



FEDERAL BUREAU OF INVESTIGATION

JOSEPH McCARTHY

PART 22 OF 28

BUFILE NUMBER: 121-23278 (ENCLOSURES)

SUBJECT Joseph McCarthy

FILE NUMBER 121-23278

~~SECTION NUMBER~~ 256 enclosure behind file

of her sister, the father, and the mother.

The paragraph, still within the quotation, which contains the derogatory information reads as follows:

"Subject, [redacted] apparently is a member of the Communist Party. She is a signer of the 1940 Communist Nominating Petition in Philadelphia, Pennsylvania. From an informant in the neighborhood it was learned during the latter part of 1941 and in the first few months of 1942, she and her sister [redacted] held many Communist meetings at their home. The people who attended these meetings are white and colored.

[redacted] Both [redacted] and [redacted] are possessors of two Communist Papers "Daily and Sunday Worker." [redacted] is also a signer of the 1940 and 1941 Communist Nominating Petitions in Philadelphia, Pennsylvania. [redacted] also has contact with [redacted] who is employed at Communist Headquarters, and a known Communist."

The last paragraph within the quotation in [redacted] report has the following statement:

"Neighborhood of subject's is Jewish and a hot bed of Communism. [redacted] is classified as a Red Hot Communist."

Agent [redacted] concluded his report with the following statement set in quotation marks:

"During the investigation, it was ascertained that subject's family are not known to be interested in Communism; however, [redacted] and [redacted] are considered out-and-out Communists. [redacted] who is a friend of the family and also employed by Communist Headquarters in Philadelphia, is known for her Communist leanings."

It appears

It appears that [redacted] was not then in Philadelphia and that her mother was unwilling to give her address. Other information, however, indicated that she was in San Francisco, where she was subsequently interviewed.

It may be noted that Agent [redacted] did not disclose where he had obtained the quoted statement nor whether he had made any effort to check the authenticity of the allegations, or the sources of the information of the anonymous author. It did not appear, further, whether his own conclusion was based on investigation of his own, or was simply a summarization of the material quoted by him. Mr. Rowlett, in the interview with me, said that all that happened here was that Agent [redacted] went either to a Dies Committee office or to the Pennsylvania State Police, discovered the statement in question, and copied it, and made no other investigation whatever. Mr. Rowlett conceded that names on Communist Party petitions might be unautherized and that, in this connection, [redacted] could have signed [redacted] name, and that obviously no investigation had been made by Agent [redacted] with respect to this possibility. He also conceded that since [redacted] and [redacted] had lived in the same house, the author of the quoted derogatory report might simply have meant that [redacted] had meetings with Communist Party sympathizers in the family home, in which [redacted] was not necessarily associated.

The file shows that investigations were made pursuant to Mr. Pich's request, in Pittsburgh, Pennsylvania, where a

Mr. Goff

recalled she had supervised [redacted] in the WACS. [redacted] said that [redacted] was loyal, etc. and he did not hesitate to recommend her. In Atlanta, Georgia, another employer, a [redacted] made a similar statement.

On June 4, 1948, the Agent in San Francisco wrote a report of a personal investigation. The investigation disclosed that [redacted] was working for the [redacted] where her supervisor gave her a very favorable recommendation for efficiency and loyalty, etc.

A personal interview in the Special Agent's office on June 3, is summarized in a report which commented on the applicant's national origin, in these words:

"It is believed that her origin would be obvious to those whom she might be called upon to meet, and she does not give one the usual impression of the normal free and single American girl."

With respect to the Communist issue, the report said that the agent gave [redacted] "not the slightest idea that we had such information concerning her." The report said:

"Therefore, she was only asked if she or any member of her family had ever belonged to any political organization. She flatly denied that she or anyone in her family has now or has had the slightest interest or connection in any movement of this type."

It will be seen that the personal interview report does not necessarily indicate that the Special Agent went into the Communist question at all, beyond asking the general question whether she or any member of her family belonged

belonged to any political organization. The attempt was made, therefore, to obtain any information with respect to items charged to [redacted] or to ascertain the extent to which [redacted] was involved or to confront [redacted] with the Communist Party petition matter.

The file shows, finally, that FBI reported on June 13, 1946, presumably summarizing information in the FBI file, indicating that [redacted] was a signer of the 1940 non-naming petition, that her sister, [redacted], was an active worker of the Communist Party, that information was received at the Bureau that suspected Communist Party meetings were held at the home of [redacted] and [redacted] but that in view of the fact that [redacted] was a WAC, the FBI "closed its investigation." Thus it does not appear that any independent investigation was ever made by FBI of [redacted]

In submitting this file to FP, "through COH", on June 26, 1946, Mr. Fitch reached the conclusion "that the applicant does not merit favorable consideration for employment in the Department of State." In support of this conclusion, CIA (apparently in the person of [redacted], the review officer) paraphrased that portion of the report obtained by Agent [redacted] quoted above. He said:

"Conclusion:"

"Investigation discloses evidence of a material nature tending to affect adversely the applicant's loyalty to the Government of the United States and

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its institutions. It reveals that the applicant has been definitely associated with Communist activities, and apparently is a member of the Communist Party. The records disclose that she is a signer of the 1940 Communist Nominating Petition in Philadelphia, and information elicited through a neighborhood investigation establishes the fact that both the applicant and her sister, held Communist meetings at their home during the latter part of 1941 and first few months of 1942. These meetings were attended by both white and colored people.

Both are readers of the Communist papers "Daily and Sunday Worker." Further investigation reveals that the applicant's sister, who was married to one on October 23, is also a signer on the 1940 and 1941 Communist Nominating Petitions in Philadelphia, and that she has contact with who is employed at Communist Headquarters, and a known Communist."

I discussed this case with Mr. Hoffman, Secretary to the Security Committee, whose initials appear on the pink action sheet of COB, disapproving the applicant on account of derogatory information. Mr. Hoffman stated that, according to his best recollection, someone in COB had read the report of CSA and requested Hoffman to pass the case on to the Committee. The Committee, in accordance with its usual practice, had not seen the file and had come to the conclusion on the basis of Hoffman's oral statement of the facts that the applicant should be disapproved. In accordance with this disapproval, he wrote as the reasons for the disapproval the following on the pink transmittal sheet under the heading, "Remarks":

"The subject is regarded as a strong security risk as the CSA investigation disclosed that she has

definitely

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A. MAIN FILE B. "SEE" (SERIAL) REFERENCES

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SUBJECT Joseph McCarthy

FILE NUMBER 121-23278

SECTION NUMBER 256 Enclosure behind file

121-23278-256

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SURVEY OF DEPARTMENTAL PERSONNEL
SECURITY INVESTIGATIONS.

S. Klaus
August 3, 1946

Handwritten:
Klaus
Aug 3

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August 3, 1946

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To: A-R - Mr. Panuch
From: A-R - Mr. Klaus
Subject: Survey of Departmental Personnel Security Investigations.

Introduction

On July 10, 1946, you directed me to conduct a survey of the Washington operations of CSA, COH, and the Security Committee, concerned with the security aspects of the investigation of Departmental personnel. You indicated that you wished the survey to be conducted discreetly and quickly.

Accordingly, I have had conferences with Mr. Fitch and several members of his staff in CSA, with Mr. Bannerman and Mr. Flinn and other members of COH, and with members of the Security Committee. I have surveyed the procedures of the three organizations, have read a number of their files, have discussed with men who handled the cases the details of certain illustrative cases, and attended a meeting of the Security Committee.

In view of the limitations imposed by you, I have not surveyed any of the CSA field offices, nor have I attempted to analyze or appraise the information received from, or operations conducted by, critical auxiliary organizations, such as FBI, the un-American Activities Committee, and the Civil Service Commission. I have not attempted any comprehensive consideration of very important aspects of personnel policy and Departmental management upon which the security investigation operations

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impinge. Finally, I have not evaluated in any comprehensive way the investigational techniques of individual investigators, or the qualifications and capabilities of CON and Security Committee staffs. All these subjects are relevant and must be considered, if a more thorough survey is desired. They do not, however, to my mind, affect appreciably the conclusions which I have reached.

In general, it may be said:

1. The present organization is effective as a screening activity calculated to sift applicants according to relatively crude and normal standards of ordinary employment.
2. The present organization is seriously lacking in securing the Department from penetration by professional foreign agents.
3. The implied--and sometimes explicit--standards of ideology and opinion which are in being applied as shibboleths of security raise serious questions of government policy and of their long-range effect on the intellectual character and personality of the personnel likely to be admitted to the Department.
4. The standards of proof which are being used are frequently dubious. In the cases of employees with status or employment rights, where more exacting standards

acting standards of proof and thoroughness are necessarily imposed, the lack is more serious still.

I

Findings

The personnel investigations in general may be divided into two groups. The first consists of applications for original employment or transfer to Departmental rolls; the other comprises investigations of employees already on the rolls. In the former cases, ordinarily, DP will send the Civil Service Form 57 to CSA with a routine request for investigation. In the second category of cases, such investigations as CSA is requested to perform are usually initiated by COM, which has presumably been making its own study of information received from other, confidential sources such as FBI. In between these two categories are investigations which, for administrative reasons, are requested of CSA by COM and others which are requested by other persons in the Department. Outside these categories are special cases of investigations conducted for the Department by FBI; but these investigations were not surveyed.

A. Division of Investigations--CSA

The Division of Investigations, under Mr. Thomas F. Pitch, is the Department's primary "leg-man" organization. While its functions are not limited to personnel investigation, that, for some time, has constituted the largest part of its work.

Departmental Regulation 125.6 sets out the functions of CSA as follows:

I. FUNCTIONS. CSA of the Office of Controls (CON) shall be responsible for the following functions:

A. To investigate Departmental and Foreign Service applications for appointment to assure Departmental security.

B. To make such investigations in connection with the granting of passports and visas as may be necessary.

C. To assist other officials, Offices, and Divisions of the State Department upon request:

1. In meeting newly arrived ambassadors and ministers and rendering necessary assistance.

2. In meeting distinguished foreign visitors and members of their parties upon their arrival in the United States, facilitating their entry and their travels within the United States.

3. By examining all files, archives, and other property in embassies and consulate offices of former belligerent nations; by safeguarding such material and property; and by arranging for its custody until its final disposition.

4. By rendering services for the Department in the transfer of foreign consulates within the United States.

II. ORGANIZATION. CSA shall be responsible to a Chief Special Agent and shall have the necessary organization which shall include field offices in strategic cities, each office in charge of a Special Agent."

The miscellaneous character of the Special Agents' work probably explains in considerable part the lack of special training and the methods of CSA procedure. The personnel work of CSA happens to be, in consequence of the developments of very recent years, the main portion

of the load

of the load of work and to such an extent that there is a large backlog of unassigned as well as uninvestigated cases.

While the history of the organization and the detail of its methods of operation cannot be dwelt upon here, it is noteworthy that the methods and traditions of the Post Office Inspectors' Service seem to have made their mark in consequence of the fact that both Mr. Fitch and his predecessor had spent long years in that Service and the traditions of investigation of Foreign Service and Departmental personnel applicants had for a long time been geared to the use of the facilities and the staffs of the Post Office Department.

1. The Burden of Investigation

The quality of the work done by Special Agents, especially with respect to the development of information bearing on ideological convictions and secret affiliations, must in any event be delimited by the number of cases handled, the number and quality of agents available, and the pressure of time to produce results. No case-load study has been made in this survey, but it may be noted that Mr. Fitch has current statistics which appear to show that he has had, for some time, a constant and very considerable backlog of unfinished cases of personnel investigations ranging from hundreds to thousands. This is

indicated

indicated by his office records as of July 29, 1946, a copy of which is attached to this report. On the other hand, his entire investigative staff consists of sixty-five men distributed throughout the United States. The pressure for closing cases is constant and great; current operations of divisions of the Department are always impaired to a greater or less degree by non-availability of new personnel awaiting CIA clearance; and pressure, more recently, for the disposition of cases of transfer from temporary agencies has been especially strong. This factor, of course, will be considerably reduced in the future, but the reduction will probably be counter-balanced, to a large extent, by an increase of other work of CIA, particularly passport and visa investigation. Mr. Fitch has asked the Department, and notes that he was refused, about ten additional agents.

2. Scope of CIA Investigation

(a) Form DS-83 is the Chief Special Agent's Request for Report. It gives the name of the applicant and the position he seeks, his address, the salary the position pays, his date of birth, the name of the requesting division, and a list of his schools, former employment and reference. This information is transmitted with the following language:

"Special Agent

"Special Agent

"The person named below is an applicant for a position in the Department. Please make the usual investigation and submit report in triplicate (original and two copies) as expeditiously as possible, based on the information and instructions appearing on this form.

"The report, in addition to other pertinent information, should cover the loyalty of the applicant to the United States; date and place of birth; suitability for the position and general reputation and trustworthiness, and comment with reference to the reputation and loyalty of the applicant's family.

"Local police records, other than traffic, should be checked.

Chief Special Agent."

There is no manual of instructions to the agents; no form of report and no visitation or other device for guidance or review.

