information regarding the members of the present Loyalty Board at the Department of State, to which he replied that he is presently compiling information regarding various members of the Loyalty Board and will present this later to the Subcommittee.

Senator McCARTHY then continued with presenting evidence in the KENYON matter to the Committee and also advised that Case #2, which would be taken up next, was infinitely worse than the KENYON Case.

In closing the hearing, Senator TYDINGS read aloud a telegram from Judge DOROTHY KENYON of New York, requesting that she be allowed to appear before the Committee to refute the accusations made against her by Senator McCARTHY. The Committee meeting was adjourned with Senator TYDINGS stating that the next meeting would be announced later in the day.

There is enclosed, for your information, a prepared statement which was given to the press.

SECRETARY ACHESON'S LOYALTY YARDSTICK

From testimony of Dean Acheson, Secretary of State, before Senate Appropriations Committee
Tuesday, February 28, 1950

The first category constituting a security risk is a person who engages in, supports, or advocates treason, subversion, or sedition, or who is a member of, affiliated with, or in sympathetic association with Communist, Nazi, or Fascist Parties, or of any foreign or domestic party or movement which seeks to alter the form of government of the United States by unconstitutional means or whose policy is to advocate or approve the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States; or a person who consistently believes in or supports the ideologies and policies of such a party or movement.

The second category is a person who is engaged in espionage or who is acting directly or indirectly under the instructions of any foreign government; or who deliberately performs his duties, or otherwise acts to serve the interests of another government in preference to the interest of the United States.

The third category is a person who has knowingly divulged classified information without authority and with the knowledge or belief or with reasonable grounds for the knowledge or belief that it will be transmitted to agencies of a foreign government, or who is so consistently irresponsible in the handling of classified information as to compel the conclusion of extreme lack of care or judgment.

The fourth category is a person who has habitual or close association with persons known or believed to be in categories A or B (i.e., first and second categories), to an extent which would justify the conclusion that he might, through such association, voluntarily or involuntarily divulge classified information without authority.

(Hand given to the ...)
I am grateful to the Committee for its invitation to appear here today, and make available information which has come to me from a variety of sources bearing on the security of our Nation.

Certainly we are all in accord on the premise that every possible precaution should be taken to protect the National Welfare and time and experience has shown us that subversive and un-American actions cannot stand the light of day.

To that end, I shall make available to this Committee the names and background of persons who are, or have been in the service of the Government who, by virtue of their background and activities do not deserve the confidence and trust placed in them.

The fair security risk does not exist. Every man or woman in the employ of the United States government is a bad or good security risk.

We have had, through our courts, our governmental investigating bodies, our public press and radio, a shocking and frightening series of reports on men and women in high and low places in our government who transferred their allegiance to a foreign and dangerous ideology.

It is obviously impossible for me, without investigative personnel, funds and authority and without full and free access to the voluminous and comprehensive files of numerous Government agencies to give you gentlemen an adequate picture of this distressing situation.

I hope that this distinguished Committee, charged by its colleagues in the Senate with a difficult and exhaustive duty, will be able to find a solution to a hitherto insoluble problem.

After the information I have received is collated and examined, it will be turned over to this Committee. I shall withhold nothing and ~~the subject of this information~~ shall make available to the

Committee the information which has been made available to me.

I have carefully studied the standards of loyalty, as set forth by Secretary of State Acheson.

I agree with them wholeheartedly.

I have come to the conclusion, however, that these standards of loyalty are meaningless unless they are applied to all government employees without exception.

It is the exception that I wish to bring to the attention of the Committee.

I am convinced that in a sizable number of cases these standards have not been applied properly.

One bad risk is too many and a very few might well be disastrous to our National Security.

*Prepared statement given to Press
on 3/9/50.*

I understand the Chairman would like me to answer the following questions on Case Number 14: 43538

(1) "Will I give him the name of this individual?" The answer is "Yes", and I now hand him that name.

(2) "Can I give him the name of the State Department official mentioned in the secret files in that case and am I making any 'charge' against that official?" The answer is "No". The committee can make such charge against this or any other individual in this or any other case as it sees fit -- that is the task delegated to the committee by the Senate. Only those whom I name am I charging as had security risks. However, the committee may find many whom it desires to charge in like manner.

If the Chairman desires the name of this particular State Department official, I can tell him how to obtain it in a very simple and easy manner -- by subpoenaing the files in this case. However, to get the complete story in this case, it undoubtedly will be necessary to get not merely the State Department's loose leaf loyalty and personnel files, but also the files of the Civil Service Commission and the F.B.I.

If the Chairman considers this morals case more important than the other cases, then I have no objection to recessing the hearings until the committee obtains those files.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

March 10, 1950

5:25 PM

MEMORANDUM FOR MR. TOLSON
MR. LADD
MR. NICHOLS

[redacted] called to inform me of a request that is going to be made of me. He stated he received a call from Senator Millard Tydings today who asked him to come to his office and when he got there Les Biffle and Senator Scott Lucas were also in his office. [redacted] stated Senator Tydings wanted him to act as his counsel on the current investigation of the State Department and in the course of his discussion the Senator stated he was going to ask me for the assignment of some four Agents to his committee to help on it. I stated I was very glad to know about this.

Very truly yours,

J. Edgar Hoover

John Edgar Hoover
Director

cc Mr. Nease

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

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~~62-34749-1150~~
MAR 13 1950

SENT FROM D. O.
TIME 6:25 PM
DATE 3-10-50
BY [signature]

bnc
MAR 15 1950

L. Walker

March 10, 1950

MEMORANDUM FOR THE ATTORNEY GENERAL

In connection with the investigation being conducted by a Senate subcommittee of the Committee on Foreign Relations of the United States Senate into the charges made by Senator McCarthy that subversive elements are employed in the State Department, I have been advised that it is very likely that the subcommittee may request of you the assignment by the FBI of some Agents to the Committee to conduct investigations into these charges.

I bring this matter to your attention because I would strongly urge that this Bureau not be directed to assign personnel to the Senate Committee for the purposes indicated. It has been a consistent policy of the Department over a long period of years not to accede to requests of Congressional Committees for the assignment of Special Agents of the Bureau to conduct investigations for such Committees. Many requests have been made over a period of years for such personnel and they have all been denied.

There seems to be very good reason for this policy in that the FBI is already considerably over-burdened with its legitimate work without rendering investigative assistance to Committees of Congress, and, secondly, many of the matters into which Committees are making inquiries from time to time are of such an extreme controversial character as to make it undesirable for the FBI to be injected into such matters. In the particular instance in question, the FBI has investigated many of the personnel of the State Department and submitted reports thereon to the Civil Service Commission and to the State Department. These reports have given all of the facts which the FBI has been able to develop. Of course, no conclusions were reached in our reports as the Bureau has strongly confined its function to that of being a fact-gathering organization. Obviously, if Agents of the Bureau should be assigned to such a Committee, it would be an indirect way for the Committee to get access to the files of the FBI which, up to the present time, have consistently been denied to all Congressional Committees.

- Tolson
- Glavin
- Ladd
- Nichols
- Rosen
- Tracy
- Egan
- Gurnea
- Harbo
- Mohr
- Pennington
- Quinn Tamm
- Nease
- Gandy

MAILED 3
MAR 13 1950
COMM - FBI

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Respectfully,
John Edgar Hoover

John Edgar Hoover
Director

MAR 23 1950

called A. P. J. 3/11/50

EX-9

101-23298-28
39774-1483
MAR 13 1950

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. H. Ladd *ok*

Call: 11:03 AM

DATE: March 13, 1950

FROM : E. H. Winterrowd *ehw*

SUBJECT:

**COMMUNISTS IN THE STATE DEPARTMENT
(Allegations by Senator Joseph R. McCarthy)
LOYALTY OF GOVERNMENT EMPLOYEES**

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|------------|-------------------------------------|
| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input checked="" type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input type="checkbox"/> |
| Nichols | <input checked="" type="checkbox"/> |
| Rosen | <input type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

At the above time I talked to Special Agent [redacted] of the Washington Field Office concerning Senator McCarthy's testimony which he began this morning, March 13, 1950.

Senator McCarthy identified as "Case No. 2" Haldore Hanson, whom the Senator described as an expert on Chinese affairs. Senator McCarthy said Hanson is to be the head of a new divisional establishment (apparently in the State Department) of an "Interim Office for Technical Cooperation and Development." According to Senator McCarthy, this group will be spending hundreds of millions of dollars of the taxpayers money.

Senator McCarthy described Hanson as having been affiliated with the State Department since February, 1942, and the Senator then began to list the alleged Communist connections of Hanson. He said that these date back to 1939 and he said that Hanson has been associated with the Institute of Pacific Relations which he described as presently being headed by Mr. Field, who has Communist connections.

At the time of [redacted] call, Senator McCarthy was continuing to list the alleged Communist connections of Hanson.

It might be noted that "Case No. 2", according to the Bob Lee list and as identified by the Bureau, pertains to [redacted]. A special summary on Hanson is in the process of preparation, and it will be submitted promptly. It might be noted that a full field loyalty investigation was completed by the Bureau and submitted to the Civil Service Commission June 24, 1948. A disposition notice was received September 30, 1948, to the effect that Hanson had been "retained."

It might be noted that the [redacted] referred to by Senator McCarthy is presumably [redacted] whose Communist connections are well known. He is not the head of the Institute of Pacific Relations; rather Clayton Lane, a person who has openly expressed anti-Communist sympathy is the head of this organization.

