

Party of China and the decline of the Nationalist Government. General Hurley himself, however, testified: ³⁷⁹

They were disloyal to the American policy. I would not say they were disloyal to the United States Government.

An objective appraisal of General Hurley's testimony reflects that he did not charge the State Department career foreign officers with being disloyal Americans in that they sought to aid another nation to the injury of the United States; but rather that they disagreed with him, and were insubordinate in acting on their disagreement, as to the means whereby the Chinese situation could best be exploited to aid our war against Japan and to the advantage of the United States. It has been established that the officers to whom General Hurley referred were not his subordinates; hence a charge of "insubordination" is ridiculous. General Hurley's essential point was that the "career men" were seeking to foster an American policy in China contrary to the American policy at the time, as General Hurley understood it. This fact has been entirely ignored by those who would use the so-called Hurley charges to support their claim that disloyal persons or traitors were or are in the State Department. In any event, the Senate Foreign Relations Committee heard General Hurley in 1945, made inquiry concerning the matter, and did not regard the charges as meriting further action.

The second source is Alfred Kohlberg, New York City importer, whose wealth appears to have stemmed from contacts with representatives of the Nationalist Government of China. We do not propose to discuss Mr. Kohlberg at any length apart from observing that his name has repeatedly entered our hearings as the individual behind the scenes who has been responsible not only for a great deal of Senator McCarthy's assertions but for those of others as well. His principal theme manifestly has been that the Institute of Pacific Relations became the captive of the Communists and that, through the institute, the Communists influenced effectively the Far Eastern Division of the State Department and thereby American foreign policy. An illustration of the extension of the Kohlberg influence is found in the testimony of Mr. Louis F. Budenz before the subcommittee.

In seeking to document his testimony concerning Mr. Owen Lattimore, Mr. Budenz presented to us a photostatic copy of an article by Father James F. Kearney which indicated certain alleged Communist connections on the part of Mr. Lattimore. When Father Kearney was interviewed by agents of the Federal Bureau of Investigation concerning his article, he advised that the source of the information contained therein was Alfred Kohlberg.

Still a third source is an article entitled "The State Department Espionage Case," indicated to have been written by Emmanuel S. Larsen, one of the defendants in the Amerasia case. This article appeared in the October 1946, issue of Plain Talk, a magazine published in New York City of which Isaac Don Levine has been the editor and Ralph de Toledano, the managing editor. Mr. Kohlberg, we have been reliably informed, has financed this publication. This article, attributed to Larsen, has been repeatedly cited, paraphrased,

³⁷⁹ See transcript, p. 160, of testimony before Senate Foreign Relations Committee investigating far eastern policy in December of 1945.

and referred to as the basis for charges that American far-eastern policy was "sold down the river" to Soviet Russia.

Without going into detail concerning the article, its theme, apart from setting forth an extremely perverted account of the Amerasia case, is essentially that certain foreign service officers of the State Department, particularly John S. Service, undermined the China Nationalist Government and generally conspired to bring the Communists into the ascendancy in China. For approaching 4 years, people in this country have either been reading or accepting this article as a truthful confession of one of the Amerasia defendants and an accurate account of "what really happened to our China policy."

Testifying before us, however, Larsen repudiated the Plain Talk article in all essential respects.³⁸⁰ To corroborate his repudiation, he submitted the draft of the article which he actually wrote, which is now an exhibit in our proceedings. The true draft bears little or no resemblance to the article which was published and, unlike the latter, contains none of the bases for charges of a plot to destroy American policy in the Far East which have greatly confused the American people.