(b) DF simply requests an investigation, submitting a Form 57, usually; it gives no instructions. FF, however, has a usual mimeographed form which in practice has set the tone in giving the direction for all CSA investigations whether for FF or DF. The usual form reads as follows (a sample file is the source):

"Dear Mr. Fitch:

"Will you kindly investigate Miss who seeks appointment to a clerical position in the Foreign Service on the following points:

Character
Honesty
Loyalty
Education
Culture
Address

Experience
Efficiency
Health and physical
condition
Marital Status

(At this point

{At this point there was typewritten:

"Birth certificate and discharge papers have been requested. Please have applicant personally interviewed." }

"Your investigator might be advised that these positions require persons of the highest standard of ability, steady in their habits, of good appearance and health, and who are experienced stenographers.

"On account of the limited number of vacancies in the Service only applicants with the highest qualifications can be selected and it is hoped that your agents will be careful not to recommend anyone who does not possess representative American characteristics and ability to an unusual degree."

(c) CSA is not provided with any standards of proof or of personnel policy or purpose, other than such as are implied in practice. It has no general instructions to guide investigations.

In the usual case, the function of CSA is, thus, to verify statements made by the applicant in his Form 57, and to check the references given on that form by the applicant. Until quite recently, these references were required to be persons, not relatives, who were the applicant's employers or supervisors. More recently, an amended Form 57 calls for three references to include persons not so limited. These tasks of verification, or investigation, are distributed by CSA to its field offices in accordance with the geographical location of the facts to be verified. The CSA investigators

investigators establish the applicant's credit standing, as disclosed by local credit agencies, his police record, his passport record, and FBI and Dies' Committee information. No single investigator, therefore, ordinarily has the entire case, nor is any one agent ever aware of what another agent's investigation has disclosed. Whatever the investigator learns he writes up in his report which is transmitted to Mr. Fitch for coordination with all other reports from CSA agents on the same case.

The type of the CSA investigation is, therefore, conditioned by:

- (1) the Civil Service Commission's forms, applicable to all agencies of the Government alike and not particularly devised to check security items, and
- (2) the fact that CSA investigates for the Foreign Service as well as the Department. Since the Foreign Service emphasizes educational qualifications of the applicant and requests CSA to check these, the CSA investigator tends, in all cases, to intensify on the period of the applicant's education, and to obtain his information on loyalty and opinion from highschool teachers and professors

and professors rather than from companions, professional colleagues or even neighborhood checks. The period subsequent to education is presumably covered by the references--who have been named by the applicant and who have had to be, until recently, superiors or supervisors. It is rare for the CSA investigator to extend his inquiry beyond these references unless specifically directed by CSA. Loyalty and opinion for the adult life of the applicant are thus reported primarily from the references.

Where the applicant has (as in the case of candidates for important Departmental positions) written books or articles, the investigator is not required to read or evaluate this material for ideological or opinion purposes, although he will frequently refer to them by name.

The "derogatory" information reported is usually only that which is obtained by consulting routine sources--police records, Dies' Committee lists, and passport files. The information found is digested and reported but is not verified independently. That is to say, for instance, the agent is required to establish the identity of the applicant with some

one of similar

one of similar name mentioned in the Dies' Committee files and the like, but having established the identity he does not and is not required to verify the derogatory fact implied, such as the subversive character of an organization, the extent of the applicant's part in it, the applicant's explanation of the circumstances of his association, or other information tending to rebut the derogatory inferences drawn from the facts reported.

(d) It may be noted that no investigation of a financial character is conducted--the Department is not aware of what business or other economic ties the applicant has which are likely to influence his opinion or disclose his actual source of income--and no attempt is made to check his income tax records.

(e) It should be noted that investigation is necessarily conducted by the special agents in those territories to which they are accredited. No investigation is, therefore, carried on abroad though there may be leads that would be checked if the places in question were within the United States. Furthermore, in areas which are not easily covered by Special Agents, the tendency still exists to ask Postmasters to send in reports.

It has been a point of criticism that CSA agents will make many of their contacts by telephone and obtain information from references on that basis. Whatever may be the merits of this criticism, the fact may be noted as indicating the tone and general character of the investigation.

3. Review

(a) Until recently there was no review within CSA; no attempt was made to draw inferences from the diverse reports received from the field, or to weigh conflicting inferences, or to elicit additional information by which to verify the derogatory hypothesis suggested by the information reported by the agent based on his own investigation, or--as is more likely--by the fact that the applicant's name was found in one of the numerous lists of the Dies Committee, or some similar organization. The reports were merely sent on to DP or FP or CON after a cursory check that all inquiries requested of the Agents had been made. According to a more recent practice, an assistant in Washington--Mr. Backett or Mr. McCoy--calls attention to any items developed by the diverse field checks which might reflect on the employability of the applicant. If the case came through CON, that is reported back on a green sheet, which is the color of all correspondence of CSA with

CON.

CON. In general, most reports are without derogatory information of any kind.

A stock characterization is made by the review officer in the letter of transmittal which indicates whether the applicant would seem to be eligible for employment. Derogatory information of a nature not deemed to involve security is otherwise indicated by a yellow covering sheet; where security is involved, the sheet is green and is sent to CON regardless of the provenance of the case. As a matter of fact, however, CON appears to review all cases no matter what the color of the covering sheet is.

(b) The "evaluation" within C&A, conducted at the present time is not really an evaluation but is merely a flagging device; it is in no sense a judicial weighing of evidence, a critical appraisal of sources, or a decision purporting to be based on objective review of conflicting evidence. Apparently, cases are usually not sent back to the Agents for any reason other than failure to comply with instructions for investigation and these instructions as has been noted are almost always to take action which is ministerial--that is to say, it does not call for ingenious investigation or judgment requiring discretion or serious intellectual effort.

For example, in no case is there any indication
that C&A reviewers

that CSA reviewers will ask independent investigation to ascertain whether a person belonging to a "front" organization had other characteristics or behavior which would support or rebut derogatory inferences. Nor is the investigator requested to make independent check of the character of the "front" organization; he flags it because someone else has characterized it. It may be said that, in respect to investigators of this kind, CSA is governed entirely by the directions sent to it by CON and sometimes by DP or FP.

(e) As of today, there is a duplication of review between CON on the one hand, and on the other, Mr. Fitch's office staff in the person of Mr. Hackett who is also to some extent assisted in this function by Mr. McCoy; the latter persons attempt to do what Mr. Bannerman and his staff do. Messrs. Hackett and McCoy seem, however, to make very little in the way of contribution. CON on the other hand, in the persons of Mr. Bannerman and his assistants, frequently calls on CSA for additional investigation.

4. Qualifications of CSA Personnel

It has already been indicated that in its direction CSA has a tradition of the Post Office Inspectors' Service. There are no explicit standards of employment for Special Agents, either of experience

or of education.

er of education. Employment is apparently the result of an individual appraisal by Mr. Pitch--who until this fiscal year operated without any Civil Service or other administrative controls, his funds having come from the confidential funds of the Secretary. However, on the basis of an examination of the Forms 57 of all the sixty-five agents on the rolls of CBA, and conversations with several members of the Washington office, I believe it a fair tentative conclusion that the field agents probably have sufficient training to conduct ordinary investigations efficiently. All the agents seem to have had some prior investigative experience, and have a high-school education; a few have, on paper, superior education.

However, as far as can be ascertained, few, if any, of the agents have had any prior training or experience or schooling in the personnel policies of the Department, in ideologies, in standards of constitutional liberties, in the court decisions and legislation with respect to Civil Service employment rights, or with respect to subversive activities or other disqualifications for employment. It is doubtful whether the average agent knows the differences among the various schools of so-called liberal and radical thought. They are unlikely, for instance, to know the

to know the differences between a Stalinist and a Socialist. Therefore, as a reading of a considerable number of reports corroborates, there appears to be an inclination to accept characterization by informants that an applicant is a "Red" or "Radical" or is "Left wing", as though that information was sufficient in itself for transmittal to the Department. It should be added, however, that some of the CIA personnel who have been interviewed have stated that they believe that an intelligent agent, even though uninformed, would ask an informant to be more specific.

B. Office of the Security Officer--COM

1. Organization and Function

(a) The staff of the Security Office consists almost entirely of Mr. Bannerman, his first assistant, Mr. Henry Thomas, and his Specialist on Communism and related movements, Mr. Morse Allen. Realistically viewed, this office appears to be functioning almost entirely as a liaison office between other investigating agencies, particularly FBI, and CIA. De facto, it reviews the adequacy of the CIA investigations by referring cases back to CIA for additional investigation along lines believed by Mr. Bannerman not to have been covered adequately; and largely because Mr. Allen was formerly an investigator with the Civil Service Commission, directions will be given to CIA to examine

to examine Civil Service Commission hearings where derogatory information concerning applicants whose eligibility was questioned when they were with a prior organization, such as OSS, OWI, or FKA, might be contained.

(b) But, above all, this office has access on a personal basis to current FBI investigations and other material of a supposedly confidential character not made available to CSA. It is explained that while CSA requests and receives a check of the indices and files on every name sent in to FBI by CSA, information not filed and information particularly secret will not be conveyed by FBI to CSA, but will allegedly be made available only to the Department on a basis of personal trust to Mr. Lyon or Mr. Dennis Flinn of COM or to Mr. Bannerman. Moreover, FBI sends to this office through Mr. Lyon a constant flow of reports on various investigations made by FBI of a security character which, in FBI's judgment, might be of interest to the State Department. These reports are ready by Mr. Bannerman's staff; they provide, therefore, a background of information with respect to subversive activities, chiefly Communistic, which enable Mr. Bannerman's staff to read CSA reports with a certain amount of informed perspicuity.

(c) The office

(c) The office maintains no independent filing system other than an index of cases and such files as it has inherited from the security offices of various of the agencies which the State Department has taken over. Since the mass of new information which Mr. Bannerman's office contributes is contained in FBI or Civil Service Commission records, the office apparently relies entirely on the personal recollections of its staff and on facility of contact with the Civil Service Commission and the FBI, and--through COM's other divisions--with other agencies, for file searches and information from informed officials.

2. Scope of Activity of COM

(a) The position of the Security Office is, to a considerable extent, anomalous. It is governed practically speaking by no formulated standards of personnel security. Mr. Robert Bannerman, who has the title of Special Assistant to the Director of the Office of Controls, presumably exercises the function of protecting the personnel security of the Department, first, by collating CSA reports with information received from sources outside of CSA concerning applicants and employees, and secondly, by vetoing (with the consent of the Committee) the employment of applicants or recommending (with the con-

sent of the

sent of the Committee) the dismissal of others where the Security Officer believes that the sum total of information in his possession makes the person in question a security risk. He also coordinates personnel security with other aspects of security--in particular, physical and procedural security and the security of our missions abroad.

(b) It appears that all CSA reports must be funneled through CON; (allegedly this is for security control--that is to say, presumably for assurance that only certain persons will have access to confidential information); in practice it means review of all cases by CON whether CSA sends them that way or not. Where CON is not satisfied with the thoroughness of the CSA investigation it requests additional investigation by CSA.

Where there are elements of doubt with respect to security, the cases are now referred by CON to the Security Committee for disposition. Where, however, the case is one of an applicant for Foreign Service career appointment, the disclosure of any doubt means that the case is first referred by CON to FBI for further investigation. This is required by a direction from Mr. Russell. FBI is, in such cases, given the benefit of all CSA and other information.

3. Relation to CSA

3. Relation to CSA

As has been noted CON is not restricting itself to review alone--it operates substantially with respect to CSA (but not with respect to FBI) as a de novo fact-finding body. This role of CON is resisted by Mr. Fitch who conceives of himself as responsible to CON only for administrative and budgetary purposes (whatever that means). In practice, however, CSA has accepted the review and investigation direction conducted by CON since CSA dutifully proceeds on CON requests for investigation and re-investigation.

Since there is uncertainty whether this relationship between CSA and CON is sanctioned by Departmental authority, the situation must be clarified if operations are to be efficient.

It has been indicated that in no case, as far as could be discovered, is the additional information asked of CSA by the reviewers in CON more than routine in character. Usually, on the basis of some indication in the file or some gap in employment information, or because CON has received confidential information from FBI, which was not made available to CSA in the first place, or because somebody in CON happens to know that the applicant was involved in a hearing before the Civil Service Commission, CSA is asked to make a check of an additional source.

4. Relation to the Security

4. Relation to the Security Committee

Mr. Bannerman states that his staff, apart from review, makes no determination of a final character in doubtful cases. The staff may believe there is nothing substantially derogatory and therefore may permit personnel authorities to act on cases investigated.

But where something believed to raise an issue of doubt is actually presented, no independent judgment is exercised by this office, and the burden of decision is passed on to the Security Committee. For reasons to be more fully demonstrated below, the Committee and the security office are to be considered essentially a single institution.

C. Security Committee

1. Organization and Function

(a) This Committee succeeds a prior screening committee; it was appointed, apparently, at your direction. The Committee is concerned primarily with passing on those cases which are presented to it by Mr. Bannerman's office. There is some indication that cases are also presented at the initiative of DP without formal prior clearance through CON, in consequence of DP representation in the Committee. The Committee meets irregularly, depending on the

Number of cases

number of cases ready for consideration. Presumably, about twenty cases constitute the average number handled at a meeting.