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121-23278-29

MAR 14 1950

bx

EX-115

58 MAR 25 1950

FREE [redacted]

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. D. H. BADDEN

DATE:

FROM : E. H. Winterrowd

March 13, 1950

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(Allegations by Senator Joseph R. McCarthy)
LOYALTY OF GOVERNMENT EMPLOYEES

| | |
|------------|-------------------------------------|
| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input type="checkbox"/> |
| Nichols | <input checked="" type="checkbox"/> |
| Rosen | <input type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

[redacted] of the Washington Field Office called at 11:45 a.m. with regard to the continuation of Senator McCarthy's testimony this morning.

At the outset [redacted] stated that Senator McCarthy had said that Case #1 and Case #2, which he has mentioned in the last two or three days, were not in the group of cases which he mentioned in his testimony on February 20, 1950. Case #1 pertains to Dorothy Menyon, and Case #2, as it now stands, pertains to Maldore Hanson.

Senator McCarthy went on to refer to his information concerning Hanson, stating that Hanson had written a book "Human Endeavor," which was published around 1939. This book concerns the activities of Hanson while in China and refers to the Chinese civil war. Senator McCarthy claims that this book shows Hanson's admiration for the Communist regime. He said he had trouble getting a copy of the book, since the copies have mysteriously disappeared, but that he obtained one copy from the publisher. In his testimony Senator McCarthy quoted portions of the book.

Senator McCarthy concentrated on this book as indicating the views of Hanson. He further stated that former Congressman Fred Busbee had discussed this same book on the floor of the House on May 14, 1945, thus calling the book to the attention of the Department of State.

He went on to refer to Hanson's activities in the Institute of Pacific Relations and his writing for the publication Amerasia. (It will be recalled that Amerasia was the publication of Philip Jacob Jaffe.)

Case #3 - Dr. Esther Caukin Brunauer
(A copy of the Bureau's write-up on this individual is attached)

Senator McCarthy went on to identify Case #3 as being the captioned person, which in his previous testimony was Case #47. He said that she is a member of the United Nations Ethnic Scientific and Cultural Organization. She is an Assistant Director of Policy, receiving \$9,000 a year. He said his information indicates that immediate action is necessary with regard to Dr. Esther Brunauer. He indicated that she was a member of the Communist Party and that the status of her husband is most important and he would not present it at a public hearing but indicated he would refer to it in executive session.

RECORDED - 46

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He went on to say that both the Brunauers, according to information available, have been listed as Communist Party members. He said that the husband has a confidential position with the Navy Department.

He went on to say that Esther Brunauer was executive secretary of the Association of University Women, and that she has been in various Communist front groups in the consumers field. He also stated that she presided at a meeting in Washington of the American Friends of the Soviet Union, on June 11, 1936.

Senator McCarthy identified the husband of Esther Brunauer as Stephen Brunauer, a Commander in the United States Navy, presently on active duty, and a scientist on several top secret projects. He stated that both Esther and Stephen Brunauer are members of the Communist Party, as reported by another government agency. He considered this case of urgent importance and stated immediate access to State Department loyalty and personnel files, to the files of the Civil Service Commission and, of double importance, immediate access to the FBI files, was necessary. In his opinion the investigative agencies have done excellent work in this case and it is unbelievable that the Brunauers have been able to get top secret clearance in various government agencies in the face of the information developed. He does not feel that the members of the Senate subcommittee are qualified to make the necessary investigation. He feels that highly trained government investigators should be employed to make this investigation and that preferably they should be FBI men who are available.

He also introduced in evidence certain documents concerning front organizations to which the Brunauers belonged.

At the time of [redacted] call concerning the Brunauers (12:05 p.m.) he said that Senator McCarthy was identifying Case #4 as that concerning Owen J. Lattimore. A memorandum is being prepared concerning Lattimore.

ADDENDUM -

I have instructed that a separate memorandum be prepared on Stephen Brunauer.

EHW
OK [Signature]

b7c

DR. ESTHER CAUKIN BRUNAUER

Allegation by Senator McCarthy

"Case No. 47. This individual was employed in March 1944, as Division Assistant in the Division of Internal Security. The House Un-American Activities Committee advised on August 18, 1947, that an admitted former Communist Party member was formerly associated with this individual in Communist activities in Washington, D. C. This individual's husband admitted having been a member of the Communist Party. The husband now has a highly confidential position with the Navy Department. The file indicates that this individual has been associated with a group of known Communists.

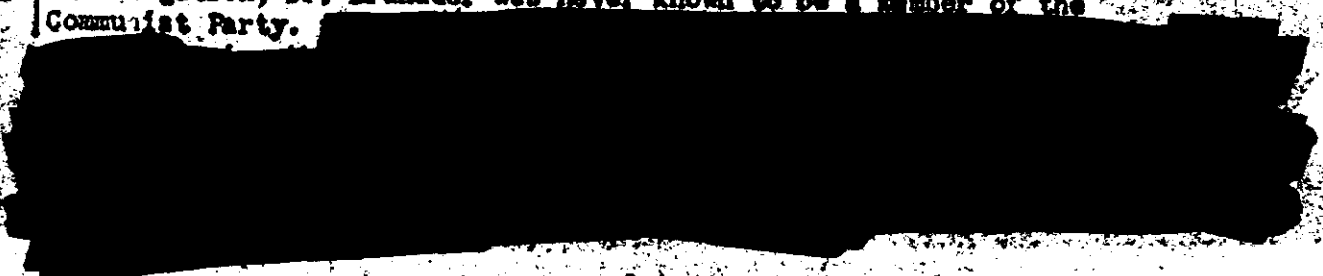
"Keep in mind, Mr. President, that she was given a job in the Division of Internal Security."

"A report dated July 16, 1947, states that in 1941 a Senate investigating committee had found that both this individual and her husband were members of the Communist Party. A report dated September 15, 1947, by a Government investigative agency, advised that a reliable informant reported this individual as a Communist, and that she has been recently contacting a member of the Soviet espionage ring. This individual is still in a highly paid job in the State Department."

Possible Identification

A review of the Bureau's files indicates this individual is apparently identical with Dr. Esther Caukin Brunauer. The Bureau's records reflect that a loyalty investigation was conducted on this individual in 1948.

no information developed during the course of this investigation, Dr. Brunauer was never known to be a member of the Communist Party.



~~62-39749-1465~~

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FEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deleted under exemption(s) b6 b7(c) (d) with no segregable material available for release to you.

Information pertained only to a third party with no reference to you or the subject of your request.

Information pertained only to a third party. Your name is listed in the title only.

Document(s) originating with the following government agency(ies) _____, was/were forwarded to them for direct response to you.

_____ Page(s) referred for consultation to the following government agency(ies); _____ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

_____ Page(s) withheld for the following reason(s):

For your information: _____

The following number is to be used for reference regarding these pages:
121-23278-30 encl p. 2

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X DELETED PAGE(S) X
X NO DUPLICATION FEE X
X FOR THIS PAGE X
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Copies of the reports reflecting the results of the loyalty investigation on Dr. Brunauer were furnished to the Civil Service Commission on March 2, 1948, and to the Department on March 9, 1949.

By letter dated February 1, 1949, from Seth W. Richardson, chairman, Loyalty Review Board, U. S. Civil Service Commission, the disposition reflected was "retained."

(Unless otherwise indicated, source is [REDACTED])

b7c

Memorandum • UNITED STATES GOVERNMENT

MR. D. M. LADD
E. H. Winterrowd

DATE:
March 13, 1950

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

COMMUNISTS IN STATE DEPARTMENT
(Allegations of Senator McCarthy)

At 1:25 p.m. Special Agent [redacted] of the Washington Field Office called to supply the additional developments in connection with Senator McCarthy's testimony.

It was indicated that the staff and the investigative personnel of the subcommittee will be named shortly.

Senator McCarthy reiterated that it was highly important that the committee obtain the many files of the FBI, CMI and Department of State on Stephen Brunauer (as indicated previously, a memorandum being prepared on Brunauer).

Senator McCarthy stated that a good deal of material he presently possesses was not original in his possession when he addressed the Senate on 2/20/50. He further stated he has received a constant flow of letters from Republicans.

The subcommittee concluded its hearings for Monday, March 13, 1950, at approximately 1:20 p.m.

EHV:CSH

b7c

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58 MAY 16 1950

Office

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

TO : DIRECTOR, FBI
 ATTENTION: ASSISTANT DIRECTOR D. M. LADD
 FROM : GUY HOTTEL, SAC, WASHINGTON FIELD
 SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
 (Testimony of Senator JOSEPH R. MC CARTHY)
 LOYALTY OF GOVERNMENT EMPLOYEES

DATE: March 13, 1950

43549

In accordance with the verbal instructions of Assistant Director D. M. LADD to SAC GUY HOTTEL on March 7, 1950, Special Agents [redacted] and [redacted] attended the meeting of the Foreign Relations Sub-Committee, investigation of State Department personnel, held in the Caucus Room, Senate Office Building, on March 13, 1950.

Testimony was open before the Committee by Senator MC CARTHY; who gave the Committee a list of organizations which have been declared subversive.

Senator MC CARTHY then presented Case Number 2 before the Sub-Committee and named HALDORE HANSON and stated that this man occupies one of the most important offices in the State Department. He stated that he is now Executive Director of the Secretariat of the Inter-departmental Committee on Scientific and Cultural Cooperation and that his duties are defined in Department of State Departmental Announcement Number 41, dated February 21, 1950. He stated that HANSON was a contributor to "Pacific Affairs", the official publication of the Institute of Pacific Relations; that he also wrote for the magazine Amerasia; and he then quoted at length from a book which HANSON had written entitled Human Endeavor, which was published about 1939. (Senator MC CARTHY was not sure of the date of publication.)

There is enclosed herewith the complete text of Senator MC CARTHY'S testimony concerning HALDORE HANSON on pages one through twelve of the enclosure.