Larsen gave the following account of the circumstances under which he came into contact with Plain Talk. Following the disposition of the Amerasia case, he went to St. Petersburg, Fla., where two representatives of Plain Talk proceeded from New York City to solicit him to write an article concerning the case. Being virtually penniless, Larsen agreed to write the article, he to receive \$300 and expenses therefor. He went to New York City where he conferred with Messrs. Kohlberg, Levine, and Toledano. Larsen drafted the article which set forth his understanding of the facts, but was advised by Levine that "it won't do". Levine thereupon completely rewrote the article in the form in which it appeared in the magazine, and asked Larsen to initial it. Larsen testified that he objected to the article in its entirety, but that he had not as yet been paid as agreed and was desperate to get out of New York. In this situation he at length initialed the article and it was published.³⁸¹

³⁸⁰ Larsen testified as follows:

"Q. * * * Is it a fair characterization of your testimony here today to say that this is or is not your article?"

"A. It would be fair to say that it is not my article.

"Q. And yet this article attributed to you has been referred to, I believe, many, many times as an indication of subversive influences in our Government service, is that right?"

"A. Yes, sir." (Transcript, p. 1128.)

³⁸¹ The following testimony of Larsen bears on this question:

"Mr. MORGAN. You have read and are intimately familiar with the article that you prepared for the magazine. Have you read the article as it appeared in the magazine?"

"Mr. LARSEN. Oh, yes; of course.

"Mr. MORGAN. Does this article as it appears in the magazine conform to your article as prepared?"

"Mr. LARSEN. No, sir. I was very disappointed when the copy was sent to me, and it was clear to me that Mr. Levine and Mr. Toledano, who was an assistant editor there at that time, and Mr. Kohlberg, had changed the whole thing.

"Mr. MORGAN. You said 'Mr. Toledano.' What Toledano is that?"

"Mr. LARSEN. He is the one who has recently been coauthor of a book called Seeds of Treason.

"Mr. MORGAN. Before you get away from it, Mr. Larsen, you said you had a book or document you were referring to. Would you introduce that into the record for us here?"

"Mr. MORGAN. Do you have it with you?"

"Mr. LARSEN. I don't have it with me.

"Mr. MORGAN. Would you bring it tomorrow?"

"Mr. LARSEN. Yes. I will find it and try to bring it along.

"Mr. MORGAN. Wherein does the article as it appeared in Plain Talk differ from the article you prepared?"

"Mr. LARSEN. In a blanket statement I can say this: I did not attack the administration. I did not attack Marshall. You can read that in here.

"Senator GREEN. You mean they interpolated full paragraphs?"

"Mr. LARSEN. He rewrote it completely.

"Mr. MORGAN. The article is under your name, is it not?"

Certain elements rallied to his support, particularly those who ostensibly fight communism by adopting the vile methods of the Communists themselves and in so doing actually hinder the fight of all right-minded people who detest and abhor communism in all its manifestations. We cannot, however, destroy one evil by the adoption of another. Senator McCarthy and McCarthyism have been exposed for what they are—and the sight is not a pretty one.

A second factor has clearly been an effort to force upon us the adoption of unfair methods and procedures which would permit the "conviction" of individuals on the basis of unwarranted considerations. We have consistently sought, in recognition of essential justice and fair play, that all persons publicly charged as disloyal should be permitted to reply publicly, if they desired, and be represented by counsel. Except in the case of those individuals publicly named, we have held our hearings in executive sessions in order that innocent persons whose names might be brought into the proceedings would be protected from unwarranted implications. In the latter connection, it should be stated that "leaks," which we have been unable to control, to certain segments of the press of executive session testimony has resulted in distortions of the facts and unfair allegations concerning various people. It is now clear that a part of the cry of "whitewash" was designed to force an adoption of hearing procedures which would permit "shotgun" charges against individuals to be partially sustained by twisted and distorted versions of testimony. A companion consideration was the thought of forcing into our record the rankest sort of hearsay testimony. By seeking to create the false impression that an effort was being made to suppress evidence, it was hoped to bring about the inclusion of material, which, by no standard of justice or common sense, had the slightest probative significance.

Still a third factor in the campaign to create the "whitewash" idea was the desire to leave the thought that we were engaged in a cover-up of something dark and sinister in the administration. This effort was of course, a political maneuver designed to obfuscate the fact that the proponents of the charge of disloyalty in the State Department were without facts. This maneuver, however, became completely abortive when the President suprised the accusers and opened the loyalty files for examination by the subcommittee.