(b) The Committee membership consists of Mr. Bannerman as Chairman, Mr. F. E. Hoffman (assigned by FP to CON) as Secretary, Mr. Dennis Flinn, Executive Officer of CON, Mr. Henry Thomas, Assistant to Mr. Bannerman, Mr. Robert Alexander of VD, Mr. Robert V. Haig of PD, and Mr. Robert Ryan of DP who is assisted--it seems--by Mr. Arch E. Jean of DP.

(c) Mr. Hoffman is assigned full time. He reads the CIA reports and digests derogatory information. At the meetings, which are called at his suggestion, he orally presents the facts in each case to the Committee.

No minutes are kept except such pencilled notes as Mr. Hoffman personally makes to aid him in writing up the report. No agenda is distributed to the members before the meeting. The files are not seen or read by the Committee as such at any time. No record is made other than the report of Mr. Bannerman for the Security Committee, usually prepared by Mr. Hoffman.

2. Relation to CON

It should be noted that apart from the formal distinction between the Committee and CON, the fact is that

is that the Committee is essentially a part of CON, and that the decisions in individual cases are largely predetermined by the views of Mr. Bannerman and his associates. It is said that in no case have there been split views in the Committee--all decisions have been unanimous.

The only person in the Committee who is not in CON is Mr. Robert Ryan of DP. Mr. Hoffman, who is said to represent the "point of view" of PP is actually only nominally in PP; he is a very young and bright Foreign Service Officer who has been employed in VD and PD, and has never occupied in PP any position of such importance as to carry the conviction that he is governed in his decisions by the employment policies or traditions of PP. Mr. Alexander of VD and Mr. Haig of PD were, it is said, selected because of their experience with subversive activity information in the issuance of visas and passports. Under the circumstances it is not improbable that determinations in given cases can be, and perhaps in effect are actually made before the Committee meets; for contrary decisions would depend almost entirely on the vigor and dissent by Mr. Ryan, the only member not in CON.

5. The Scope of Review

(a) The Committee has no directive or standards in
in any

in any written form deriving from any superior authority; it acts solely in accordance with the views of the individual members as to security considerations, and it is not at all clear that the individual members have formulated their own standards articulately. The Committee therefore is not judicial; it is in effect an administrative screening Committee only. Since it deals with all categories of security cases--new applications for employment of every kind as well as present employees--this factor is of considerable importance.

As will be seen below, this lack of standards and the lack of judicial character to the proceedings is reflected in the reports of the Committee and affects the quality of the Committee's work.

(b) The Committee has tended to proceed on the basis of the principle that an adverse recommendation should be made in every case where it entertains a "doubt". It is clear, however, that such a doubt is often asserted and adverse recommendation is made, even though further investigation might dispel the doubt or explain it sufficiently. Thus applicants for employment in every category are disqualified, and other employees are adversely reported upon with respect to continued employment, even where innocent hypotheses are also consistent with the so-called derogatory facts in the record.

An officer

An officer of CON has stated that in his view the Department should not employ anyone in any position where an element of doubt has been indicated for the reason that there are among the millions of Americans, other persons eligible for positions in the Department about whom presumably such doubts do not exist. Since, however, in actual cases these elements of doubt derive from such factors as presence of the subject's name on lists of book purchasers at the Washington Book Shop, or signers of petitions of various kinds, or membership in organizations claimed by the Dies' Committee to have been dominated by Communist elements, or acquaintances with persons against whom, in turn, there have been asserted charges of Communist sympathy, and the like, there is a preliminary question as to the validity of the premise that such doubts of loyalty to the United States are "reasonable."

Moreover, in applying this standard, the Committee has tended to slough over the distinctions between types of applicants--whether for clerical or professional employment, in any rank.

(c) The Committee's decision, expressed in memoranda usually prepared by Mr. Hoffman, do not in such cases base disapprovals on the administrative difficulties of conducting additional investigation, or on the

or on the inadequacy of available investigative personnel, but rather on the existence of a derogatory inference from what are really ambiguous facts, the innocent inference not being drawn by the Committee. This is not to say that the Committee does not ask for a supplementary investigation--it not infrequently asks CSA for "neighborhood" checks", an examination of Civil Service Commission records, etc.--but beyond some such routine additional investigation the Committee is content to base its recommendation on these inferences.

(d) Furthermore, as especially exemplified in the cases of eligibility ratings by the Civil Service Commission after hearings, the Committee has tended to disregard the favorable decisions of the Commission and the favorable evidence adduced by applicants. This, of course, follows from the premise that derogatory information in itself is sufficient to call for a negative recommendation. It also, in the case of the Civil Service Commission in particular, derives from the general distrust of the favorable decisions of other agencies which may have been produced by political or other special factors, such as the lack of danger in certain aspects of the war effort in employing persons of pro-Soviet sympathies, etc.

(e) The Security Committee,

(e) The Security Committee, it appears, has approved employment in a substantial number of cases. Many of these approvals have been almost automatic in character. For example, OWI had a large number of aliens and the Security Committee has automatically rejected the employment of aliens unless OIC (successor organization to OWI in the State Department) will make an affirmative, "strong", request for appointment of the alien because of some special need which only the alien can satisfy, etc., and where the investigative record does not show any derogatory information.

(f) The Committee apparently has given itself a wide scope in the interpretation of its functions. While there are some elements which the Committee does not consider to be of a security character and which, therefore, it decides should be referred to the personnel authorities, the Committee considers that security questions are raised by such items as credit risk, sexual aberrations of character or conduct, and truthfulness in replies to questionnaires. In the case of aliens, it makes recommendations to DP or FP in respect to the character and length of employment.

This type of fundamental impingement on personnel policy is one of the more serious factors disclosed in the survey.

(g) At my request,

(g) At my request, Mr. Bannerman has prepared a statement of what are believed by him to be the standards of security implicit in the decisions of the Security Committee. They are attached hereto and will be considered further below.

D. Role of the FBI

1. Scope of FBI Coverage

(a) Special attention is required with respect to the peculiar position which the FBI occupies in the structure and scope of the Department's personnel security investigations. The FBI, in ordinary course, feeds the Department information either in the form routine checks conducted for CSA, or for CON, by the special checks made at CON's request, or in the form of reports of interest to the Department sent without special solicitation.

(b) Mention may be made of the fact that by direction of Mr. Russell, Mr. Bannerman's office calls for a special FBI investigation of foreign career personnel applicants in all cases where some element of doubt has been produced from other sources including CSA. Twenty-three cases had, at the time of the survey, been referred to FBI under this arrangement and four reports had been received from FBI, of which one amounted to a clearance and three were derogatory. These three cases were examined and in one case it may be noted (the Kimball case) there is considerable

is considerable doubt whether the report was really derogatory on a security basis.

While this does not apply to Departmental personnel, the fact should be noted as demonstrating a further reliance upon FBI by the Department. Presumably, this check is made by FBI as a matter of accommodation, not of duty. No control is exercised by the Department over the investigation.

(c) It is important to note that the Department is entirely and practically exclusively dependent on FBI for the type of information which comes from surveillance, wide coverage, and the use of unusual methods of interrogation and investigation. CBA appears to have neither the experience nor the facilities to do that type of work and it is apparently not used by any one in that type of work. FBI is the sole repository of such information, therefore, as the identity of Communist Party members, of sympathizers and fellow travelers, of espionage cases, and of undisclosed foreign agents.

(d) FBI has prepared a chart, now in the possession of Mr. Bannerman, which purports to show a number of "agents", "Communists", "sympathizers", and "suspects" in the State Department as of May 15, 1947. The tabulation shows

| | |
|------------------------|----|
| Agents - - - - - | 20 |
| Communists - - - - - | 15 |
| Sympathizers - - - - - | 24 |
| Suspects - - - - - | 77 |

Mr. Bannerman

Mr. Bannerman states that by July 12 (the date of my interview), the number had been reduced to the following:

| | |
|------------------------|----------|
| Agents - - - - - | 11 |
| Communists - - - - - | 10 |
| Sympathizers - - - - - | 11 |
| Suspects - - - - - | about 74 |

Since a considerable number of the persons so characterized came with the interim agencies, such as FKA, OWI, and OSS, continued reduction in force might dispose of more of these.

It turned out that FBI had produced no convincing proof that any person was an actual agent. In other words, FBI had made no case to show espionage or a violation of the Foreign Agents' Registration Act, or similar legislation, in any case. The word "agent" was, therefore, being used by FBI or by COM to mean simply a suspect in espionage investigation, etc.

No proof of actual Communist Party membership had been produced by FBI. The word Communist, therefore, was used merely to describe cases of such close affiliation as to lend credence to a hypothesis that the person in question was a member---a fact still to be proved.

The word sympathizer is, of course, subject to further of such qualifications.

The word suspect

The word suspect is apparently an all-inclusive phrase; it might or might not signify anything significant.

The foregoing cases presumably comprise the total of questionable employees of every security category now in the Department---i.e., questionable in the opinion of FBI.

(d) It was observed in the course of a survey that a curious situation exists with respect to relations between CSA and FBI, and CON and FBI. CSA applies to FBI for checks of names of applicants and receives reports presumably based on index searches. Yet when CON supplies the same name to FBI, information will be forthcoming that was not made available to CSA. It is explained that this information is of a current nature, not yet indexed, or is so confidential in character that CSA will not receive it in ordinary course. Such a situation is naturally embarrassing and certainly involves a measure of duplication and inefficiency of operation which is all the worse since CSA is not informed by FBI, in the case where confidential information is, in fact, available, that an application from CON will be entertained or that information is being withheld from CSA.

(e) Presumably, within

(e) Presumably, within FBI there are standing orders to the distribution personnel regarding the types of reports to be sent automatically to the State Department. We do not have that information, so far as could be ascertained in this survey. It does not, of course, follow that information is being deliberately withheld with knowledge that it would be valuable to the Department. It does follow, however, that the only organization which does conduct surveillance and active investigation in the security field and whose product we are entirely dependant upon is one which we do not control and which does not act in accordance with our needs or requirements.

2. FBI Relations

It should also be pointed out that CON appears to be influenced by FBI in other ways. Mr. Flinn, who is active in the Security Committee, was not only formerly with the FBI but appears to act today as an additional liaison with FBI officials. Mr. Lyon's office, on the whole, operates in close and praiseworthy cooperation and friendliness with FBI. As has been noted, valuable information not available except on a basis of personal trust and confidence is thus given by FBI to the Department under admonitions of secrecy. The differences in the relations between FBI and CON and FBI and CIA have been

have been noted.

The consequence of the foregoing would seem to be that the relations between the Department and FBI matters of investigation are fundamental to the whole problem,

The FBI Congressional appropriations have for some time provided that FBI should act for the Attorney General and the Secretary of State. But whether this requirement would permit the Department to exercise more control over the detail of FBI service to us is a matter of doubt legally; in practice it would certainly be improbable.

II

Conclusions

The following conclusions appear justified by the survey:

A. Objectives of Personnel Security Control

It may be useful to expatiate on the different factors representing dangers to security, to indicate the setting in which the personnel security problem must be viewed. There are dangers to security which do not derive from foreign agents at all; these are the dangers that come from infiltration in the Department by representatives of large business corporations and other special interests, as well as the dangers that lurk in the tantalizing prospects of employment with large business corporations or special interests should the well-placed employee become influential or sway policy in a favorable direction, or obtain influence over his fellow employees. Furthermore, the attempts of foreign governments, or their agents, may be to obtain information which it is the policy and interest of the United States or of the Secretary of the State, not only not to disclose at all, but rather not to disclose prematurely, or to disclose by some other method, and the effect of the activity of the foreign government is to frustrate that policy and interest.

Security also includes, and it would seem by no more importantly, attempts to destroy the disciplinary control of the Secretary of State and of the responsible officials of the Department

of the Department over information and discussion in the Department, without particular reference to the existence of interests on the part of other governments. This distinction becomes evident in those cases where not the delivery of classified information to a foreign government is involved but merely premature publicity. The press, in particular, - many of whose employees believe that they have a vested right to extract from government employees, by one device or another, information which it is the desire of the government authorities not to make public - is an important factor in the solution of this question. The legitimate interest of the press in getting information must be considered, but the security of the Department in the constant control of the Secretary over the flow of information from the Department must be deemed the primary objective.

In the foregoing sense, therefore, personnel security controls are much broader and deeper in scope and significance than the type of investigation and review discussed above seems capable of tackling.

B. Standards of Personnel Investigation

1. Absence of Express Standards

It has been indicated above that neither CSA nor the Security Committee have been given any clear standards of security either for current employees

or for applicants,

er for applicants, except in irrelevant respects. It is certain that CBA in its investigations is not governed by standards of employment provided by statute or by any policy of the Department or the Government. The same is substantially true of the Office of the Security Officer and the Security Committee. There is a fundamental vagueness of purpose in the security aspects of the investigations conducted and the review to which the investigation reports are subjected in CBA, as well as in COH and the Security Committee--and, it may be added, in DP. The investigators, having no written instructions with respect to the scope of their investigations beyond routine checks, and having no clear idea of the Department's standards of employment or of sufficiency of evidence, cannot be charged with the major fault.