Senator MC CARTHY then presented Case Number 3 on his list and identified this case as being identical with Case Number 47 as presented on the floor of the Senate on February 20, 1950.

He named ESTHER CAULKIN BRUNAUER, Assistant Director of Policy Liaison, UNESCO Relations Staff, Department of State, at a salary of \$9,706 per annum according to the current Federal Register. He advised Mrs. BRUNAUER was for many years Executive Secretary of the

121-0
Encls.

63 APR 22 1950

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EX-3
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Ltr. to Director

March 13, 1950

RE: COMMUNISTS IN THE STATE DEPARTMENT

4951A

American Association of University Women; that she was active in front enterprises in the consumers fields and that she had presided at a Washington meeting of the American Friends of the Soviet Union on June 11, 1936.

IDENTIFIED Senator MC CARTHY further stated that ESTHER BRUNAUER is the wife of STEPHEN BRUNAUER, a Hungarian by birth, who was a Scientist and has had the rank of Commander in the U. S. Navy.

At this point, he advised it was highly important that this Committee immediately, in accordance with their mandate from the Senate, obtain the files of the FBI, Naval Intelligence, and the State Department on the activities of STEPHEN BRUNAUER and set forth a list of three items which the Committee should immediately seek to learn the answers to. It was doubly important that they obtain the files of the FBI.

There is enclosed herewith complete text of testimony by Senator MC CARTHY concerning ESTHER CAUKIN BRUNAUER and numbered on pages twelve-A through fourteen.

Senator MC CARTHY further advised that in his opinion the Committee should immediately appoint an experienced investigative staff to begin immediate investigation of the individuals he has named. He further advised that if at all possible, the Committee should obtain the services of Special Agents of the FBI who might be available at this time to conduct such investigation.

Senator MC CARTHY then furnished the name of Case Number 4 before the Sub-Committee and named OWEN J. LATTIMORE. He identified this individual as a former high official in the State Department and who now is located at John Hopkins University, Baltimore, Maryland, where he is Director of a course in Problems of the Far East. He further advised that LATTIMORE was born in Washington, D. C., but spent his entire youth in China and the Far East. He also advised that LATTIMORE is considered one of the top United States officials in Far Eastern matters.

MC CARTHY further advised that at the present time LATTIMORE is not on the payrolls of the State Department but added that because of his vast background and experience he is often called in as a Consultant on current Far Eastern problems. He also advised that LATTIMORE has been closely associated in an advisory capacity to the ROOSEVELT and TRUMAN administrations for many years. He also advised that when HENRY WALLACE was Vice President, LATTIMORE was his chief adviser on a trip WALLACE made to Siberia.

Ltr. to Director

March 13, 1950

RE: COMMUNISTS IN THE STATE DEPARTMENT

42515

Senator MC CARTHY also advised that during the past several years, State Department policy has been influenced by two publications which he listed as No. 1 Far Eastern Affairs, and No. 2 Pacific Affairs. He advised that in 1941 Mr. LATTIMORE was the Editor of Pacific Affairs, and is now listed as a Trustee of the Institute of Pacific Relations.

Senator MC CARTHY also advised that LATTIMORE has been closely associated with several organizations which have been declared as Communist fronts by the Attorney General. He also advised that LATTIMORE has been a prolific writer and has written ten volumes concerning Asia and the Far East. Senator MC CARTHY also stated that the Columbian, Knights of Columbus magazine for September, 1949, contained an article concerning the fall of China which stated that OWEN LATTIMORE gets most of the credit for the fall of China.

A mimeographed statement concerning the testimony regarding OWEN J. LATTIMORE could not be obtained at this time.

There is enclosed herewith a mimeographed statement in which Senator MC CARTHY called to the attention of the Committee the press campaign Secretary ACHESON is presently putting on in these Loyalty cases. In his testimony Senator MC CARTHY altered the prepared statement by stating that if Mr. ACHESON had the necessary guts he should stand up like a man and take the blame for this situation and quit making a goat of PEURIFOY.

During the course of Senator MC CARTHY'S testimony before the Sub-Committee, he stated that in his opinion the Government investigative agencies have done an excellent job in developing information concerning individuals engaged in subversive activities in the United States and that he finds it unbelievable that in spite of the derogatory information developed by these Government agencies, these individuals have been given top secret clearance by their agency.

Following testimony before the Committee, Chairman TYDINGS stated that the staff of the Committee would be named shortly and added that he hoped this staff could begin work on investigating the individuals named by Senator MC CARTHY sometime this week.

Senator MC CARTHY also stated following his testimony concerning the aforementioned individuals that the material to be presented (March 14, 1950) was not originally in his possession on February 20, 1950,

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Ltr. to Director

March 13, 1950

RE: COMMUNISTS IN THE STATE DEPT.

when he made his original charges on the floor of the Senate. He advised that there has been a constant flow of information in the form of letters which contained tips and leads, some of which are working out remarkably fast.

The Committee is scheduled to meet tomorrow morning and hear further testimony by Senator MC CARTHY and at the present time it is believed that DOROTHY KENYON will appear before the Committee during the afternoon.

43516

Committee on Un-American Activities and the California Committee on Un-American Activities. The principal speaker at this meeting was Myra Page, long an avowed leader of the Communist Party and frequent writer for the Daily Worker and other Communist periodicals. 43559

Certainly this committee has no doubts as to the domination by the Communist Party of the American Youth Congress. It has been cited as subversive by the Attorney General and other governmental agencies.

Exhibit "S" shows Esther Cauldin Brunauer was a signer of the call to the annual meeting of the American Youth Congress in 1938.

Esther Brunauer is the wife of Stephen Brunauer, a Hungarian by birth. He is a scientist who has had the rank of Commander in the United States Navy and his scientific work has involved some of the topmost defense secrets which the armed forces of this country possess.

I think it highly important that this committee immediately, in accordance with their mandate from the Senate, obtain the files of the Federal Bureau of Investigation, Naval Intelligence, and the State Department on the activities of Stephen Brunauer, the husband of this ranking official of the State Department.

I ask that the committee immediately seek to learn whether or not

Stephen Brunauer, *luc*

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Encl-2

I should now like to take up the case of Esther Caukin Brunauer, Assistant Director of Policy Liaison, UNESCO Relations Staff, Department of State, at a salary of \$9,706 a year according to the current Federal Register.

I urgently request that this committee give serious consideration to the details of this case and act immediately to ascertain the facts.

Mrs. Brunauer was for many years Executive Secretary of the American Association of University Women.

Mrs. Brunauer was instrumental in committing this organization to the support of various front enterprises, particularly in the so-called consumer field. One such instance of this activity was reported in the New York Times of April 27, 1943. In that case the American Association of University Women joined with Consumers Union, The League of Women Shoppers, and other completely Communist controlled fronts. I have explained to the committee that these organizations have been declared subversive by various governmental agencies.

Exhibit "R" indicates that Mrs. Brunauer presided at a Washington meeting of the American Friends of the Soviet Union. This organization has been cited as subversive by the Attorney General of the United States, the House

(more)

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Encl 1

48517

The next case is that of Maldore Hanson.

This man occupies one of the most strategically important offices in the entire State Department.

It is my understanding that he joined the Department of State in February, 1942, and is recognized in the Department as a specialist and expert on Chinese Affairs.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/17/75 BY 60320/UC/STP

Hanson, now Executive Director of the Secretariat of the Inter-Departmental Committee on Scientific and Cultural Cooperation, will head up a Technical Cooperation Projects Staff of the new Point 4 Program for aid to under developed areas which will have charge of the expenditures of hundreds of millions of dollars of our taxpayers' money over all the world. (Source: Department of State Departmental Announcements 41, dated February 21, 1950) ~~XXXXXXXXXXXX~~

The pro-Communist proclivities of Mr. Hanson go back to September, 1938.

Hanson was a contributor to "Pacific Affairs", the official publication of the Institute of Pacific Relations, whose staff was headed by millionaire Frederick Vanderbilt Field, an admitted communist. Field has devoted his entire fortune to the Communist cause.

It is important that the Committee keep in mind that Mr. Hanson also wrote for the magazine Anemasia, of which Philip Jacob Jaffe was managing editor.

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ENCLOSURE
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Jaffe was arrested, indicted, and found guilty of having been in illegal possession of several hundred secret documents from the State, Navy, War, and other Government Department files.

Mr. Chairman; I have before me a document entitled "Department of State, Departmental Announcement A1." The heading is "Establishment of the Interim Office for Technical Cooperation and Development." Then in parenthesis, by way of explanation of this rather high-sounding name, we find "Point Four Program."

The first paragraph of the order reads as follows:

1. Effective immediately there is established under the direction of the Assistant Secretary for Economic Affairs of the Interim Office for Technical Cooperation and Development (TOC);"

On page 4 we find that the chief of this Technical Cooperation Project Staff is one Haldore Hanson.

Paragraph 2 on Page 1 sets forth the following responsibilities of Hanson's division:

"The Interim Office is assigned general responsibility within the Department for (a) securing effective administration of programs involving technical assistance to economically underdeveloped areas and (b) directing the planning in preparation for the Technical Cooperation and Economic Development (Point Four) Program. In carrying out its responsibilities the Interim Office will rely upon the regional bureaus, Bureau of United Nations Affairs, and other components of Economic Affairs area for participation in the technical assistance programs as specified below, and upon the central administrative offices of the Administrative area for the performance of service functions."

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From this it would appear that his division will have a tremendous amount of power and control over the hundreds of millions or billions of dollars which the President proposes to spend under his Point Four Program, or what he has referred to as the "Bold New Plan".

Hanson's appointment is not made by the President, but by the State Department and is not subject to any Senate confirmation. Therefore, it would seem rather important to examine the background and the philosophy of this young man.