We fully recognize that the campaign of vilification against this subcommittee and the repeated charge of "whitewash" have led many sober, sensible Americans to believe that such is the case and that, as a necessary corollary, there must be something to the charges of disloyalty in our State Department. Certain definite considerations, we believe, are responsible for the partial success of this campaign.

The first of these considerations is the fact that until now no one has been in a position to tell the truth to the American people. As members of the subcommittee, it has been impossible for us to state the true facts until the investigation was completed. Any effort to expose the half-truths and distortions during our proceedings was countered by a charge that we were "seeking to protect the Communists." Detesting communism, as we do, we had no alternative but to permit the totalitarian-like wave of propaganda to run its course in the knowledge that ultimately the truth could be told.

Another consideration is the oft-repeated and natural reaction of many good people that goes something like this—"Well there must be something

to the charges, or a United States Senator would never have made them!" The simple truth now is apparent that a conclusion based on this premise, while normally true, is here erroneous; for we have the amazing spectacle of a United States Senator having made such charges with no facts or with discredited allegations of fact to support them.

Still a third consideration has been the readiness of many people to believe charges of disloyalty in the State Department by reason of the Alger Hiss case. In this regard, we have been appalled by the studied effort to inject Hiss' name into our proceedings without any basis whatsoever therefor. The Hiss case was indeed despicable. The facts are, however, that Alger Hiss was convicted for perjury in connection with his associations with Whittaker Chambers back in 1938. To seek to translate that case to a setting 12 years later and employ it as a basis for charges of widespread disloyalty today in the State Department is not convincing of anything to thinking men and women.

A fourth and final consideration has been the vague uneasiness of many Americans concerning the ascendancy of the Communists in China and the decline of the Nationalist Government. In such a setting, there was "fertile ground" to receive any charges to indicate that perhaps someone, somewhere in our own State Department may have been responsible for the Chinese situation. To those who would know the true facts concerning American diplomacy in China, we earnestly recommend to your reading the so-called white paper on China, being the story of our relations with China during the period 1944 to 1949, based on the files of the State Department. The reader will find printed as appendix 22 of this report the letter of transmittal of this document to the President by the Secretary of State, which, we suggest, is very enlightening on the entire Chinese problem.

GENERAL OBSERVATIONS

In concluding our report, we are constrained to make observations which we regard as fundamental.

It is, of course, clearly apparent that the charges of Communist infiltration of and influence upon the State Department are false. This knowledge is reassuring to all Americans whose faith has been temporarily shaken in the security of their Government by perhaps the most nefarious campaign of untruth in the history of our Republic.³⁶⁴

We believe, however, that this knowledge and assurance, while important, will prove ultimately of secondary significance in contemplating the salutary aspects of our investigation. For, we believe that, inherent in the charges that have been made and the sinister campaign to give them ostensible verity, are lessons from which the American people will find inspiration for a rededication to the principles and ideals that have made this Nation great.

We have seen the technique of the "Big Lie", elsewhere employed by the totalitarian dictator with devastating success, utilized here for the first time on a sustained basis in our history. We have seen how, through repetition and shifting untruths, it is possible to delude great numbers of people.

We have seen the character of private citizens and of Government employees virtually destroyed by public condemnation on the basis of

³⁶⁴ In appendix 23 of this report the reader will find a compilation of releases from the State Department, made during the course of our inquiry, relative to the facts with respect to the allegations that have been made.

gossip, distortion, hearsay, and deliberate untruths. By the mere fact of their associations with a few persons of alleged questionable proclivities an effort has been made to place the stigma of disloyalty upon individuals, some of whom are little people whose only asset is their character and devotion to duty and country. This has been done without the slightest vestige of respect for even the most elementary rules of evidence or fair play or, indeed, common decency. Indeed, we have seen an effort not merely to establish guilt by association but guilt by accusation alone. The spectacle is one we would expect in a totalitarian nation where the rights of the individual are crushed beneath the juggernaut of statism and oppression; it has no place in America where government exists to serve our people, not to destroy them.