2. Standards Applied in Practice--General

The standards being applied by COH and the Security Committee are ad hoc, and are not the result of any instructions from the Department or from superior authority. In the absence of such Departmental instructions, it is not surprising that COH personnel are acting in accordance with their own standards of purpose, employability, and proof.

These standards, however, when formulated--a copy

of Mr. Bannerman's

of Mr. Bannerman's memorandum on this subject is appended--appear to be seriously questionable in respect to their impingement on personnel policy and on acceptable standards of security and of proof.

It is well, therefore, to analyze alternative implications of the security standards observed in the survey.

(a) The Committee has shown a tendency to assert security risks in matters which have only relatively remote security implications. Such aspects include homosexuality, psychopathological difficulties, past financial difficulties, and the like. While persons who are homosexuals may be subject to blackmail, and while persons with psychopathic difficulties may lack balance, and persons in debt may be tempted by offers of bribes, it would seem that these are problems falling primarily and historically in the province of the personnel authorities of DP. They are of security interest only in the sense that numerous other factors may, in a crisis, give rise to an opportunity for pressure or blackmail. Regarding all pressure or blackmail, it would seem that the important elements to consider are the strength of countervailing characteristics such as compensatory strength of character, restraint from yielding to other weakness, deep loyalty to

loyalty to duty, as well as to the government, and similar characteristics which have presumably been effective in the past in the cases of persons who have served the Department or the government long and well in spite of their homosexuality, their heterosexuality, their financial difficulties and other such weaknesses.

This responsibility should be left in DP. The Security Committee and COM should, except where specific instructions may be involved, as, e.g. compliance with statutes like the Hatch Act, concern themselves with elements of security closer to the aspects of penetration of the Department by foreign governments and of employment within the Department of persons who might reasonably be used by foreign governments or who might seek to sway United States' policy in directions not approved by the Department.

(b) There is a confusion throughout between standards of purpose or policy and standards of proof. This distinction has turned out to be of fundamental importance in this survey. The confusion between them has led to considerable difficulties. For example, there appears to be an assumption that a person who has associated with "leftists" or "Communists" should be debarred from employment. There

might, of course,

might, of course, be a standard of policy or purpose under which we would actually, as a Department, seek to defend the proposition that no employee may talk to, be friendly with, or otherwise carry on common, innocent, intellectual, or neighborly pursuits together with "suspects". Such a policy has never been formulated and it is unlikely that it will be, except in cases where the Department is clearly embarrassed by an officer's associations. On the other hand, if the association is a circumstantial evidentiary fact offered to prove the ultimate fact of concerted conspiracy between the applicant and suspects, or of the ultimate fact of sympathy of the applicant for the suspect's activities to such extent as to make it likely that the applicant will be an agent or co-conspirator of the suspect, the matter becomes one of proof and the question at issue is whether by fair standards of logic and experience the ultimate fact is proved sufficiently for the purpose at hand.

6. Standards of Purpose or Policy

1. Special Legislative Standards

There are, of course, provisions affecting employment which are laid down by Congress, and which must be met with a degree of proof required by the language of the

language of the

language of the statute or the applicable legal considerations. Of course they overlap the general standards of employment and security which fall in the province of the Secretary under the statutory powers conferred on him to manage his Department (as provided in Title 5 U.S.C. Section 22 and Section 156).

Since to some extent, therefore, the special statutes overlap the Secretary's general powers, it is sufficient to mention that the chief ones among them are:

The Hatch Act
Rule XII of the Civil Service Commission
Rule V of the Civil Service Commission
McCarran Rider, valid during the 1947 fiscal year

Since this survey was completed, the Department wrote a letter to Congressman Jonkman, Republican member of the House Appropriations Committee, in which the standard of "reasonable doubt as to loyalty" was announced. That standard may hereafter also be considered as bearing on future formulations of guides to investigation.

2. "Loyalty"

"Loyalty" is used commonly as a standard of eligibility for employment. In the instructions of OSA to its field agents accompany each request for investigation, a specific direction is given that the

investigator shall

investigator shall ascertain the applicant's "loyalty" to the United States. The meaning of the word is assumed, and no doubt the assumption has the support of general usage. But while standards are necessarily general and must depend for definition on individual reasoned cases under the standards, this particular word has not received that type of definition. An examination of the CEA reports and the CON--Security Committee recommendations indicates that all along the line, beginning with the CEA agents, there is an assumption that "liberal", "leftist", "radical", "Socialist", "Red", and "Communist" are interchangeable terms, all inconsistent with "loyalty". These words are applied by informants without further specification and are accepted by agents who quote them in their reports as indicating disloyalty to the United States.

Vague language may, as has been indicated, for a variety of reasons be desirable or necessary as an ellipsis; but it cannot be permitted to result in the dismissal or disapproval of employees, based on findings of disloyalty to the United States, where the findings are drawn from expressions of opinions and beliefs which would not be held by the courts, or by the public, or by the responsible officials of the government, to be opinions and beliefs inconsistent with loyalty.

Evidence that a person has uttered certain views may suggest leads for further investigation as to his loyalty--but there should be no confusion between the fact of those views and the ultimate fact of disloyalty.

The case presented, therefore, is frequently really not one of loyalty or disloyalty to the United States, but rather, first, whether the Department should employ persons at all who are characterized as "liberal", "radical", and the like, in the crude language of opinion of more or less discriminating informants of CIA investigators; and, secondly, whether the Department is prepared to terminate the employment of persons as security risks on such evidence alone.

For the purpose of filling the content with ease by case definition, it should be noted that the word "loyalty" is unsatisfactory on an objective basis when not specifically dovetailed with the factor of active and powerful bias in favor of another government. Reflection and consideration of American history should demonstrate that persons who seek to change the existing forms of our government, or of existing economic institutions, may still be intensely loyal--on accepted subjective standards--to the government and traditions of the United States; and they are not necessarily the less loyal when their views are not popular and would seem to the majority of persons to be undesirable.

be undesirable:

This consideration is important since even Communists frequently argue that they seek, out of their "loyalty" and love for the United States, to give us a form of government which they consider superior. That these protestations may be sincere is indicated by the not infrequent cases of Communists who have left the Party and abjured the faith because of disillusionment. Any standard, therefore, which does not take account of the liberties of American citizens to hold unpopular views, to discuss these views freely, and by peaceful means to convince others, and which do not by fair interpretation contravene the provisions of law and the Constitution, cannot be applied as an acid test of loyalty to the United States.

Other standards of employment may, however, be violated by the same showing of fact.

5. "Guilt by Association--Overt Acts"

(a) It is commonly contended that persons should be disapproved for employment, or dismissed, because of their "associates". This standard is sometimes referred to as "guilt by association". As has been indicated, there is a difference between association as evidence of an ultimate fact of violation of some other standard and association as itself a standard of guilt.

(b) The memorandum

(b) The memorandum entitled "Criteria Employed by the Security Committee", dated July, 1946, from Mr. Bannerman to me, made a part of this report, shows that association as in itself a ground for a finding of guilt is employed by the Security Officer and the Security Committee. Under the heading of "Subversive Activities" the memorandum lists, in addition to membership in certain parties and responsible positions in Communist-dominated organizations, the commission of so-called "overt acts", and adherence to the Communist Party line, the following:

"Close association with individuals who are members of the above-mentioned organizations or who are sympathetic to the purposes of these organizations."

(1) This standard means, and the cases decided by the Committee show it to mean, that standards of guilt, completely unauthorized by law or by the accepted policy of government or of the Department, may, in fact, be imposed with consequences that appear to be arbitrary, if not tyrannical. The Dorothy Cheney Goodwin case, discussed in this report, is a good example of the application of this standard.

It does not follow, of course, that the Department should not insist that there is a point

at which

at which Departmental officers must be discreet for the prestige of the Department. That point, however, would appear to fall far short of the application suggested in the Committee's standard as exemplified in cases like the Goodwin case.

(2) Under the same heading may be discussed the standard of "overt acts" in the Bannerman memorandum. The language is meaningless. It is presumably derived from the federal law relating to conspiracy and treason, where the distinction is made between a thought or plan and an act committed in execution. Obviously, if this standard is to make any sense, or if it is to be applied with objectivity, it should be reanalyzed and restated. Perhaps it is intended to emphasize serious or determined activity or affiliations as against passive or minor activity or affiliations---a fancy thought.

4. Overthrow of the Government by Violence

This standard is usually applied to Anarchists and Communists, and sometimes to Nazis and Fascists. It is the Hatch Act standard. In the Schneiderman case, the Supreme Court indicated that members of the Communist Party who are seeking to accomplish their aims by the use of Constitutional means, such as the ballot, cannot perhaps be deemed to be seeking to

overthrow the

overthrew the government by violence. It is, of course, true that the Marxists, and the Communists, would probably overthrow the government by violence if they thought they would be successful. In view, however, of the Supreme Court's opinion, this standard may be too vague for the usual case; for the Communist Party is, in most states, a legal political party, seeking to accomplish at least some of its aims by Constitutional means. The Civil Service Commission, of course, has ruled that the provisions of the Hatch Act, which do not mention any party by name, are to be interpreted as applying to the Communist, Nazi, and Fascist parties. But the courts have not yet squarely passed on the validity of this interpretation; there may be considerable doubt whether the interpretation would be sustained.

5. Danger of Penetration by Foreign Governments

(a) A clearer standard of purpose would seem to be this: The Department should not employ any person who is acting under instructions of any foreign government, directly or indirectly, either for the purpose of obtaining Departmental information and transmitting it, or for the purpose of influencing the policy of the Department in favor of the foreign government. It is also improper to employ a person who, while not an agent acting under instructions, is so overpoweringly sympathetic to a foreign govern-

ment or biased in its favor as to make it clearly likely that he will be moved by the strength of his conviction voluntarily to divulge information, or will seek, in spite of his oath of office and the terms of his employment, to influence Departmental policy in the foreign government's favor. Such a person would consider his loyalty to the Department and to the United States to be either less binding than his sympathy for the other government, or at best he would consider the two synonymous.

The foregoing standard should, of course, apply with respect to all foreign governments, friendly and unfriendly. In practice, however, the problem is most acute with respect to Soviet penetration.

It should be emphasized, also, that this, too, is a standard of purpose or policy--not a standard of proof.

(b) The Communist Party in the United States, as in other countries, is an instrument of Soviet policy. It appeals to the ideals of people and makes of them more or less fanatic devotees of a mystical cause, usually for no personal or mercenary gain, and it appeals to the more educated and intelligent classes from whom the government is more likely to recruit its personnel. Members or conscious sympathizers of the Communist Party, therefore, probably provide

a likely source for both recruitment of actual agents and infiltration of volunteer propagandists within the Department.

(c) Agents being persons acting under instructions and presumably reporting back to their principals, then can be detected if sufficient manpower and ingenuity are available. It must therefore be only the inadequacy of the Department's security personnel and of the FBI or legal obstacles to surveillance that account for our failure to discover such agents, to dismiss them, to bring them to trial and to convict them, where crimes have been committed. If they are not subject to trial and conviction, the failure must be, in part, ascribed to the lack of adequate information.

(d) However, where we are not dealing with actual agents but with only persons likely to be used, the standard should be one of reasonable danger, for we are dealing here with the opinion and belief of a citizen. The standard of civil liberties based on "clear present danger" is too risky for State Department employment and would be repudiated by Congress. As a standard for discharge, however, the "clear present danger" concept is a more apt one for use.

The standard of "reasonable doubt as to loyalty",

which must be

which must be resolved in favor of the Government (set out in the Department's letter to Congressman Joukman) is substantially the same as this.

D. Standards of Proof

1. Principles

(a) The necessity to distinguish between standards of policy or purpose, and the standards of proof, has been emphasized. As has been noted, there appears to be a running confusion throughout between the primary standards of purpose or policy and the auxiliary standards of proof necessary to satisfy the primary standards. What is sufficient proof is determined by many factors, chief of which are the purposes at hand. The distinction between the standards of "proof beyond a reasonable doubt" and "proof by preponderance of the evidence" is well known; there are others. The survey has shown that however disguised, the chief, and frequently unconscious and unarticulated factor explaining the failure to comply with simple accepted rules of sufficiency of evidence, is the factor of administrative necessity.

(b) It is true, of course, that the ideological convictions of a person may be hard to prove, especially where he has reason to conceal it. It is also true that investigating the hypothesis of agency

For a foreign principal is something which the ordinary CIA Investigator finds unnecessary, probably because it appears impossible for him to prove. The CIA Investigators do not even interview the applicant in respect to such a hypothesis, and so have no opportunity to match their wits against his, if they were otherwise capable of doing so, on the issue of such concealed convictions or connections. The Investigators, therefore, report only such routine items as the appearance of the applicant, whether his name is on any of the lists collected by the Dies' Committee and the casual and frequently uninformed opinion in this field of a supervisor in former or present employment. In all these cases, the evidence adduced usually suggests merely hypothesis which is subject to proof or disproof by additional investigation.

The reviewers, like the investigators, tend to step with the hypothesis and to determine on the basis of the strength of the inference whether approval or disapproval should be advised.