The State Department Biographical Register gives what would on its face seem to be a chronological story of an increasingly successful young man. It shows that he graduated from college, for example, in 1934 at the age of 22; that he was a teacher in Chinese colleges from 1934 to 1937; and then a press correspondent in China from 1936 to 1939; a staff writer from 1938 to 1942; then in 1942 he got a job in the State Department at \$4,600 a year; that in 1944 he was listed as a specialist in Chinese affairs at \$5,600; that in 1945 he was made Executive Assistant to the Assistant Secretary of State at \$6,500; that in May of 1948 he was made assistant chief of the area division number 3; that on June 28, 1948 he was made acting chief for the Far Eastern Area, Public Affairs Overseas Program Staff; that on November 14, 1948 he was made Executive Director of the Secretariat of the Inter-Departmental Committee on Scientific and Cultural Cooperation. There is certainly nothing un-

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usual about this biography. Nothing there to indicate that this man might be dangerous in the State Department as Chief for the Far Eastern Area Public Affairs, Overseas Program Staff, during a time when the Communists were taking over China. However, much is left out of this biography. It does not show, for example, that this young man was running a Communist magazine in Peiping when the Japanese-Chinese war broke out. It does not show, for example, that he spent several years with the Communist armies in China, writing stories and taking pictures which the Chinese Communists helped him smuggle out of the country. Nor does this biography show that this man, after his return from China, wrote a book — a book which sets forth his pro-Communist answer to the problems of Asia as clearly as Hitler's Mein Kampf set forth his solutions for the problems of Europe.

Nothing that he has said or done since would indicate that he repudiates a single line of that book.

This man clearly believes that the Communists in China stand for everything that is great and good. His is not the picture of a mercenary trying to sell his country out for thirty pieces of silver. In reading his book, you are impressed with the fact that he firmly believes the Communist leaders in China are great and good men and that all of Asia

Take, for example, what he had to say about Mao Tse-tung, the head

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Hanson

of the Communist Party at that time and now the Communist ruler of China, and Chu Teh, commander-in-chief of the 8th Route Communist Army, and according to Life Magazine of January 23, 1950, Number Two man in prestige to Mao Tse-Tung.

In Chapter 23, entitled "Political Utopia on Mt. Wut'ai", in describing a meeting with an American Major Carlson, here is what he had to say:

"We stayed up till midnight exchanging notes on guerrilla armies, the farm unions, and the progress of the war. I was particularly interested in the Communist leaders whom Carlson had just visited and whom I was about to meet. Mao Tse-Tung, the head of the Communist Party, Carlson characterized as 'the most selfless man I ever met, a social dreamer, a genius living fifty years ahead of his time.' And Chu Teh, commander in chief of the 8th Route Army was 'the prince of generals, a man with the humility of Lincoln, the tenacity of Grant, and the kindness of Robert E. Lee'."

For a man slated a chief of the bureau which may have the job of spending hundreds of millions of dollars throughout the world this indicates, to say the least, a disturbing amount of hero-worship for the number one and number two Communist leaders in the Far East today.

On page 319, he condemns the right wing groups in the Chinese government for "fighting against the Democratic revolution as proposed by Mao Tse Tung and the Communists."

On the same page he points out that "the government was taking indirect attacks upon the Communists and that 'leaders of the Communist youth corps were arrested by military officers at Hankow. I myself was the victim of one of these incidents and

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found that local officials were the instigators."

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From Hanson's book it appears that the Nationalist government knew of his close collaboration with the Communist Army. For example, on page 350, we find that his passport was seized by the police in Sian when they found that he was traveling from Communist guerrilla territory to the Communist headquarters. He states that the man responsible "for this illegal action was governor Ching Ting - Wen -- one of the most rabid anti-Red officials in China. The governor's purpose was merely to suppress news about the Communists."

Before quoting further from this book written by Mr. Hanson, it might be well to give a clearer picture of the job which Secretary Acheson has picked out for him. The State Department document lists some of the duties of his bureau as follows:

1. Developing over-all policies for the program.
2. Formulating general program plans and issuing planning directives.
3. Coordinating specific program plans developed by the regional bureaus and making necessary adjustments.
4. Approving projects, determining action agencies, and allocating funds for U.S. bilateral programs.
5. Directing negotiations and relationships with inter-governmental agencies and with other U. S. agencies participating in the coordinated program or otherwise carrying on technical assistance activities.

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1. Initiating and developing plans for technical assistance programs for individual countries or groups of countries within their respective regions.
2. Reviewing program proposals affecting their regions which originate from any other source.
3. Negotiating and communicating with foreign governments.
4. Directing State Department personnel assigned abroad to coordinate and give administrative and program support to, bilateral programs.
5. Continuously evaluating programs and projects within regions.
6. Proposing program changes.
7. Initiating instructions to the field carrying out their responsibilities and reviewing all other instructions concerned with technical assistance programs.

This gives you some idea of the tremendous powers of the agency in which Mr. Hanson is a top flight official.

Let us go back to Hanson's writings:

All through the book he shows that not only did he have complete confidence in the Communist leaders but that they also had complete confidence in him.

Chen-Tsao acted as his couriers, smuggling packets of films and news stories for him with the aid of Communist guerrilla spies into Peiping.

In this connection I might say that he very frankly points out that the Communists do not tolerate anyone who is not completely on their side. Hanson makes it very clear all through the book that he is not only on the

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Communist side, but that he has the attitude of a hero worshiper for the Chinese Communist leaders.

His respect and liking for the Communist leaders permeates almost every chapter of the book. For example, on page 284 and page 285, he tells about how some ragged waifs whom he had gathered into his sleeping quarters regarded Mao Tse Tung and Chu Teh as "Gods". He then goes on to tell about their favorite Communist General, Holung, and states that they convinced him that Holung was a very extraordinary man whom they described as "big as a Shantungese, heavy as a restaurant cook but quick as a cat in battle." He then goes on to describe on page 285 how, when he met General Holung, he found him to be much as the hero-worshipping boys had described him. "He is, said Hanson, "a living picture of Rhettt Butler from the pages of Gone With the Wind."

This praise of Chinese Communist leaders -- goes on page after page. On Page 278, he describes Communist General P'eng as the most rigid disciplinarian and "the most persistent student of world affairs".

In Chapter 26, he speaks with apparent bated breath of the "Brain Trust" of Communist leaders who were immortalized by Elmer Davis in his RELIGIOUS CHINA.

On page 27, in reference to the RELIGIOUS CHINA book, he says "Should this book ever fall into Communist hands, I must confess that

two lonely men made excellent company during my three weeks in Yenan".

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After describing in complimentary manner this university and the students, on page 296 he says, "Every cadet divides his time between political and military subjects. On the one hand he listens to lectures on Marxian philosophy, the history of the Chinese Revolution, the technique of leading a mass movement; on the other hand he studies guerrilla tactics, the use of military maps, and the organization of a military labor corps."

On page 297 he points out that no tuition is charged at the academy and that each student is supplied with uniform, books and food, plus a pocket allowance, and then has this to say: "Some recent visitors to Yenan have spread a report that the academics are supported by Russian rubles -- a thin piece of gossip. I was told by several Chinese leaders, including Mao Tse-tung, that the largest contributions come from American sympathizers in New York."

On page 297 and 298, Hanson relates that in talking to one of the Nationalist war-lords. "I suggested that he could learn a great deal from the Communists about discipline and integrity of leadership."

On page 303, Hanson has this to say, "My attitude toward Communist China's leaders was a mixture of respect for their personal integrity and a resentment of their suspiciousness. They impressed me as a group of hardheaded, straight shooting realists."

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After an interview with Mao Tse Tung he states, "I left with the ⁴³⁵²⁵ feeling that he was the least pretentious man in Yenan and the most admired. He is ^a completely selfless man."

Following is Hanson's description of how the Reds took over. I quote from page 102:

"Whenever a village was occupied for the first time, the Reds arrested the landlords and tax collectors, held a public tribunal, executed a few and intimidated the others, then redistributed the land as fairly as possible."

In Chapter 28, in comparing the Communists to Chiang Kai-shek's troops, Hanson had this to say:

"I left Yenan with only one conviction about the Communists; that they were fighting against the Japanese more wholeheartedly than any other group in China."

He then goes on to condemn "Red-baiting" officials in Chungking.

On page 312 of his book, Hanson quotes a Communist editor as stating as follows:

"Our relationship to the USSR is no different than that of the American Communist Party. We respect the work of Russia's leaders and profit by their experience wherever we can, but the problems of China are not the same as those of Russia. We plan our program from a Chinese point of view."

Hanson then adds, "The explanation seemed logical enough to me."

In connection with Hanson's position as Chief of the Technical Cooperation Projects Staff, in charge of Truman's Point Four Program, the following on pages 312 and 313 of his book would seem especially

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Hanson

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significant. He quotes Mao Tse Tung as follows:

"China cannot reconstruct its industry and commerce without the aid of British and American capital."

Can there be much doubt as to whether the Communists or the anti-Communist forces in Asia will receive aid under the Point Four Program with Hanson in charge?

Gentlemen, here is a man with a mission - a mission to communize
whose
the world - a man whose energy and intelligence coupled with a burning
all-consuming mission has raised him by his own bootstraps from a penniless operator of a Leftist magazine in Peiping in the middle thirties to one of the architects of our foreign policy in the State Department today -- a man who, according to State Department announcement #41 will be largely in charge of the spending of hundreds of millions of dollars in such areas of the world and for such purposes as he decides.

Gentlemen, if Secretary Acheson gets away with his plan to put this man to a great extent in charge of the proposed Point Four Program, it will, in my opinion, lend tremendous impetus to the tempo at which Communism is engulfing the world.

landlords' heads have been removed apparently never occurred to him.