We have seen an effort to inflame the American people with a wave of hysteria and fear on an unbelievable scale in this free Nation. Were this campaign founded in truth it would be questionable enough; where it is fraught with falsehood from beginning to end, its reprehensible and contemptible character defies adequate condemnation.

We sincerely believe that charges of the character which have been made in this case seriously impair the efforts of our agencies of Government to combat the problem of subversion. Furthermore, extravagant allegations, which cannot be proved and are not subject to proof, have the inevitable effect of dulling the awareness of all Americans to the true menace of communism.

In this situation, we appreciate anew the indispensable nature of a free press as a necessary handmaiden of freedom. One cannot but shudder at the contemplation of a controlled press treating the distortions and fabrications inherent in the charges that have been made. It is to a free press that the American people are indebted for a balanced treatment of our proceedings, even though we, as members of the subcommittee, were powerless until now to reveal the truth.

Communism represents the most diabolical concept ever designed to enslave mankind. Its stock and trade are deception, falsehood, and hate. The one hope of communism's success is to divide our people at home and our allies abroad. The false charges made in this case have succeeded in accomplishing to a great degree what the Communists themselves have been unable to do. These charges have created distrust and suspicion at home and raised serious doubts abroad.

We can never hope to preserve for posterity the American dream of freedom by adopting totalitarian methods as an excuse to preserve that freedom. Our greatest weapon against communism is truth. When we lose that weapon, we shall have gone far toward that fate which has already brought sorrow, death, and degradation to millions of people upon this earth.

FINDINGS AND CONCLUSIONS

1. Despite his denials on the Senate floor, publicly, and before this subcommittee, that he made the statement, we find on the evidence that Senator Joseph R. McCarthy, on February 9, 1950, at Wheeling, W. Va., said:³⁸⁵

Ladies and gentlemen, while I cannot take the time to name all the men in the State Department who have been named as active members of the Communist

³⁸⁵ See footnotes 2 and 3, supra. See also pp. 13, 14, supra.

Party and members of a spy ring, I have here in my hand a list of 205—a list of names that were made known to the Secretary of State as being members of the Communist Party and who nevertheless are still working and shaping policy in the State Department.

Our investigation establishes that the foregoing allegations are false and, particularly, that Senator McCarthy had no such list as alleged and that there is not one member of the Communist Party or of a "spy ring" employed in the State Department known to the Secretary of State or other responsible officials of that Department.

2. We find that on February 20, 1950, at Salt Lake City, Utah, Senator McCarthy said:³⁸⁶

Last night I discussed the Communists in the State Department. I stated that I had the names of 57 card-carrying members of the Communist Party.

Our investigation establishes that Senator McCarthy at no time has had the names of 57 card-carrying members of the Communist Party in the State Department and that during the course of a 4 months' investigation he has been unable to produce competent evidence or to indicate where such evidence is obtainable concerning one member of the Communist Party, card-carrying or otherwise, who is employed in the State Department.

3. We find that on the evening of February 11, 1950, at Reno, Nev., Senator McCarthy again spoke on the question. As reported in the Nevada State Journal:³⁸⁷

Senator McCarthy who had first typed a total of 205 employees of the State Department who could be considered disloyal to the United States and pro-Communists scratched out that number, and mentioned only "57 card-carrying members," whom Acheson should know as well as Members of Congress.

4. We find that in making a speech on the Senate floor on February 20, 1950, Senator McCarthy read what purported to be the speech delivered by him at Wheeling, W. Va.; that the purported speech as read to the Senate was identical with the speech delivered at Wheeling except that he withheld from the Senate the statement actually made, as set forth in conclusion 1 above, and substituted in lieu thereof the following:³⁸⁸

I have in my hand 57 cases of individuals who would appear to be either card-carrying members or certainly loyal to the Communist Party, but who nevertheless are still helping to shape our foreign policy.