(c) This is an unsatisfactory situation. CON and the Security Committee have tended in cases to assume an inference of Communist Party membership, or its equivalent, from facts which are clearly sub-

ject in experience

ject in experience to an equal or stronger inference of innocence; and on the other hand, true foreign secret agents, who would naturally avoid opinion and never associate with organizations under fire, might succeed in penetration of the Department in consequence of the diversion created by the application of this test alone.

Whether the evidence is merely consistent with a lively interest in public problems, or fairly demonstrates actual bias or conspiratorial activity, is thus a question of proof. If the hypothesis suggested by the ambiguous evidence is one of actual agency on behalf of a foreign government, the hypothesis should--I repeat--by its nature be capable of proof if sufficient investigative effort is applied; of course the detection problem is difficult but it is not insoluble. Whether it is administratively feasible to obtain such proof is a separate subject.

Moreover, it is obvious that the standard of proof must be higher where the employee has a status--of present employment or of right to re-employment--than where he is merely an applicant. There may, too, be powerful considerations of personnel policy which call for a greater investment of investigative effort and competence in certain types of applicants than others.

R. Administrative Concentration of Effort

(a) As has been indicated, there appears to be a tendency, more or less conscious, to apply the same standard of proof to CAF-1 as to P-8, where items of ideology, support of "front" organizations, and the like are involved. Experience, however, would seem to indicate that this proposition is deserving of considerable further examination. In many cases, the problem would seem to be more fairly described as essentially one of personnel policy rather than of departmental security.

(b) The lack of sufficient personnel, equipment and time to give to each mysterious factual problem, and the effort needed for its solution, calls for a practical distinction between types of cases and, therefore, between standards of proof. It may very well be desirable, therefore, in order to achieve a maximum concentration of effort on the more important cases, to reject out of hand applicants in certain categories on whom the record contains important unsolved issues of fact bearing on security. These will be cases, in the main, of new applicants for employment for positions that can be easily filled by other applicants of equal ability and merit without raising important questions of public policy; messengers, guards, and clerical help certainly would fall in this class.

(c) The importance of

(c) The importance of conservation of effort lies in the advantages of making cases that will stick. The example, for instance, of an agent actually discovered in the Department, or of an attempt to infiltrate in a critical position, would be most salutary. Above all, such an approach with other factors would permit us to avoid diversions and other entrapments for the dissipation of energy which would result in discrediting the investigative services and the Department itself, and permit both quiet infiltration during the tumult, or easier infiltration after the humiliation.

(d) The decision with respect to concentration must also be determined, in large part, by the personnel needs in the Department. Foreign Service officers and professional experts should, because of the interest of the Department in obtaining the best people, be subjected to the most thorough investigation and, therefore, to the higher standards of proof. It is not permissible, from a Department policy standpoint, to reduce the Department to the employment of insipid, colorless persons without intellectual curiosity or idealism, merely because it is administratively difficult to make the investigation necessary to affirm or rebut hypotheses suggested by ambiguous evidence, such as membership

in the Washington

win the Washington Book Shop or signature to some petition, or social friendship with a suspect person.

3. Guilt by Association--Standard of Proof

(a) There can be no doubt that there is truth in the maxim that a man is known by the company he keeps. On the other hand, there can also be no doubt, on reflection, that the standard here must be not mere acquaintance or casual friendship with persons under suspicion, or even frequent association alone. It must be so close and intimate a relationship as logically to compel the conclusion that the two are engaged in the same conspiracy, or share the same loyalty, which is the ultimate fact to be proved. So broad a standard must, of course, be tested by the individual case, but it is important that the standard be clarified for the benefit of the investigator and of the reviewer in COX and the Security Committee.

(b) The same, of course, is true of membership in "front" organizations which from their very purpose are designed to attract innocents in large numbers. Innocents, in these cases, are not unintelligent people. They are merely people of good faith and good will, manipulated in concededly clever and subtle ways by professional persons.

persons. To say that the Department should not employ such persons raises a serious question of personnel policy; but to use such membership as a starting point for further investigation, or to treat the matter as one of administrative necessity to concentrate investigative effort on limited cases, (as, for example, cases of discharge, or applicants to positions of relatively higher work or in terms of other specialized personnel needs of the Department) is a different story.

4. Future Importance of Standards of Proof

Considerations which govern the standards of proof tend to become clear as the present emergency, caused by a sudden influx of large numbers of employees and by the pressure of Congressional criticism, subsides. At that stage the real and very difficult problem will be the continued attempts to penetrate the Department precisely by persons who do not belong to "front" organizations, whose records on the basis of the kind of routine, ministerial investigations conducted by CSA in police records, Dies' Committee files, mailing lists, and neighborhood checks, will be clear.

For the purposes of such investigations, the standards of proof in the security interests of the Department must be different and in many respects

will probably permit

will probably permit rejection of applicants, or even discharge of present employees, on suspicion of an entirely different character. Therefore, the security officers of the Department must bear the distinction between true foreign agents and mere "joiners" carefully in mind, and formulate a thoroughly considered and carefully planned program of investigation calculated to deal with this greater and more difficult future problem. The present standards of investigation are calculated to deal only with routine requirements of the normal personnel policy of the government, or the special interests of the Department in such items as education and personality. That the present investigative service of the Department is not adequate, as now organized, to deal with this future problem appears evident.

B. Relations to FBI and Other Agencies

1. Department's Ability to Handle the Investigative Problem

(a) The personnel aspects of security in the Department are, particularly from the long run point of view, beyond the present capacities of the Department's investigative personnel to control. Professional and systematic attempts to penetrate the Department by planting agents of foreign intelligence organizations

gence organizations in the Department cannot be discovered by the current type of CIA investigation or by the CIA investigators, except fortuitously. The investigation is almost entirely circumscribed by the applicant's answers to the Form 57, and by collateral information about the applicant in files of agencies which do not have the Department's security needs as their purpose. Since the Department cannot rely on its own investigators to disclose the critical information in this field, thought must be given either to the utilization of other agencies, or to the expansion of the Department's own facilities, to a degree beyond their present scope.

(b) The problem of personnel is in essence coterminous with the problems of counter-intelligence investigations. To an extent, of course, it is broader in the respect that the Department must also be protected against infiltration by private domestic interests who would like to place trusted personnel in the Department to influence policies or obtain useful information. But, on the whole, our problem is to know the intelligence organizations and personnel of other governments operating in this country. With that information at hand, we

should be better

should be better able to recognize which present employees and which applicants are likely to be used by these foreign systems, and what directions our investigations should take.

It is obviously not enough to attempt an investigation of each individual name of employee or applicant. The very selection of items to be verified or investigated with respect to any person presupposes a fund of information and experience which provides touchstones whereby significant items are distinguished from insignificant items. Therefore, the investigation must be informed as well as intelligent and ingenious.

(c) In a sense, the present situation is somewhat ludicrous. It is one in which we are feverishly organizing elaborate precautionary security measures without ever knowing where the menace which we fear is coming from, what form it will take, what its dimensions will be. This sort of defense is blind, confused and expensive and, therefore, probably only partially effective. We must know how to concentrate our limited investigative facilities in the most profitable way to avoid diverse and unproductive tangential investments of personnel and time, and to conserve our strength and Congressional appropriations in a manner

printions in a manner to produce tangible results.

(4) In the final analysis, therefore, the acid test of the investigative facilities used by us-- and that means, primarily, by the FBI--must be the discovery of actual penetration by foreign agents, as demonstrated by sound evidence with the effect of seriously damaging as well as exposing the intelligence system of each important foreign power operating in this country, and doing so in such a way as to identify the agents of that system. Such evidence FBI has not yet produced.

Per contra, every employee dismissed or rejected as an agent or a probable agent, should become the subject of intensive counter-intelligence investigation, so that our action may be meaningful and just.

2. Nature of FBI's Cooperation

(a) Since the Department is dependent almost entirely at the present time on the quality of the product and the extent of cooperation of FBI, both for professional investigation of individual cases of employee for applicants and for general information of counter-intelligence character, it is important to note limitations on the type of work FBI does for the Department.

FBI acts for

(1) FBI acts for us by way of accommodation; it cannot afford to be meticulous in its work in view of the wholesale demands made upon it for similar accommodation--by Congressmen, and by other departments and agencies of the Government.

(2) FBI establishes its own priorities of investigation, therefore. And it transmits to us only such information as, in the opinion of FBI officials, may be properly known to us.

(3) The information obtained from FBI is not necessarily evaluated or subjected by FBI to those standards of proof to which FBI is compelled to subject information which it collects for use of the Attorney General or in the courts.

(4) What we are asking FBI is not incapable of proof; whether a man is a member of the Communist Party is not unprovable, especially since FBI has penetrated or can penetrate the Party, for example. It follows, therefore, that the failure of FBI to provide proof which will stand up is simply the evidence of FBI's own administrative limitations with respect to the work it does for the accommodation of agencies whom it has no statutory duty to serve.

(5) Where FBI investigations serve our needs at all, it is

all, it is still a fact that the investigators are not subject to our direction and control and we have no means of evaluating the sources.

(b) We are therefore faced with the alternative of strengthening our own investigative services, or utilizing more and more the services of other agencies. Since other agencies of the Government having their own investigative services--the Civil Service Commission, the Treasury Department, the Post Office Department, for example--are faced with the same problem even though to a lesser extent, it might be desirable to explore the possibilities of cooperative effort in co-ordination with FBI.

It is imperative, and will become more imperative after the present personnel emergency passes, therefore, that there be the most thorough co-ordination of the Government's intelligence and counter-intelligence investigations, here and abroad, in order to provide the information and guidance needed for the direction of the Department's foreign policy as well as the Department's personnel policies and investigations. This will require us to come to an understanding with Mr. Hoover and the Attorney General, and with the

Director of CIA.

Director of CIG.

(c) It is noted that the FBI Appropriations Act has for some time carried the provision that the FBI money is to be used for investigations on behalf of the Attorney General and the Secretary of State. It is true that there may be practical difficulties in effecting closer direction by the Department over the investigative work of FBI, irrespective of the language of the Appropriations Act.

The accommodation character of FBI's service to the Department is not tolerable. FBI must perform as a direct service of obligation to the Department, or the Department cannot be said to be fulfilling squarely or honestly its duties of fact-finding and decision. In that case, the Department should explore possibilities of a closer working arrangement with CIG, with which it is an equal partner by the terms of the CIG charter.

(d) The use of CIG to the extent possible should, of course, continue in any event; as should the use of other agencies able to assist the Department without interfering with each other, or with the FBI. As has been noted, it is most likely that co-ordinated effort in a common cause by several investigating agencies will be more productive than exclusive

monopoly in any

monopoly in any single agency without a concomitant statutory obligation to perform for all.

F. Reorganization of the Present Departmental Facilities

1. Appraisal of CSA Situation

(a) The conclusion with respect to the role which CSA plays is that it is almost entirely ministerial, or one of police investigator, while the functions exercised by COH are in comparison those of reviewers. In a certain sense this is a usurpation of function by COH for which there is only the justification of practice. It is doubtful, on the other hand, that CSA could perform with its present staff any operations other than ministerial ones. To a considerable extent, this is undoubtedly the result of the lack of clear directives and standards for the agents in the field, and for their superiors in Washington. The only standards the agents have are those of the mimeographed instruction forms sent by DF and FF and OFS.

(b) There is no doubt that the CSA personnel is not schooled or trained adequately for the proposed type of activity, or for its present functions beyond the familiar type of routine check. Examination of personnel files indicates that, by and large, the agents should provide good raw material for further training. On the other hand, it may

appear more

appear more desirable to recruit, select, and train specialists in ideology and other difficult work in this field, leaving to the other agents the routine activities of CIA and the routine checks of ordinary personnel not likely to involve any infiltration into the Department. This is a subject that should be taken up further. The extent of the use of such specialized personnel must depend to some degree on the progress of negotiations with FBI and other investigating agencies.

(c) Reconsideration must therefore be given to improvements of CIA within its present organizational setup. Thought should be immediately given to forms of instructions, expanded scope of investigation, schooling and retraining, redistribution of load, reorganization of review and other administrative improvements which would contribute greatly to enabling the Department to meet the duties of investigation which lie before it with its present investigative personnel.

2. Appraisal of CON

(a) There is at present no valid distinction between CON and the Security Committee. Except for a representative of DP, the Security Committee is

virtually a CON

tightly a CON activity. The Security Officer should affirmatively act on all cases. This, the Security Officer does not now do. The Committee, therefore, is called upon to act as a sieve between CSA and DP.

(b) It has been noted that the quality of the reports submitted by CON--and the Security Committee--will stand considerable improvement as to weight of evidence, evaluation and critical treatment of sources, and the like. This is a responsibility which CON should not pass on to the Security Committee since, after all, it is CON which is the Secretariat of the Committee and which provides the membership which alone is capable of supervising the report writing.

(c) The staff of CON working on security matters should be considerably reorganized and trained in personnel policies, in standards of security, and in background information from sources in addition to FBI. CON should undertake to treat FBI reports critically, to request reinvestigations, to evaluate sources, and so far as possible, to take such action as it would take with regard to CSA reports.

To some extent, of course, a critical approach

can be

can be attained by the device of frequent review of COH by higher authority; but such review is bound to be ineffective where there is a fundamental unresolved and tenaciously-held difference in view on such fundamental issues as tolerance for certain unpopular views whose relation to security from penetration by foreign governments, as a matter of Departmental policy is disputed.