On page 31 he explained that it took him some time to appreciate the appalling problems which the Chinese Communists were attempting to solve."

In Chapter 4 of Hanson's book, he presents the stock Communists' arguments for the so-called Stalin-Hitler Pact of 1939.

Secretary Acheson is now putting Hanson in the position to help the Communists solve the "appalling problems" in other areas of the world with hundreds of millions or billions of American dollars.

The obvious area in which this man will start using American money to help the Communists solve the people's problem will be Indo-China and India.

It should be pointed out that this case was brought to the attention of State Dept. officials as long ago as May 14, 1947. At that time, the Honorable Fred Busbey, on the Floor of the House discussed this man's affinity for the Communist cause in China.

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1. Been the subject of a constant investigation by government agencies over a period of ten years.

2. A close friend and collaborator of Noel Field, known Communist who recently and mysteriously disappeared behind the Iron Curtain.

3. He has admitted to associates that he was a member of the Communist party.

I am reluctant to go any further into this case but I am prepared to produce competent witnesses who will testify to the importance of immediate action in this matter.

It can be readily shown that at least three government agencies have been sifting the activities of a small group of people whose work seriously threatens the security of the country.

Certainly the Communist front activities of Mrs. Braunauer are sufficient to seriously question her security status.

End - 3

15

In closing, I must call the attention of the committee and the public to the very unusual campaign Secretary Acheson is putting on to avoid blame in these loyalty cases. All of the onus is being cleverly loaded onto the shoulders of a harmless and likable young man by the name of John Peurifoy. Every one of Secretary Acheson's press releases is issued in the name of Peurifoy. Whenever the Secretary wants to do a bit of name calling Peurifoy is the front and the shield. Clearly, however, Peurifoy has no more power to discharge Hanson and some of the other high officials than a White House aide would have to discharge the President. I suggest that Mr. Acheson stand up like a man and take the blame for this sorry situation and quit making a goat of young Peurifoy who must do as he is told or lose his job.

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1950

TO:

Director

Mr. Tolson
 Mr. Clegg
 Mr. Glavin
 Mr. Harbo
 Mr. Nichols
 Mr. Rosen
 Mr. Tracy
 Mr. Q. Tamm
 Mr. Mohr
 Miss Gandy
 Mr. Nease

Mr. Pennington
 Mr. Winterrowd
 Mr. J. A. Carlson
 Mr. Hargett

Mrs. Henley
 Miss Jess

Mrs. Davidson

Chief Clerk's Off.
 Records Section
 Personnel Files
 Mechanical Sec.
 Ident. Division
 Technical Lab.
 Reading Room

Mr. Belmont
 Mr. Laughlin
 Mr. Hennrich

Mr. Tolson

Mr. Ladd

Mr. Clegg

Mr. Glavin

Mr. Rosen

Mr. Tracy

Mr. Mohr

Miss Gandy

Mr. Nease

Mr. Pennington

Mr. Winterrowd

Mr. J. A. Carlson

Mr. Hargett

Miss Gandy

Mr. Baumgardner
 Mr. Keay
 Mr. Stanley
 Mr. Whitson

Mr. Ferris
 Foreign Service Desk
 Mr. Callan

See Me
 Call Me

Appropriate action
 Note & return
 Send file
 Bring up-to-date
 Correct

Re-date
 Please initial & return
 Place on record & return
 Place on record
 Per conversation
 Advise status

D. M. Ladd - Rm. 5736
 Telephone Ext. 555

TO : MR. D. M. LADD

DATE:

March 14, 1950

FROM : [Redacted]

12:15 p. m.

49512

SUBJECT : (C) COMMUNISM STATE DEPARTMENT
(Allegations of Senator McCarthy)
LOYALTY OF GOVERNMENT EMPLOYEES

Special Agent [Redacted] of the Washington Field Office called again at this time to [Redacted] as follows regarding the further testimony of Senator McCarthy: (It might be noted that Senator McCarthy is presently reading to the subcommittee from prepared testimony, at a rapid pace, without interruptions.)

The subcommittee (which has been designated the Subcommittee of the Senate Foreign Relations Committee, "conducting an investigation of State Department personnel") is now picking up the case of John Stewart Service who the Senator said is presently assigned to Calcutta, India as a foreign service officer. The Senator advised the committee of some of the background of Service and stated that on 12/3/49, a hearing was conducted by the Civil Service Commission Loyalty Review Board, which did not agree with the State Department Loyalty Board (which had cleared Service). The Civil Service Board advised the State Department that it was of the opinion a new State Department Board should be formed in this case. The [Redacted] [Redacted] the State Department had released [Redacted] of several opinions indicating that Service had been cleared.

The Senator went on to give a lengthy discourse on the Jaffe case and the connection of Service with the case. (It will be recalled that this involved the theft of State Department documents.) The Senator stated that Service was considered one of the untouchables in the State Department.

The Senator mentioned that Service was not indicted by the grand jury in the Jaffe case, and one reason the House Un-American Activities Committee did not take action against the grand jury was that they considered the documents taken not to be admissible, due to the method in which they were obtained by the FBI. He then quoted the House Committee as saying that they felt a motion by the defense to suppress the admission of the documents would have been sustained due to the manner in which they were obtained by the FBI.

(Memorandum on John Stewart Service has been dictated and will be submitted.)

[Redacted]

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ORIGINAL FILED IN

Office Memorandum • UNITED STATES GOVERNMENT

TO : D. M. Ladd

DATE: March 14, 1950

FROM : E. H. Winterrowd

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

| | |
|------------|-------------------------------------|
| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input checked="" type="checkbox"/> |
| Nichols | <input checked="" type="checkbox"/> |
| Rosen | <input type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

Special Agent [redacted] of the Washington Field Office called at 5:25 P.M. today to furnish the following additional developments of the hearing conducted by the Subcommittee of the Senate Foreign Relations Committee, looking into the loyalty of State Department employees.

The afternoon session continued with the prepared statement of Judge Dorothy Kenyon who read from this statement and explained her membership in various alleged front organizations or her lack of memory of such membership. (A copy of this statement has been obtained and will be submitted by the Washington Field Office.)

The statement was utilized by members of the Subcommittee to question Judge Kenyon and the Agents in attendance stated that the most significant question was: Was Judge Kenyon questioned in the State Department prior to her employment with regard to the affiliations? Judge Kenyon said she had not been so questioned but wished that she had been so questioned.

The hearing adjourned after Judge Kenyon was questioned and it was announced that an Executive Session of the Subcommittee would be held tomorrow, March 15, 1950. No date was set for the next open session of the Subcommittee.

The Washington Field Office will submit a letter detailing that which transpired at the Subcommittee hearing today.

EHW:WMLJ

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MAR 17 1950
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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: March 14, 1950

FROM : E. H. Winterrowd

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

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

Special Agent [redacted] of the Washington Field Office called the writer with respect to the proceedings of the Senate Subcommittee looking into the loyalty of State Department employees, on the morning of March 14, 1950.

He advised that Mr. Edward P. Morgan had been appointed General Counsel for this Subcommittee.

The first case dealt with by Senator McCarthy this morning was that of Gustavo Duran, former State Department employee who resigned October 4, 1946. He subsequently went to the United Nations and he is now with the International Relief Organization.

In connection with Senator McCarthy's testimony concerning Duran, he referred to an intelligence report of some unidentified agency which contains information concerning Duran. He stated that he was not making this report public inasmuch as it contained confidential data.

A memorandum is in the process of preparation on Gustavo Duran.

EHW:WMM

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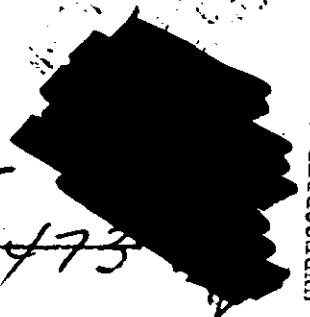
MAR 15 1950

EX-87

MAY 4 1950

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SECRET



UNRECORDED

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. D. M. HADDEN

DATE:

FROM : E. H. Winterrowd

March 14, 1950

SUBJECT:

COMMUNISTS IN STATE DEPARTMENT
(Allegations of Senator McCarthy),
LOYALTY OF GOVERNMENT EMPLOYEES

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

Special Agent [redacted] of the Washington Field Office called at 11:45 a.m. to advise as follows regarding the continuation of Senator McCarthy's testimony before the sub-committee hearing:

Senator McCarthy continued on the case of Gustavo Duran by reading a military report which dealt with the accusation that Duran was one of the leaders in the Communist Youth Organization in Spain. No dates were given. The Senator submitted a picture allegedly of Duran, in a Spanish Secret Police uniform.

It was the contention of the State Department that Duran was not identical with the Duran employed by the State Department. However, Senator McCarthy mentioned a letter from the Military Attache of the Dominican Republic, stating that it was the same individual.

The Senator stated that Duran is presently employed with the United Nations; that he was unable to ascertain his exact position, but understood his work was in connection with the screening of displaced persons entering the United States, and he was alleged to have been recommended for the United Nations by a member of the President's Cabinet.

The Senator also mentioned Dr. Harlow Shapley in connection with Duran, but it was not determined what the connection was.

(It will be recalled that a memorandum is in process of preparation on Duran.)

The Senator then took up the case of an unknown individual whom he declined to name, who had resigned from the State Department in 1948 and at present is alleged to be in a sensitive position with CIA. This unnamed individual was accused of being a sexual pervert. In this connection he recalled Secretary Acheson's statement concerning sexual perverts being poor security risks. He mentioned that this individual had been arrested by the local police department on sex crimes.

(It is entirely possible that the unnamed person who went from the State Department to CIA [redacted] It will be recalled that [redacted])

37
APR 10 1950

RECORDED - 43

INDEXED

87

INDEXED

MAR 15 1950

6

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1744-2746

our Identification files, under [REDACTED]

[REDACTED]

A copy of a memorandum dated March 8, 1950 concerning [REDACTED] is attached.)

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b6

EHF:CSH

Office Memorandum • UNITED STATES GOVERNMENT

TO : D. M. Ladd

DATE: March 14, 1950

FROM : E. H. Winterrowd

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

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

At approximately 4:30 P.M., Special Agent [redacted] of the Washington Field Office called with respect to the hearing being held by the Subcommittee of the Senate Foreign Relations Committee, which is looking into the loyalty of State Department employees.

Special Agent [redacted] said that Judge Dorothy Kenyon was being questioned concerning her affiliations and that she was non-specific in her answers or that she claimed lack of knowledge.

Special Agent [redacted] further stated that Mr. Edward P. Morgan was in the audience and, according to the Special Agents covering the hearing, he appears to be observing the reaction of those present.

EHW:W MJ

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RECORDED - 46
INDEXED - 46

EX-99

51 MAR 29 1950

121-23278-37
~~62-39794-1476~~

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, 1950

TO:

Director

| | | |
|--------------------------|----------------------|--------------------------------|
| _____ Mr. Tolson | _____ Mr. Tolson | _____ Mr. Belmont |
| _____ Mr. Clegg | _____ Mr. Ladd | _____ Mr. Laughlin |
| _____ Mr. Glavin | _____ Mr. Clegg | _____ Mr. Hennrich |
| _____ Mr. Harbo | _____ Mr. Glavin | _____ M |
| _____ Mr. Nichols | _____ Mr. Nichols | _____ M |
| _____ Mr. Rosen | _____ Mr. Rosen | _____ Mr. Baumgardner |
| _____ Mr. Tracy | _____ Mr. Tracy | _____ Mr. Keay |
| _____ Mr. Q. T. Harbo | _____ Mr. Harbo | _____ Mr. Stanley |
| _____ Mr. Mohr | _____ Mr. Belmont | _____ Mr. Whitson |
| _____ Miss Gandy | _____ Mr. Mohr | _____ M |
| _____ Mr. Nease | _____ Tele. Room | |
| | _____ Mr. Nease | _____ Mr. Ferris |
| _____ Mr. Pennington | _____ Mr. Pennington | _____ Foreign Service Desk |
| _____ Mr. Winterrowd | | _____ Mr. Callan |
| _____ Mr. J. A. Carlson | | |
| _____ Mr. Hargett | | _____ See Me |
| | | _____ Call Me |
| _____ Mrs. Henley | | _____ Appropriate action |
| _____ Miss Jess | | _____ Note & return |
| | | _____ Send file |
| _____ Mrs. Davidson | | _____ Bring up-to-date |
| | | _____ Correct |
| _____ Chief Clerk's Off. | | _____ Re-date |
| _____ Records Section | | _____ Please initial & return |
| _____ Personnel Files | | _____ Place on record & return |
| _____ Mechanical Sec. | | _____ Place on record |
| _____ Ident. Division | | _____ Per conversation |
| _____ Technical Lab. | | _____ Advise status |
| _____ Reading Room | | |

D. M. Ladd - Rm. 5736
Telephone Ext. 555

Office Memorandum • UNITED STATES GOVERNMENT

TO : D. M. Ladd

DATE: March 14, 1950

FROM : G. H. Scatterday

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

| | |
|------------|---|
| Tolson | ✓ |
| Ladd | |
| Clegg | |
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| Tracy | |
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| Mohr | |
| Tele. Room | |
| Nease | |
| Gandy | |

At 3:30 P.M. this date Special Agent [redacted] of the Washington Field Office advised as follows:

Dorothy Kenyon has just completed her testimony before the Subcommittee. She completely and categorically denied all of Senator McCarthy's allegations and denied affiliation with some of the organizations which she specifically named. She commented that she did not know that some of the organizations of which she was a member were subversive, and upon finding that to be a fact, immediately withdrew. She stated that she had been an attorney for one of the organizations.

Kenyon stated she was constantly fighting with her Russian equivalent at the United Nations and cited a Russian news release which was critical of her.

She stated that she is a member of Americans For Democratic Action, the American Civil Liberties Union, and other organizations, that she is a registered Democrat, and that she characterizes herself as an "independent liberal and Rooseveltian Democrat." Her entire testimony was read rapidly from a prepared statement and efforts are being made by the Washington Field Office to obtain a copy thereof.

Following the completion of her testimony, she was greeted by loud and spontaneous applause and it was announced that she would be the last witness today.

GHS: MJ

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INDEXED - 19

121-23278-38

~~162-39749-1477~~

51

EX-136

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: March 14, 1950

FROM : A. H. Belmont

SUBJECT: FREDERICK SCHUMAN
(Allegations by Senator Joseph R. McCarthy,
R-Wisconsin)

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

PURPOSE

To record the results of a check by Supervisor [redacted] of the Liaison Section with the State Department concerning Frederick Schuman, who was mentioned by Senator McCarthy on the floor of the Senate today.

BACKGROUND

Since information was received indicating Senator McCarthy had referred to Frederick Schuman, a lecturer and consultant for the State Department, Supervisor [redacted] contacted Mr. Amshey of the Department of State to ascertain whether Schuman actually is an employee of that Department. According to Mr. Amshey, Frederick Schuman is not and never has been an employee of the Department of State. The only reference in the State Department to such an individual concerns one Frederick Lewis Schuman, who was "brought in" as a lecturer in 1946. Mr. Amshey stated the Department of State from time to time calls in prominent individuals, such as scientists or teachers, for the purpose of lecturing to State Department officers. Apparently Schuman was one of such individuals who was brought in in 1946. However, according to the records of the State Department he never has been an employee of that Department.

[redacted] was unable to obtain any further identifying data regarding Frederick Lewis Schuman.

RECOMMENDATION

None. This is for your information [redacted]

121-23273-39

RECORDED - 38

~~INDEXED - 38~~

EX-68

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b7c

50 MAR 27 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: March 14, 1950

FROM : E. H. Winterrowd

SUBJECT:

COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY)
LOYALTY OF GOVERNMENT EMPLOYEES

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| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input type="checkbox"/> |
| Nichols | <input checked="" type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Nease | <input type="checkbox"/> |
| Gandy | <input type="checkbox"/> |

At 12:45 P.M., Special Agent [redacted] of the Washington Field Office called to give further developments in connection with the testimony of Senator McCarthy.

Senator McCarthy has now named Professor Frederick Schuman of Williams College, who is a consultant and lecturer at the State Department. He described Professor Schuman as a member or sponsor of or affiliated with numerous Communist front organizations.

Senator McCarthy then gave a list of 25 names to the Subcommittee. These names were not made public. It was indicated, however, by Senator McCarthy that all had been investigated by the FBI and all were considered by him to be security risks. He stated that all are employed or "controlled" by the State Department.

The Subcommittee has adjourned until 2:30 P.M., when it is expected that Judge Dorothy Kenyon will appear before the Subcommittee.

A separate memorandum is being prepared on Professor Frederick Schuman.

EHW:WMLJ

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INDEXED - 46

MAR 15 1950

66-XI

53 MAR 30 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: March 14, 1950

FROM : A. H. Belmont

SUBJECT: COMMUNISTS IN THE GOVERNMENT
(Allegations made by Senator Joseph R. McCarthy, R-Wisc.)

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

PURPOSE

Pursuant to your request, to furnish you with summary memoranda on [redacted] John Stewart Service and [redacted]

BACKGROUND

You will recall that there has been some indication to the effect that during Senator McCarthy's presentation of names before the Senate Committee investigating possible subversive individuals in the State Department, the cases of the following individuals may be used by him:

[redacted] Formerly identified by the Bureau as being identical with "Case No. 63," previously mentioned by Senator McCarthy in the Congressional Record dated February 20, 1950. Attached is a copy of a summary memorandum showing the results of the loyalty investigation conducted on [redacted] in 1948, which summary was furnished the Director as an attachment to my memorandum dated February 24, 1950.

[redacted] Formerly identified as "Case No. 51," referred to by Senator McCarthy in the Congressional Record dated February 20, 1950. Attached is copy of summary memorandum previously prepared for the Director on February 24, 1950, concerning individuals mentioned by Senator McCarthy.

JOHN STEWART SERVICE and

[redacted] Regarding information that Senator McCarthy possibly may refer to the case of [redacted] a search of the Bureau's indices fails to reveal a loyalty case on any [redacted]. However, since Senator McCarthy has on previous occasions referred to John Stewart Service, who is a Foreign Service Officer in the State Department, it is believed the Senator may present the case of John Stewart Service or [redacted]

You will recall a summary setting forth the results of the loyalty investigation of John Stewart Service was furnished to the Director with your memorandum dated February 15, 1950, regarding possible disloyal individuals in the State Department. A copy of this memorandum is attached for your information. There is also attached a summary memorandum regarding [redacted] on whom we also conducted a full field loyalty investigation in 1949.

ACTION

None. This is for your information.

Attachments

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58 MAY 25 1950

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: March 14, 1950

FROM : A. H. Belmont *alb dk*

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(Allegations by Senator Joseph R. McCarthy, R-Wis.)