The review authorities in COH, however, must act with finality in their recommendations. The review over them will be provided by experience, in the hands of Departmental superiors, by subsequent indictments or other disclosure of the presence of foreign intelligence agents in the Department, and by the interception of reports of intelligence services which seek to penetrate the Department. The distinction in responsibility between COH and any Committee should be clearly marked.

5. The Security Committee

(a) It has already been indicated that the Security Committee is not judicial in character. It is essentially a Committee of the investigating agency, that is, COH. Its methods are not those of a judicial body; there are no hearings in doubtful cases, the records are not read in advance, there is no presentation of two sides of the case; the members are not required to exercise individual decision

decision as reflected in recorded votes or written opinions, etc.

It is said, of course, that a number of the Committee members are lawyers. That may be true; but the fact is, first, that they are not practicing lawyers, and secondly, that they do not act as lawyers. More important, however, is the fact they do not act as judges, and that most of them also act as investigators and prosecutors in the same cases in which they sit as judges.

(b) While hearings--that is to say, an opportunity for the person under investigation to adduce evidence in his own possession which may rebut derogatory inferences, or to explain away elements of doubt--need not be given as a matter of right, there are certain cases where the record cries for that type of additional information. The Committee does not ask for it. Whether it should be asked for may be in part governed by administrative convenience, but the absence of a procedure of such explanation is a reflection in my opinion in individual cases on the whole procedure from GSA through the Committee.

III Case

III.

San Francisco

A. Introductory.

1. In order to obtain a clear idea of actual operations, examination was made of certain closed cases. GSA was requested to submit all the files of closed cases in a recent period; this was done in order to exclude any suggestion of selectivity. I selected the period June to July 1946, which netted about 136 closed cases, i.e. closed in GSA.

In this batch, it appears that approximately five cases were sent in on yellow paper, indicating elements of questionability other than security or loyalty. These were read and rejected for the purpose of the present inquiry. Cases of derogatory nature bearing on security (always typed on green paper, indicating that the file had been received from, or was being directed to the attention of, COB) were then examined; these turned out to be approximately twenty in number and of these twenty, three were selected for further consideration. A number of green papers are included in this batch of twenty only because the investigation had been started by COB—they did not necessarily involve derogatory security information.

The chief basis of selection of the three cases was the availability in Washington of special agents of GSA

the

who had actually worked on the case. It will be noted that the other cases of disapproval falling in this category of security risks were, thus, few in number.

2. It may be remarked, with respect to those that were on green cover sheets and involved affirmative elements described as derogatory, the cases in brief were as follows:

(a) One applicant was reported to have been a member of the American Civil Liberties Union in California and was so noted on the Dies Committee record. An informant said, "He was too smart" though not a "Red"; an anonymous informant said that he was responsible for participating in a Communist Party "Whispering Campaign" (nowhere explained), and that it was "rumored" that Communists lived in the house in which he lived.

(b) In another case, a former editor of *American* was finally approved on the basis of general character study without any investigation of the applicant's knowledge of the internal policies and management of *American*.

(c) Another applicant, being transferred from OIC, was reported to GCH as a risk because her reference, a former teacher in a local university, said she seemed reserved with respect to her

loyalty;

loyalty; the teacher in question, however, had--I note--in other reports of CIA and GCH been described as herself close to the Communist line and the very reference to her had in three cases apparently been considered to reflect against the applicant. CIA, however, made no further investigation. It appeared further that the applicant had received a Communist line newspaper, "La Esfera", and had once violated instructions not to announce over the air certain script having to do with the contribution of women Communists in the Spanish Loyalist cause.

(d) Another case involving a transferee of CIAA, FBI at first reported that the applicant was a member of a club known as the Sacco-Vanzetti Club, but then reported that he had merely received an invitation to attend a meeting of the club and that there was no evidence that he had responded. The file is mystifying but apparently no further investigation was ever made.

3. Mr. Bannerman was requested to produce all disapprovals by the Security Committee within the period May 29, 1946, to July 2, 1946. These turned out to be fifteen in number. From this group three cases were selected on the basis of availability of CIA agents in Washington; one of the three cases had already been selected by me from the CIA group.

The five

The five cases thus selected were those of the following persons:

, and

It should be noted that on the basis of this selection, no consideration was given of the mooted cases of present employees whose expulsion from the Department has been demanded by some Congressmen.

4. It may be noted in passing that the derogatory ideas emphasized in the remaining cases reported by the Security Committee were these:

An applicant for Foreign Service Board, found to be a heavy drinker, disapproved as a security risk.

An applicant for Foreign Service (presumably clerical), described by informants as overdressing, and said to have made false statements (not bearing on security) in his Form 27, disapproved.

An applicant for a clerical position in FP, said by an employer not to be stable, determined to be a security risk.

A transferee from DIC disapproved because his second cousin had worked for the Japanese in Japan and informants had said he was indiscreet and not trustworthy.

An applicant for Foreign Service disapproved because, as a college student, at college he had been "close to" a group of persons accused by a New York State Legislative Committee as having been Communist and because he had signed a petition against Lend-Lease which had appeared in the

Daily

Daily Worker; yet the file shows that the professors who gave these derogatory statements had concluded that the applicant should be favorably recommended for Foreign Service appointment.

An applicant for Foreign Service disapproved because his father was alleged to have been affiliated with the American Labor Party in New York, and because he was found to have associated with Communists, and possibly been a Communist Party member, some years before; no investigation was made of the intervening period. It is noted that a vaguely unfavorable comment by a former professor was reported, although information in the Department (not contained in the file) will not believe—indicate that the professor in question has himself been adversely reported upon by Government agencies as close to the Nazi Government.

An OIC transferee was disapproved as a security risk because he was homosexual.

A transferee from OSS on temporary appointment was disapproved because of evidence that a person of a similar last name who might be a relative had been mentioned in a notebook of an alleged Communist picked up in Europe by a foreign police officer, and because as a college student he had taken active part in Communist front organization work. No investigation was made of his subsequent conduct, or of the reliability or substance of the foreign police information.

A woman

A woman transferee from FKA to the Department disapproved as having lied on her Form 57; the lie, which was allegedly repeated by her, turned out to be entirely concerned with her attempts to explain an illegitimate child--no reason was given why this was a security matter.

A stenographer had been continuously tardy while employed in the Navy Department; the file indicates that the stenographer may have had malaria but no indication was given why this was given as a security case.

B.

The applicant sought a position as Foreign Service clerk. Though an FP case, the investigation and treatment accorded this case appear to be the same in substance as in any SP case. The file of CIA shows that on May 8, 1946, a formal request was made to Mr. Fitch by FP on the usual mimeographed form, which read as follows:

"Dear Mr. Fitch:

"Will you kindly investigate who seeks appointment to a clerical position in the Foreign Service on the following points:

| | |
|-----------|-------------------------------|
| Character | Experience |
| Honesty | Efficiency |
| Loyalty | Health and physical condition |
| Education | Marital Status |
| Culture | |
| Address | |

(At this point there was typewritten: "Birth certificates and discharge papers have been requested. Please have applicant personally interviewed.")

"Yours

"Your investigator might be advised that these positions require persons of the highest standard of ability, steady in their habits, of good appearance and health, and who are ~~un-American and disloyal~~.

"On account of the limited number of vacancies in the Service, only applicants with the highest qualifications can be selected, and it is hoped that your agents will be careful not to recommend anyone who does not possess representative American characteristics and ability to an unusual degree."

While the file does not contain the original application form, it appears that instructions were sent for personal interview to Philadelphia, in which the applicant resided, and for investigations in Atlanta, Georgia, and Pittsburgh, Pennsylvania. In addition, there were the usual checks in Washington of the Dies' Committee files and police and credit records. The Washington investigator found no derogatory information in Washington except a Dies' Committee record. A communication to Mr. J. V. Hewitt, then Special Agent in Philadelphia, and now Special Agent in charge in Washington, said that the Dies' Committee file showed that a person named

of Philadelphia, Pennsylvania, had signed a Communist Party election petition for the State of Pennsylvania for 1940; and that another person,

of the same address, had signed similar petitions in 1940 and 1941. Mr. Hewitt was asked to ascertain the relationship of to , and to "investigate subject's un-American activities." Philadelphia had already been requested, in making the CSA investigation, to check with the

American

and _____ for whom the applicant had worked, and the latter of whom the applicant apparently gave as a reference.

The Philadelphia CSA report by Special Agent dated May 21, 1948, is the source of the derogatory information which ultimately led to the recommendation of the Security Committee that _____ be denied employment. While Agent _____ was not available in this survey, Mr. Henselt informed me that he knew about the case from conversation with _____

He said that the Philadelphia office had three Special Agents who worked substantially independently; that is to say, Mr. Henselt, as Agent in Charge, would distribute the incoming cases, including himself as a distributee, and the completed agents' reports would be sent in to Washington without review by him. His practice may have been changed very recently, he said, so as to call for a certain amount of review by the Agent in Charge. From _____ report and Henselt's comments, it is, therefore, possible to reconstruct what happened:

_____ interviewed the Red Cross and presumably, Weeman was a misspelling--and found nothing derogatory. With respect to the Dies' Committee disclosure, the report reads: "The following information was ascertained:

'Subject was born in Philadelphia, Pennsylvania,

Then follow, within the quotation, two pages of quoted material concerning the _____ family, giving the history

of

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C

of her sister the father, and the mother.

The paragraph, still within the quotation, which contains the derogatory information reads as follows:

"Subject, [redacted] apparently is a member of the Communist Party. She is a signer of the 1940 Communist Nominating Petition in Philadelphia, Pennsylvania. From an informant in the neighborhood it was learned during the latter part of 1941 and in the first few months of 1942, she and her sister [redacted] held many Communist meetings at their home. The people who attended these meetings are white and colored. From a confidential source it was learned during 1941 and the first few months of 1942, both [redacted] and [redacted] had contact with the Communist Party Headquarters, 250 S. Broad Street, Philadelphia, Pennsylvania. The nature of their contact with Communist Headquarters was relative to the work the Party was doing at that time. Both [redacted] and [redacted] are readers of the Communist Papers "Daily and Sunday Worker." [redacted] is also a signer of the 1940 and 1941 Communist Nominating Petitions in Philadelphia, Pennsylvania. [redacted] also has contact with [redacted] who is employed at Communist Headquarters, and a known Communist."

The last paragraph within the quotation in [redacted] report has the following statement:

"Neighborhood of subject's [redacted] is Jewish and a hot bed of Communism. [redacted] is classified as a Red Hot Communist."

Agent [redacted] concluded his report with the following statement not in quotation marks:

"During the investigation, it was ascertained that subject's family are not known to be interested in Communism; however, Ida and Mary Wallack are considered out-and-out Communists. Selma Weiss, who is a friend of the family and also employed by Communist Headquarters in Philadelphia, is known for her Communist leanings."

It appears

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It appears that _____ was not then in Philadelphia and that her mother was unwilling to give her address. Other information, however, indicated that she was in San Francisco, where she was subsequently interviewed.

It may be noted that Agent _____ did not disclose where he had obtained the quoted statement nor whether he had made any effort to check the authenticity of the allegations, or the source of the information of the anonymous author. It did not appear, further, whether his own conclusion was based on investigation of his own, or was simply a summarization of the material quoted by him. Mr. Roselt, in the interview with me, said that all that happened here was that Agent _____ went either to a Dies Committee office or to the Pennsylvania State Police, discovered the statement in question, and copied it, and made no other investigation whatever. Mr. Roselt conceded that names on Communist Party petitions might be unauthorized and that, in this connection, _____ could have signed _____ name, and that obviously no investigation had been made by Agent _____ with respect to this possibility. He also conceded that since _____ and _____ had lived in the same house, the author of the quoted derogatory report might simply have meant that Mary Wallack had meetings with Communist Party sympathizers in the family home, in which _____ was not necessarily associated.

The file shows that investigations were made pursuant to Mr. Pitch's request, in Pittsburgh, Pennsylvania, where a

Mr. Gaff

recalled she had supervised _____ in the WACS. _____ said that _____ was loyal, etc. and he did not hesitate to recommend her. In Atlanta, Georgia, another employer, a _____ made a similar statement.

On June 4, 1946, the Agent in San Francisco wrote a report of a personal investigation. The investigation disclosed that _____ was working for the Royal Indemnity Company where her supervisor gave her a very favorable recommendation for efficiency and loyalty, etc.

A personal interview in the Special Agent's office on June 2, is summarized in a report which commented on the applicant's national origin, in these words:

"It is believed that her origin would be obvious to those whom she might be called upon to meet, and she does not give any the usual impression of the normal free and single American girl."

With respect to the Communist issue, the report said that the agent gave _____ "not the slightest idea that we had such information concerning her." The report said:

"Therefore, she was only asked if she or any member of her family had ever belonged to any political organization. She flatly denied that she or anyone in her family has now or has had the slightest interest or connection in any movement of this type."

It will be seen that the personal interview report does not necessarily indicate that the Special Agent went into the Communist question at all, beyond asking the general question whether she or any member of her family belonged

belonged to any political organization. No attempt was made, therefore, to obtain any information with respect to items charged to _____ or to ascertain the extent to which _____ was involved or to confront _____ with the Communist Party petition matter.

The file shows, finally, that FBI reported on June 13, 1946, presumably summarizing information in the FBI file, indicating that _____ was a signer of the 1940 non-signing petition, that her sister, _____ was an active worker of the Communist Party, that information was received at the Bureau that suspected Communist Party meetings were held at the home of _____ and _____ but that in view of the fact that _____ was a WAO, the FBI "closed its investigation." Thus it does not appear that any independent investigation was ever made by FBI of _____

In submitting this file to FP, "through COB", on June 26, 1946, Mr. Fitch reached the conclusion "that the applicant does not merit favorable consideration for employment in the Department of State." In support of this conclusion, CIA (apparently in the person of _____, the review officer) paraphrased that portion of the report obtained by Agent _____ quoted above. He said:

"Conclusion:"

"Investigation discloses evidence of a material nature tending to affect adversely the applicant's loyalty to the Government of the United States and

its

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its institutions. It reveals that the applicant has been definitely associated with Communist activities, and apparently is a member of the Communist Party. The records disclose that she is a signer of the 1940 Communist Nominating Petition in Philadelphia, and information elicited through a neighborhood investigation establishes the fact that both the applicant and her sister, held Communist meetings at their home during the latter part of 1941 and first few months of 1942. These meetings were attended by both white and colored people. From a reliable source, it was learned that during this same period both and had contact with the Communist Party Headquarters, 280 S. Broad Street, Philadelphia, relative to the work the party was doing at the time. Both are readers of the Communist papers "Daily and Sunday Worker." Further investigation reveals that the applicant's sister, who was married to one on October 23, is also a signer on the 1940 and 1941 Communist Nominating Petitions in Philadelphia, and that she has contact with who is employed at Communist Headquarters, and a known Communist."

I discussed this case with Mr. Hoffman, Secretary to the Security Committee, whose initials appear on the pink action sheet of COH, disapproving the applicant on account of derogatory information. Mr. Hoffman stated that, according to his best recollection, someone in COH had read the report of CSA and requested Hoffman to pass the case on to the Committee. The Committee, in accordance with its usual practice, had not seen the file and had come to the conclusion on the basis of Hoffman's oral statement of the facts that the applicant should be disapproved. In accordance with this disapproval, he wrote as the reasons for the disapproval the following on the pink transmittal sheet under the heading, "Remarks":

"The subject is regarded as a strong security risk as the CIA investigation disclosed that she has

definitely

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definitely been associated with Communist activities, and may well be a member of that Party. She signed a Communist Party nominating petition in 1940, and the subject and her sister held Communist meetings in their home during the latter part of 1941 and the first part of 1942. It is also indicated that the subject was in association with one [redacted] a known Communist, who is employed at Communist headquarters in Philadelphia.

"The investigative file is attached."

I pointed out to Mr. Hoffman that apart from the alleged appearance of [redacted] name on the Communist Party petition, which had not been independently checked, all the information of derogatory character concerning her might actually apply only to her sister, [redacted] and I pointed out further that it did not appear from the CIA report that any independent investigation had been made by the CIA agent. Mr. Hoffman said that he did not know this, nor did he know what the source of the CIA agent's statement was, nor how far what was said by the CIA agent represented conclusions and inferences of the agent or of his anonymous source rather than facts. He said he knew that the FBI was not investigating

6.

This person's case came up on an application for transfer to the permanent rolls of the Department from the Research and Analysis Group of OSS, which had been brought into the Department. [redacted] had served with OSS, had been investigated by OSS and the Civil Service Commission, and [redacted] after

after a hearing by the Civil Service Commission, had been certified as eligible.

It appears from the file that CON initiated the present investigation; it requested CSA on February 6, 1946, to check the Civil Service Commission's files on [redacted], and particularly to make a check with regard to information found in the files of the Un-American Activities Committee that a person of that name had been dismissed from the National Youth Administration. On April 8, 1946, CSA Special Agent [redacted]

[redacted] (now one of the review officers in CSA) wrote his report which was the parts transmitted to CON.

[redacted] stated, when interviewed by me, that he had fully complied with his instructions, and that he had visited the Civil Service Commission and checked the information in the file. He had made no independent check of any of the so-called derogatory information contained in the file. [redacted] stated that he

know that the Civil Service Commission, after the hearing, had rated the employee as eligible, but apparently this was considered irrelevant to the inquiry and was not adverted to in Mr. McCoy's report. [redacted] explained that at the time

he and other agents worked fifty or sixty hours a month, being pressed by the Department's drive for preliminary screening; he said that the assumption was that the preliminary report was checked by the Department. In any event, a further investigation would be made.

Mr. Hoffman,

Mr. Hoffman, who wrote the CON and Security Committee statement, was also interviewed. He said that after the original Security Screening Committee (which preceded the present committee) had disapproved [redacted] on the basis of the CIA report, [redacted], the Administrative Officer for SA-L, communicated an unsigned memorandum on behalf of [redacted] vouching for [redacted] loyalty, and followed this with two memoranda from [redacted] supervisors who took the same view. The case was again presented to the Security Committee and the Security Committee ruled in favor of disapproval without any additional investigation. Mr. Hoffman explained that no re-investigation was deemed necessary in this case since, from 1943 when the last Civil Service Commission investigation was made to the present time, [redacted] had been in OSS and the documents transmitted to [redacted] would be considered equivalent to a statement of findings by an investigator during that period. Mr. Hoffman emphasized, as does his transmittal memorandum of June 27, 1946, that in the Committee's view, the case against [redacted] is based on the fact that the CIA digest of the Civil Service record disclosed that ten references given by him "were listed in the subversive files of a government agency and a number of these have been prominently identified with Communist front activities."

The CIA file is confused. It shows that the first five references, presumably given on the Form 57, were the following

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following persons:

and

It appears also that at the time of a personal interview by a Civil Service investigator, submitted five letters of reference; it is not indicated whether the letters were solicited by the investigator or whether any limitations were placed on the relationship of the references to the persons who wrote these letters were

and

With respect to these individuals, the Civil Service investigator seems to have said: "All were individually listed in a government agency subversive reference file."

No independent check was made by COH or the Committee with respect to the allegations against the references.

It also appears that no consideration was given by COH or the Security Committee to the fact that at least the first five references were apparently required, by clear language on the face of Form 57 in effect at that time, to have been supervisors of the applicant in prior employment. Since the applicant had been an employee of NYA (the file showed that his termination at NYA was the result of some internal dispute with no clear relation to any Communist issue), the University of California, and a School of Social Studies (which has figured in other investigations of CSA and whose faculty

faculty and students have not been declared ineligible for that reason), there is considerable question whether the adverse recommendation on these grounds would be justified.

It further appears in the file that there was considerable dispute whether references characterized as Communists were actually Communists. Thus,

who was described in Mr. Hoffman's memorandum as a person who "has a long record of affiliation with Communist front organizations and has been reported as a Communist," and with respect to whom it is said that "he was named as a propagandist leader for the Communist Party and previously had been reported as a member of the Communist Party Speakers' Bureau," should have been known to OCU as a former

and former Dean of the Experimental College of the _____, and of other affiliations which would raise considerable doubt that anyone who was associated with him in any teaching enterprise was necessarily guilty of associating with a known Communist. Moreover, Mr. Hoffman's report states that _____ has been affiliated "with the following front groups or organizations," including the League for Industrial Democracy of which he is described as having been Vice President during 1936. It is notorious, however, that the League for Industrial Democracy is not a Communist "front" organization but a Socialist organization in which _____ and other

anti-

anti-Communist Socialists have been active.

With respect to a reference named the report relies on a Civil Service agent's interview with the of the University of California. That person is reported to have said: "Anybody in any way connected with I would say you have a Red case on your hands." Apparently the word "Red" as used by this is taken by COX as a statement of fact rather than opinion, and as meaning that is "a Communist or Communist sympathizer", and that therefore, by association, is the same.

The report further states, in quoting the same source, that "is associated with 'moral re-armament' through his association as a member of the California Prisoners' Association"; if this is intended to mean a connection with the Oxford religious movement, the inconsistency between such an association and a Communist association would appear to be obvious to anyone who has an acquaintance with Buchmanism.

Finally, the report relies on a statement in the record of the District Attorney's Office in San Francisco that

Russia, and is a representative "Red". If that means that brother-in-law is a Russian living in Moscow, he would naturally be a Communist. If it means that he participated in the in Moscow, the report falls

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fails to state how he is more "Red" by virtue of that fact than other American engineers who worked in the Soviet Union.

The whole file thus is based on loose usage of the term "Red", "Radical" (in connection with the School of Social Studies in San Francisco) and similar phrases.

As against the foregoing, the statements taken from supervisors since 1943, who quote him as an aggressive, able, person definitely not a Communist were considered not to change the fundamental objection.

The conclusion in Hoffman's report that the recommendations of these supervisors "are rather reserved" is not, in my opinion, justified as a paraphrase of the language of the supervisors.

D.

This case was referred to GSA as an application by for the Foreign Service Auxiliary to fill a position as Cultural Affairs Officer Mr. Fornes of FP appears to have thought that the file should be gone over by the Security Committee, which apparently was created after the GSA report was received. On March 21, 1946, COM noted by memorandum to GSA that the Dies Committee had three entries regarding the case name and requested investigation to determine identity. While this was pending, transmitted a memorandum, dated April 15, in which she gave "a history of investigation of my character and loyalty made

by the

by the Civil Service Commission in the spring of 1942, in case some question is raised again about the results of that investigation." She had been "officially cleared", she said. She then proceeded to discuss her membership in the Cooperative Book Shop in Washington and her relations with a girl named [redacted] She concluded with a denial that she was a Communist, etc. and said that an examination of her position would show that she was hostile to both Communist doctrine and Communist practice, and that she was ready to be questioned and re-examined on the subject.

Thereupon, GOS requested GSA to check the files of the Civil Service Commission as to three items:

(1) The extent of association between [redacted] and [redacted] and with whom [redacted] had roomed during 1938 or 1939;

(2) The extent of association with [redacted] and to determine whether Miss Bagihara was ever rated eligible by the Civil Service Commission;

(3) To determine the veracity of the statements of [redacted] in her April 15 memorandum, that the Commission had asked her to denounce

[redacted] "as a Communist, in writing, after she had been officially cleared of the charge and refused to do so"; and that "it had become a matter of record that the charges against her (Bagihara) were in error." It was suggested that GSA also

Transmit

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transmit "any information which may come to your attention regarding subject's association with known or reported Communists, or with Communists or Communist front organizations."

On May 13, 1948, SSA Agent A. W. Dymnitsky wrote a report on the latter inquiry. Another GSA report, on a prior investigation, was not in the file; it is referred to hereafter. It appears that investigation had already determined that [redacted] was not a [redacted] listed in the Dies Committee as connected with a Communist school in New York. Agent Dymnitsky, interviewed by me, stated that as requested he went to the Civil Service Commission and re-read the files. From this it appeared that [redacted] had roomed with [redacted] for three years; that she had described [redacted] to the Civil Service Commission inquirers as a labor unionist "pretty straight New Deal" and had denied that [redacted] has strong leftist tendencies. She was reported to have testified that she had joined the Book Shop as a member on the suggestion of [redacted] and that she had been led to believe that the books were "straight", and that there was no evidence of support by the Communist Party. With respect to [redacted] it was further found by Agent Dymnitsky that [redacted] had made a statement to the Commission that she had met [redacted] through [redacted]

the two latter having become roommates some time after [redacted]

after [redacted] ceased to live with [redacted]. She had given her opinion to the Commission, in testifying, that "loyalty to the United States is unquestionable". She said her relations with [redacted] were purely social, that the only thing they belonged to together was the Book Shop, which she considered purely incidental. With respect further to [redacted], the Agent reported that the National Resources Planning Board was requested by the Commission to terminate her appointment "because of a reasonable doubt which existed with respect to her loyalty to the American form of government", but that after an appeal, the Civil Service Commission determined that her termination from the Board should not be "with prejudice." Thereafter, the Commission authorized a promotion for her in GPA; however, her transfer or reassignment, the Civil Service Commission specified, could not be effected without prior approval of the Commission, and she was not to be employed in connection with confidential war work.

Agent Duznitsky reported that no information could be found to bear out the statement of the applicant that the Civil Service Commission had asked her to denounce

as a Communist, nor could any information be found whereby the said Commission had admitted error in the charges against

Agent

Agent Dymnitsky, in his interview, stated that he had based his conclusion solely on examination of the Civil Service Commission's files; he did not know whether in personal conversation an employee of the Commission did or did not make such a request of _____, nor whether Miss _____ might have been led to believe that such a request was being made of her.

It should further be pointed out that the decision of the Commission to cancel the "with prejudice" entry, which it had thereto had made, might be interpreted as an admission of error, especially since thereafter _____ was in fact rated eligible for certain types of government employment.

Agent Dymnitsky reported also that in the same Civil Service Commission files he found that eleven associates or references of _____ had been checked and nothing derogatory concerning them had been found while two were shown to have been connected with the Washington Committee for Democratic Action and the Book Shop. However, the two were professors in the university attended in Washington by _____ and the agent's report is noncommittal on the significance of these affiliations.