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|------------|-------------------------------------|
| Tolson | <input checked="" type="checkbox"/> |
| Ladd | <input type="checkbox"/> |
| Clegg | <input type="checkbox"/> |
| Glavin | <input checked="" type="checkbox"/> |
| Harbo | <input checked="" type="checkbox"/> |
| Tracy | <input type="checkbox"/> |
| Harbo | <input type="checkbox"/> |
| Mohr | <input type="checkbox"/> |
| Tele. Room | <input type="checkbox"/> |
| Holloman | <input type="checkbox"/> |

PURPOSE

Pursuant to your request, there is attached hereto a summary memorandum on Gustavo Duran, aka Gustavo Duran Martinez. *u*

BACKGROUND

You will recall that you requested a summary memorandum on Gustavo Duran because it appeared that Senator McCarthy would mention Duran in his forthcoming testimony before the Senate Foreign Relations Subcommittee. *u*



It will be noted that a Loyalty investigation was not conducted concerning Duran, since he left the State Department, prior to the issuance of Executive Order 9835 which instituted the Loyalty Program and his position with the United Nations does not come within the purview of the Order. *u*

RECOMMENDATION

None. This is for your information.

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Attachment *AV-76*

EX-76

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd *Jr*

FROM : Mr. A. H. Belmont *Bz*

SUBJECT: COMMUNISTS IN THE STATE DEPARTMENT
(ALLEGATIONS BY SENATOR JOSEPH R. McCARTHY -
R - WISCONSIN)

DATE: March 14, 1950

Tolson

Ladd

Clegg

Glavin

Nichols

Roess

Tracy

Harbo

Mohr

Tele. Room

Nease

Gandy

PURPOSE

To furnish you with summary memoranda on Charles Alexander Thomson and Haldore Eugene Hanson pursuant to your request. Also, attached for your assistance is summary memorandum on William Treadwell Stone.

BACKGROUND

You will recall that Senator McCarthy referred to Haldore E. Hanson in his testimony before the Senate Foreign Relations Subcommittee on Monday, March 13, 1950, as having "pro-Communist proclivities." In connection with Charles Alexander Thomson, you requested a summary on him since it appeared that Senator McCarthy would mention Thomson in his forthcoming testimony.

It will be noted that in the May 14, 1947, issue of the "Congressional Record," Congressman Fred E. Busbey made allegations concerning the Cultural and Information Division and the Office of International Information and Cultural Affairs of the State Department. Included in his allegations were William Treadwell Stone, Director of the Office of International Information and Cultural Affairs, Haldore E. Hanson, Assistant Secretary of the Office of Information and Culture, and Charles A. Thomson, who Busbey referred to as another member of the leading triumvirate in Mr. William Benton's Office. Congressman Busbey identified Stone as being a former member of the Editorial Board of Amerasia magazine, whose managing editor, Philip Jacob Jaffe, was indicted and convicted and fined for the possession of confidential government documents. In speaking of the Cultural and Information Division of the State Department, Congressman Busbey stated, "The activities of the Cultural and Information Division of the State Department must not be confused with a sound program. As carried on today, they are a monstrosity costing the nation millions of dollars and serving no constructive purpose for the United States. Conducted by a group of pro-Communists, fellow travelers, and muddle heads, they fill the ether and tons of paper with a combination of material favorable to the Soviet Union and the Communists, or just plain twaddle."

It will be noted that the Bureau conducted full field investigations on Hanson, Thomson, and Stone based on Congressman Busbey's allegations as reported in the "Congressional Record" of May 14, 1947, as set forth above. The reports prepared during the investigation on Thomson were sent to the Civil Service Commission on July 7, 1948; on Hanson June 24, 1948; and on Stone July 30, 1948.

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It will be further noted that William Treadwell Stone was previously identified by the Bureau as being Senator McCarthy's "Case No. 46," which he referred to in his testimony before the Senate on February 20, 1950. By your memorandum dated February 24, 1950, a summary of information on Stone was submitted to the Director.

RECOMMENDATION

None. For your information.

March 14, 1950

CHARLES ALEXANDER THOMSON
Director
Office of the Assistant for
Public and Cultural Relations
U. S. Department of State
Washington, D. C.

Background

Charles Alexander Thomson was born November 15, 1893, at Springfield, Ohio. He was appointed as Assistant Chief of the Division of Cultural Relations, Department of State, on February 15, 1939.

Basis for Investigation

The Congressional Record of May 14, 1947, page 5435, contained the following statements made by Congressman Fred E. Busbey (R. Indiana) regarding Charles Alexander Thomson:

"Another member of the leading triumvirate in Mr. Benton's office is Charles Alexander Thomson. In a study entitled 'The War in Spain,' published in Foreign Policy Reports of May 1, 1938, page 39, he has the following eulogy of the work of the Communists:

"To the Communists must go the major credit for the introduction of order and unity in this nondescript army. *** On the Government side, the most important political developments have been: (1) the rise of the Communist Party; (2) the working alliance effected by the Communists with the right-wing Socialists and the Republican Parties; *** (3) the decline of Communist influence and its later resurgence in the cabinet formed on April 4, 1938. *** When Franco troops approached Madrid early in November 1936, a new and decisive foreign influence appeared on the scene. Russian aid had arrived—not only airplanes and tanks, but also advisers, technicians and the forces of the International Brigade, in many instances recruited by Communist agencies. Thanks in great part to Soviet influence, the Spanish revolution was not destined—as has so often been the case in history—to pass from the hands of moderates to those of extremists. Instead, the Communists cast their weight against radical trends; they proclaimed that the purpose of the war was not to advance social revolution, but to defend a legal and democratic government.

"The Spanish Communists must be credited with significant achievements. They led in transforming the militia into a disciplined army, and encouraged a unified command. They worked to unify and strengthen the central government as against the local committees. They put a check on wholesale socialization of industry and collectivization of agriculture. They sought to substitute discipline under centralized authority for the spontaneous and disorderly enthusiasm of the masses. They demanded that the social revolution be definitely subordinated to the task of winning the war.

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"The Communists, whose numbers had not exceeded 50,000 prior to the revolt, derived power to enforce these policies from various factors. First, of course, was aid from the Soviet Union. A second factor was superior organizing ability shown by their success in marshaling support both within the army and behind the lines. The Communists won the allegiance of General Miaja and many other officers, largely controlled the commissar system and the censorship, and were particularly strong in the Madrid forces and in the aviation corps. In the third place, the Communists skillfully exploited a policy of moderation toward socialization of industry and agriculture, which gained the support of numerous middle-class elements, notably small business men and the richer peasants. In consequence their numbers showed a marked increase, being estimated at 220,000 in January 1937, and 400,000 in September of the same year.

"This report is in complete contradiction to the statements of numerous anti-Franco authorities to the atrocities and disruption committed by the Communists under their Russian commissars in the Spanish Civil War.

"According to Mr. Carlton J. H. Hayes, former American Ambassador to Spain, in his book, *Wartime Mission to Spain*, Mr. Thomson was responsible for the appointment of Abel Flenn as cultural attache in Spain. Mr. Flenn's ideology can be determined from his recent book, *Wind in the Olive Trees*, which is severely critical of every phase of American policy in Spain during the war. His pro-Communist bias is evident throughout the book which has been enthusiastically promoted by the Communist press and Communist book shops.

"According to the *Daily Worker* of July 4, 1946, page 11, Mr. Thomson entered into hearty cooperation with Tom Brandon, producer and distributor of pro-Communist films. This is enough to show where Mr. Thomson stands."

Results of Investigation

[REDACTED]

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March 14, 1950

HALDORE EUGENE HANSON
Executive Assistant to Assistant Secretary
for Public and Cultural Relations
U. S. Department of State

Background

Haldore Eugene Hanson was born on April 22, 1912, at Virginia, Minnesota. From 1934 through 1937 Hanson served as a teacher of English at the YMCA Commercial College, Peiping, and Central China College, Wuchang, both in China. During 1936 through 1937 he was Hankow Correspondent for the Associated Press, the North China Herald, and editorial writer for the Hankow Herald. From 1937 through 1939 Hanson was a correspondent for the Associated Press at Shanghai, China, and was assigned to the Japanese troops, the Chinese Guerrilla Forces and with the Chinese Central Government Forces. The employee was engaged in writing the book "Humane Endeavor" from February to September, 1939. He was again employed by the Associated Press in Chicago, Illinois, from September, 1939 to 1942. In February, 1942 he started employment with the Department of State, Washington, D. C., and from September, 1947 to the present (May, 1948) he has been Acting Chief, Office of Information and Education Exchange, Far Eastern Division, Department of State.

Basis for Investigation

The Congressional Record of May 14, 1947, reveals that on that date Congressman Fred E. Busbey, U. S. House of Representatives, Washington, D. C., made a speech dealing with the activities and composition of the Cultural and Information Division of the U. S. State Department. He stated the activities of this division were "conducted by a group of pro-Communist fellow-travelers and muddleheads; they filled the ether and tons of paper with a combination of material favorable to the Soviet Union and the Communists, or just plain twaddle." Among the personnel conducting the program of this division he mentioned Haldore E. Hanson, Assistant Secretary of the Office of Information and Culture. According to Congressman Busbey, the employee by his writings indicated that he enjoyed the complete confidence of the Chinese Communists when he was in China, had been given official documents by the Chinese Communists and safe conduct through their lines. In this same speech Hanson was identified with the Central Hopei Mass Movement which was stated to be a part of the official Communist plan. Congressman Busbey further alleged that Hanson enthusiastically related in his writings the aims and achievements of the Chinese Communists.