On the basis of this report, the case was presented through the Security Committee by Hoffman. The Committee ruled against _____ but the report was written up by _____
Mr. Morse

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Mr. Morse Allen, assistant to Mr. Bannerman. Mr. Allen stated in an interview with me that the remarks on the memorandum of disapproval, dated June 4, 1944, represent the views of the Committee as well as of himself on this case. The points made by him in his report were that investigation "has established that she is a close friend of individuals regarded as Communists and Communist sympathizers"; that she has admitted membership in organizations regarded as "front" groups of the Communist Party, that "in her statement of April 15, she has made statements that are false or deliberately misleading", in saying that she had been requested by the Civil Service Commission to denounce as a Communist after she had been cleared, and finally--relying on matters brought out in a prior GSA report not in the present file--that when she was being questioned by the Civil Service Commission as to her views, she had made a statement demonstrating "that the applicant shows a complete lack of responsibility for the truth and an amazing lack of discretion (since at this time the Nation was at war) which should automatically preclude her free employment with the Department's Foreign Service."

This statement of _____ to which the OCH report alludes, was made in the course of her Civil Service hearing. It was, "that I think we are fine ones to point a finger at Hitler for his treatment of the Jews. I think the treatment

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the treatment of Negroes in almost all parts of this country is pretty closely comparable to that of the Jews in Germany."

It will be noted that the conclusion that is a "close" friend of certain individuals seems to derive entirely from her having been a roommate for several years of _____, and having known, through _____

That this demonstrates an adherence to a Communist program would seem to be considerably farfetched as a matter of logic; for neither reason nor experience compels such a conclusion. The conclusion that she was a member in Communist "front" organizations appears to relate entirely to her membership in the Book Shop. Mr. Allen conceded that this would include many people who are not Communists. Her memorandum of April 15 states that she refused to resign when the organization was under fire, because as a matter of principle she wanted to know the evidence against it; and she added that her membership, however, has long since lapsed.

_____ pointed out in the same statement that her other associations were with the Republican Party, with which she was registered, although she also voted Democratic, the Smith College Alumnae of Washington, and the United Federal Workers Union in the Departments of Interior and Agriculture, which she quit in 1942 because she disapproved of the _____ of the _____

of the activities of the union. She also said that she had signed a petition to allow Marian Anderson (the Negro singer) to appear in Constitution Hall.

With respect to the circumstances of her questioning by the Commission concerning _____, an attempt was made by GSA or GOS to obtain amplification from _____

Mr. Allen, in the interview with him, insisted that his remarks concerning _____ opinion on the mistreatment of Negroes in the United States were justified and a ground for rejection of the applicant. He contended that if she said such things in wartime she might be a propagandist against the United States; but he conceded that the statement had been made as a matter of opinion in the course of an examination of her views on racial questions by the Civil Service Commission, and not in any propagandist pamphlet or other public activity on her part.

The disapproval, it is noted in the file, is being appealed by _____

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R.

is an applicant for the Foreign Service. He had been investigated by OSA and a favorable recommendation was sent to Mr. Chapin of OFS. It appears that when he was about to take his oral examinations, it was noted in OFS that no FBI report had been received on him. When requested for its report, FBI reported by telephone that in 1941 the New York Newspaper Guild's PM Unit had distributed a circular defending a strike of the North American Aviation Company in California, and that the name of _____ of the Grievance Committee of the Newspaper Guild had been included on this circular. FBI noted that this was the strike which had prompted the President to furnish troops to protect the workers.

_____ passed the oral examinations and thereupon OON sent his case to FBI for investigation, in accordance with the practice recently established in agreement with _____, by which FBI checks on Foreign Service applicants against whom doubtful information has been adduced. On the basis of the FBI report the Security Committee prepared an adverse recommendation on July 12, 1946. The FBI report was not in the files which were turned over to me.

The Committee noted in its report that

_____ in Washington,

_____ upon being

upon being interviewed said that [redacted] had left his employ-
ment to take employment with PH; that [redacted] had displayed
a turning "to the left". The CIA report on which this state-
ment was based shows that [redacted] knew the applicant's
father, and had recently offered the applicant a position
as a Foreign Correspondent, "but the applicant was not
keen about accepting it". [redacted] described the
"liberal side" of the applicant's views as probably due
to his father's business career as a "staid, old, Connecti-
cut manufacturer."

Mr. Hoffman stated, when interviewed, that the Com-
mittee's chief reliance, however, was on the opinion of
the applicant's most recent supervisor, on TIME magazine.
This FBI report could not be found in the file made avail-
able to me; but as digested by Hoffman, the FBI reported
that the [redacted] described [redacted] as "definitely
a left winger", who "is always vitally interested in some
sort of social reform and unwaveringly espouses the cause
of labor in any dispute, regardless of the merits involved
in a particular case." The digest adds; "This reference
stated that he definitely would not trust the applicant
in any country where there is a growing possibility of
Russian dominance."

It may be noted that no informant believed the appli-
cant to be a member of the Communist-Party or a fellow-
traveler.

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traveler. FBI seems also to have investigated reputation in New Britain, Connecticut. As reported, his reputation there was described as that of being extremely liberal and inclined toward Socialism. One informant said, "He was one of those young fellows who has received too much education and gone Communistic or Socialistic". That these informants used the language "Communistic" or "Socialistic" in the sense of adhering to Marxist doctrines seems unlikely.

The applicant was rejected as a security risk.

It may be noted that [redacted] file showed that he had been a [redacted] that his reputation as a student was excellent, that he had served in the Marine Corps with the rank of Captain having been a [redacted], and that he was described generally in the OSA investigation as "absolutely loyal."

No investigation was made of the situation in FN, which notoriously had an anti-Communist minority, or among his other recent associates on FN, or the Marine Corps, or on TIME.

F.

This case, involving [redacted] is now pending before the Security Committee and was to be considered, I was told, at the next meeting.

I attended the

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I attended the meeting of the Security Committee held in Mr. Danmore's office on July 24. The case was the first on the agenda. It appeared that [redacted] had been [redacted] for years, working in the Navy Department, in the Embassy in London, and for some time in the State Department proper. As a Veteran, he has Veterans' Rights, including the right to a hearing. As a [redacted], he has war service re-employment rights. The case against him must, therefore, be handled essentially as one of dismissal on charges.

It was asserted that the [redacted] under the facilities of the Department, is so organized that a security risk cannot be effectively handled by segregation.

Evidence against [redacted] would indicate that he is at least interested in current problems; that he is argumentative; but that there has been no objection to his work as a [redacted] or any indication of a breach of security since 1938 when he came with DC/R.

The case has been investigated by CIA more than once. The information reported was of this character:

Persons who knew him years ago in a small town in Michigan said that he was garrulous and was known as "squeaky"; that he was the "conscientious objector type"; that he was a friend of a man named [redacted] who was the town's leading or only Communist and as such a frequent candidate for

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candidate for public office; that an informant who knew him in the Navy had said that [redacted] once had a trunk which contained "Communist and Radical literature", which, however, the informant did not further particularise; that in the course of a penny ante poker game he got into an argument with a friend whom he called a Hitler-lover while his friend called him a Stalin-lover, whereupon the friend reported to the investigator that [redacted] did not resent being called a Stalin-lover; that some years ago it was reported to his supervisor in the Department that he had placed a copy of the Daily Worker in the pocket of one of the oldest [redacted] of the Department, now retired, with a suggestion that a certain editorial would be of interest to him, and that he had done so after getting three cents from the old man.

Mr. Morse Allen of COH, it appears, had concluded the man was a Communist.

The Committee divided in its discussions on this subject, several members taking the view that [redacted] was a Communist and a security risk, emphasizing the Daily Worker story (there was no evidence with respect to the content of the editorial in question). One member said that he had come to the conclusion that [redacted] was a crackpot. Most of the members agreed that [redacted] ought to be in some position where he would not have access to the

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worked today on plain [redacted] but it appeared that [redacted] only and that he did not [redacted]. The only possibility of employment for him elsewhere, it was said, was in New York.

That [redacted] is an agent, or a Communist Party member, appears not to be demonstrated; the evidence adduced on both investigation and re-investigation was far from establishing either proposition on any standard of proof. on the other hand, if the issue was whether [redacted] was too talkative, his many years of service in the Department and the Government as a [redacted] associated with [redacted] should be a matter of investigation among associates and superiors in a methodical way. If the issue is whether [redacted] is the kind of person who could be recruited by a foreign intelligence service, the issue would depend on the strength of his character; but it does not appear that any attempt has been made to interview Nelson or to ascertain the extent to which his convictions and his duties conflict. On the record it would seem the case raises the question whether a telegrapher in the State Department should be permitted to remain employed at that job if it is discovered that he shows an intellectual interest in problems of Socialism or even Communism where it is not plain or proved that he is affiliated or adheres to the programs of any group.

9. General

6. General Comments

The foregoing cases are, it is believed, fair examples of the methods and scope of investigation, review and decision, and of the standards of purpose and of proof applied in CIA, in CON, and in the Security Committee. A more thorough discussion of individual cases, based in some instances on information not in the files examined in this survey, is contained in reports made separately to you by me for other purposes in connection with

and Messrs. and It may be recalled that in the case I concurred in the disapproval upon the ground, which I expressed, that while the proof was not adequate to sustain the charge, administrative convenience of the Department justified the conclusion that the case be closed on the proof available.

Reports have also been made to you in collateral respects regarding the and cases, in which the evidence adduced by investigation was analyzed. These reports support the conclusions drawn by me in this report.

IV

Recommendations

On the basis of the survey conducted, and subject to its limitations above described, the following recommendations are made:

A. The quality and scope of investigations should be improved, particularly along the following lines:

1. Investigators and review officers should be schooled and re-indoctrinated, from time to time, in the Department's standards of employment, current information concerning foreign intelligence operations in the United States, legal requirements for evidence under the Hatch Act, the Civil Service regulations and Departmental action of similar character, the applicable standards of evidence and proof, and improved methods of investigation.

2. The investigators, considerably enlarged in number if necessary, should expand their work beyond merely routine checks; they should undertake imaginative, critical and, if necessary, more difficult investigation, rather than compel the Department to rely upon other agencies such as FBI. Investigations of this character will call for correspondingly improved direction from Washington.

3. More discriminate use should be made of the

investigations

Investigations conducted by other agencies such as FBI, and the possibility should be explored of using additional agencies such as the Treasury Department and CIO, in the manner and to the extent noted above.

B. Intelligence coordination from all sources should be vastly enlarged and improved. Critical evaluation must be expanded in many directions.

1. Evaluators such as those in COM should be trained in the sufficiency of evidence and the application of standards to facts. The report writing in personnel cases should be improved in respect to the presentation of facts and the drawing of inferences and conclusions.

2. The staff of COM should be reorganized and amplified for the purposes of providing personnel trained in the evaluation of evidence and in the standards of government policy and constitutional rights. For this purpose it would be advisable to consider the assignment of lawyers of superior training and experience.

3. The work done in the political divisions such as that of Mr. Raymond Murphy, must be co-ordinated or brought to bear on the evaluation in COM.

4. Staff work for the reading, digesting, and evaluating of the security aspects of information arriving in COM or in the Department, or available in the government from all sources, should be a major func-

tion. To the extent

tion. To the extent that OOH is not prepared to engage in such a function, consideration should be given to such staff work in the office of the Assistant Secretary for Administration.

C. Standards of employment and security should be carefully formulated and frequently re-formulated as indicated by experience for the guidance of personnel officers and security officers. The responsibilities for personnel policy should be separated from security policy so far as is feasible.

1. Written instructions to OSA, OOH, and personnel officers of the Department should be formulated, setting forth standards of employment and rejection.

2. Consideration should be given to the preparation of additional questionnaire forms for applicants to disclose necessary information beyond that called for in the present Form 57 by the Civil Service Commission. OSA investigators would be required to verify replies to specific questions or to use them as starting points for necessary investigation.

D. The Security Committee should be abolished. Its present functions of sifting evidence and passing on individual cases should be squarely divided between Personnel and OOH.

1. A new committee should be organized, responsi-

ble to the Assistant

ble to the Assistant Secretary for Administration, which should act as a quasi-judicial body dealing with cases of new applicants and cases presented for termination, on security aspects alone. This committee should proceed safely as a review body, after affirmative exercise of discretion and sifting of cases by both Personnel and CON.

2. The practice and procedure of the review organization should be calculated to provide judicial handling of cases for decision. Agenda should be provided to the members, each member should be required to read the entire record and express his conclusions, minutes of the disposition should be kept, and provision should be made for personal appearance of the employees themselves for statement and questioning, either before the Committee or before its representative.

3. The place of the Department in the entire counter-intelligence field should be re-examined, with a view to coordinating personnel investigations and policy with informational developments respecting the activities and plans of foreign governments vis-a-vis this government, or vis-a-vis the Department. Every case of a rejection or termination on evidence of foreign agency should, for example, be ipse facto a cause for counter intelligence consideration and

consideration and report to the Department. For this reason, careful re-examination should be made of the role of the FBI as an intelligence agency serving the Department and the proper use of the facilities of CIO and other government agencies for the same purpose.