Results of Investigation

[REDACTED]

A copy of the aforementioned speech by Congressman Fred E. Busbey as

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contained in the Congressional Record of May 14, 1947, commencing on page 5433, was enclosed as an exhibit in furnishing the results of the loyalty investigation to the Civil Service Commission. Also enclosed as exhibits were photostatic copies of several magazine articles written by the employee, some of which were referred to in the speech by Congressman Busbey. These articles were identified as follows:


"Smuggler, Soldier and Diplomat," Review of Reviews, February, 1937, Page 67

"China's 50-50 Chance," The Nation, Page 400, April 8, 1939

"The Situation in Central Hopei," The China Weekly Review, May 7, 1938

"With the Fighting Reds Inside the Japanese Lines," Asia, August, 1938, Page 453

"China Has an Army," Review of Reviews, July, 1937, Page 54



The "Chicago Daily News" for June 11, 1947 contains a by-line of Wallace R. Deuell of the "Daily News" Foreign Service. This by-line states in part:

"Here are Busbey's (Congressman Fred E. Busbey, 3rd Illinois Congressional District) statements about Hanson, and Benton's (Assistant Secretary of State William Benton) replies as given in the Assistant Secretary's memorandum:

"Busbey 'A book by Hanson entitled Humane Endeavor shows that Hanson travelled with the Chinese Communist Armies, was given safe conduct through their lines, travelled in the Commander's motor-car, and received Chinese Communist documents.'

"This shows that Hanson enjoyed the complete confidence of the Chinese Communists.

"Reply - 'Mr. Busbey does not state that Mr. Hanson's book is a description of the Japanese invasion of China in 1937-38, that

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Mr. Hanson was writing as a War Correspondent of the Associated Press, that he carried Press Credentials from both the American Embassy and the Chinese National Government, and that the Associated Press assigned him to cover the North China front, which was defended by the Communist Armies.

Mr. Hansen's despatches, as well as his book, pointed out that the Chinese Communists were still engaged in proselytising, despite the Japanese invasion.

Mr. Kent Cooper, General Manager of the Associated Press, sent Mr. Hanson his personal commendation on these reports from the Communist front, and Mr. Hanson's reports were reprinted at length in both 'Time' magazine and 'Reader's Digest'."

The Washington Times Herald of May 22, 1947 carried an editorial on page 14 entitled, "Voice of What?" This article reads in part: "Conducted by a group of pro-Communist fellow-travelers and muddleheads, they fill the ether with tons of material favorable to the Soviet Union and the Communists, or just plain twaddle. The quotation is from a recent speech in the House by Representative Fred E. Busbey (R) of Illinois about the 'Voice of America'." This article further reads in part: "Benton's three top assistants in charge of the 'Voice of America' broadcasts have been Messrs. William T. Stone, Haldore E. Hanson, and Charles E. Thomson.

"Stone is an ex-member of the Editorial Board of 'Amerasia' magazine, which has printed large amounts of pro-Russian copy. Hanson was for long a soldier of fortune in China, where his best friends and confidants were Chinese Communists. He was shifted hurriedly to another State Department niche when the Congressional heat was turned on the 'Voice'. Thomson has had considerable to do with production of pro-Communist movies, and is on record with some loud praises of the Communists' activities in the Spanish Civil War."

Mention was made in Congressman Busbey's speech that Hanson joined a group in Peiping, China, headed by Edgar Snow and his wife, who were organizing a new political magazine.

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Information pertained only to a third party. Your name is listed in the title only.

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_____ Page(s) referred for consultation to the following government agency(ies); _____ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

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The results of the investigation conducted by this Bureau concerning the employce under the provisions of Executive Order 9835 were transmitted to the Civil Service Commission on June 24, 1948. By letter dated September 30, 1948 the Chairman, Loyalty Review Board, U. S. Civil Service Commission, advised that the employee was being "retained" in his position.

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March 14, 1950

WILLIAM TREADWELL STONE

Allegation by Senator McCarthy

"Case No. 46 is the case of a man who holds a high position in the State Department. He had been affiliated with the magazine Amerasia from May 1937 to November 1941. This magazine consistently followed the Communist Party line. It was under the direction of Philip Jaffe and William Vanderbilt Field. Field has been a leading Communist and was one of the heads of the American Peace Mobilization, which the President and the Secretary of State publicly labeled as a tool of communism. Jaffe, as Senators will recall, was convicted and fined in connection with John Service incident. It will be recalled that the FBI picked up Service for having delivered secret State Department documents to Amerasia. The State Department files show that this individual has been working very closely with these two men. On March 22, 1946, the State Department's own security agency recommended as follows:

"It is recommended that action be instituted to terminate subject's service with the State Department. It is suggested to achieve this purpose that an appropriate officer of the Department should inform him that his continued presence in the Department is embarrassing to the Department and that he be given an opportunity to resign. If he should not resign voluntarily, action should be instituted under Civil Service Rule No. 12, to terminate his services with the Department.

"The Department, however, took no action upon this recommendation.

"After that recommendation, the files show that this individual requested a fellow traveler to seek a position with the Board of Economic Warfare. The file further shows that this individual has been visited on several occasions by an alien fellow traveler. He has also recommended two former employees of the Amerasia Editorial Board to positions with the State Department. In other words, Mr. President, the usual tactics of getting into an important position and then bringing in fellow Communists.

"A report dated August 18, 1947, recorded an interview with a former member of the Editorial Board of Amerasia who labeled this individual as 'far to the left—awfully close to a fellow traveler.' This individual was a subscriber to the Daily Worker. The file names a Communist Party member who has twice worked for this individual. The Biographical Register of the State Department shows him to be still in a position of importance there."

ENCLOSURE

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Possible Identification

A review of the Bureau's files indicates that this individual is apparently identical with ~~William Treadwell~~ Stone, who, as of May 27, 1949, was employed as Director of the Office of Information and Educational Exchange, Department of State.

The Bureau's records reflect that a Loyalty of Government Employees investigation together with a Voice of America investigation was conducted concerning William Treadwell Stone which developed the following information.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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FEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- Deleted under exemption(s) b7c/d/e b6 with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) _____, was/were forwarded to them for direct response to you.

_____ Page(s) referred for consultation to the following government agency(ies); _____ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

_____ Page(s) withheld for the following reason(s):

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The following number is to be used for reference regarding these pages:
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Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE:

FROM : D. E. Ladd: *DL*

March 14, 1950

SUBJECT: ALLEGATIONS BY SENATOR McCARTHY OF COMMUNISTS AND SPIES IN STATE DEPARTMENT

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

At the request of Mr. Donald S. Dawson of the White House, [redacted] called on him this afternoon, at which time William Boyle, Chairman of the Democratic National Committee, was present.

Mr. Dawson stated the White House had learned that there was a leak in the Loyalty Review Board (Beth Richardson's group), in view of the fact that Senator McCarthy this morning had stated that the loyalty case of John Stewart Service, a State Department employee, was being referred back to the State Department by the Loyalty Review Board. According to Dawson, McCarthy made this disclosure prior to the time that the Board had actually referred the case back to the State Department and, therefore, it was evident to them that a leak had occurred in the Board and the information had been passed on by a member of the Board to McCarthy.

Both Dawson and Boyle wanted to know if the Bureau would investigate this leak. Dawson stated if the Bureau would undertake this investigation he would like to have it handled as expeditiously as possible. Boyle commented that "if we can satisfy ourselves of the identity of the person giving the information to McCarthy, we will fire him outright." Dawson commented that he had heard a rumor that a member of the Board, whom he was unable to identify, had recently been seen in McCarthy's office and, further, that this same person allegedly had lobbied against the Senate confirmation of Service as United States Ambassador at the time his case was on the Hill.

In [redacted] presence Dawson placed a call to the Capitol, but was unable to contact his source for further details or verification of this rumor. He stated, however, that he would do so if the Bureau decided to go into the case and he would pass the information on to us.

Both Dawson and Boyle asked that this matter be called to your attention and stated they were hopeful the Bureau would undertake investigation. [redacted] pointed out to these gentlemen that the matter appeared to be purely administrative, within the Loyalty Review Board, and something that they would probably desire to check out themselves or have investigators of the Civil Service Commission handle. Mr. Dawson stated this was undoubtedly

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true, but he still desired to make the request of the Bureau and wanted to know if you would call him this afternoon concerning your decision or would get word to him.

RECOMMENDATION -

It is recommended that the Bureau not undertake this investigation in view of the political aspects involved, as well as the fact that it is purely administrative within the Loyalty Review Board. If you concur, Mr. Dawson will be so informed by [redacted] this afternoon.

I concur. Also because to start inquiry now would no doubt result in resentment by the Senate both Democrats & Republicans. If any investigation were to be made of the incident to do it now would be bad timing.

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v.

Mr Dawson informed of Bureau's decision and reason therefor as set forth in last paragraph on page one.

3/15/50
[redacted]

Office Memorandum • UNITED STATES GOVERNMENT

TO : THE DIRECTOR

DATE: March 14, 1950

FROM : D. M. Ladd

SUBJECT: *State Department*

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

I took a telephone call by reference from your office from Mr. Seth W. Richardson of the President's Loyalty Review Board. He referred to the present discussion on the Hill on the part of Senator McCarthy with reference to loyalty cases. He stated that this morning in a speech made by McCarthy he, McCarthy, made reference to a decision handed down by the Loyalty Review Board on March 3, 1950 in the case of John Stewart Service. This decision amounted to an overrule of the Department of State Loyalty Board and a referral back to that Board for further consideration of the Service case.

Mr. Richardson stated that this decision had been held very close in the Loyalty Review Board and had not been communicated to the State Department until this afternoon after McCarthy's speech.

His purpose in calling was to determine whether the FBI would conduct an investigation as to who in his group had disclosed this information.

I told Mr. Richardson that this was strictly an administrative check within the operation of his own office and did not amount to a violation which this Bureau could investigate.

I told him it was a matter either for himself or Civil Service to check on but that the FBI could be of no assistance to him in connection with this problem.

He expressed appreciation.

DML:dad

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