The substitution of the foregoing terminology constituted a misrepresentation of the true facts to the Senate.

5. We find that in making his speech on February 20, 1950, which occasioned the passage of Senate Resolution 231, Senator McCarthy left the unmistakable inference that he had but recently obtained from unrevealed sources in the State Department the information which he was presenting to the Senate.³⁸⁹

Our investigation establishes that the material presented in this speech was data developed in 1947 by the Republican-controlled Eightieth Congress; and that representations indicating it had recently come from "loyal" State Department employees misled and deceived the Senate.³⁹⁰

6. We find that the information presented to the Senate on February 20, 1950, by Senator McCarthy, concerning "81" individuals

³⁸⁶ See footnote 4, supra.

³⁸⁷ See p. 2, supra.

³⁸⁸ See p. 3, supra; also footnotes 2 and 3, supra.

³⁸⁹ See p. 7, supra.

³⁹⁰ See p. 6, et seq. supra.

identified by him only by numbers, was a colored and distorted version of material developed by investigators of the House Appropriations Committee in 1947 during the Eightieth Congress.³⁹¹

To the extent that the information was colored and distorted and the source thereof concealed, the Senate was deceived.

7. We find that four separate committees of the Eightieth Congress, controlled by Senator McCarthy's own party, formally considered the same information relative to the "81" individuals, as that utilized in the Senator's speech, and did not regard such information as sufficiently significant to prepare a report relative to the matter or to cite a single employee of the State Department as disloyal.³⁹²

In suggesting on February 20, 1950, that the situation as reflected by his information was so gravely disturbing that he felt it his immediate duty to expose it, Senator McCarthy misled the Senate.

8. We find that Senator McCarthy failed to cooperate with the subcommittee or to supply further information concerning the "81" individuals mentioned in his speech of February 20, 1950, after having assured the Senate that he would "be willing, happy, and eager to go before any committee and give the names and all the information available."

Our investigation establishes that the only logical reason for the Senator's noncooperation and failure to supply further information was the fact that he had no information to supply.

9. We find that Senator McCarthy asserted the proof to sustain his charges against the "81" individuals would be found in the loyalty files concerning them.

Our review of these files reveals that they do not contain proof to support the charges; that none of these individuals employed in the State Department is a "card-carrying Communist," a member of the Communist Party; or "loyal to the Communist Party"; and, furthermore, that the Loyalty and Security Board has not in any instance erroneously or improperly granted loyalty or security clearance under existing standards.³⁹³ Amazingly, despite Senator McCarthy's insistence that the loyalty files would prove his case and the clamor that the files be opened after the President made the files available to us, Senator Hickenlooper read only 9 of the files and Senator Lodge only 12.

10. We find that in speaking to the Senate on February 20, 1950, Senator McCarthy said:³⁹⁴

While I consider them all important, there are three big Communists involved (cases 1, 2, and 81) and I cannot possibly conceive of any Secretary of State allowing these three big Communists, who are tremendously important, and of great value to Russia, to remain in the State Department.

* * * I feel that if those individuals are removed from the State Department we shall have gone a considerable distance in breaking the back of the espionage ring in the State Department.

I may also say that I feel very strongly that cases Nos. 1, 2, and 81, should not only be discharged but should be immediately prosecuted.

Our review of the loyalty files concerning each of these three individuals revealed nothing whatever to sustain the foregoing assertion that they are "big Communists"; that they are "tremendously important and of great value to Russia"; "that they are part of an

³⁹¹ See pp. 6, 7, supra.

³⁹² See p. 9, supra.

³⁹³ See p. 9, et seq., supra.

³⁹⁴ See p. 25, supra.

espionage ring in the State Department"; or that they should be "prosecuted." Interestingly, we found that case No. 81 resigned from the State Department on April 2, 1948.

11. We find that on February 20, 1950, Senator McCarthy told the Senate:³⁹⁵

This individual (No. 53) is, in my opinion, Mr. President, one of the most dangerous Communists in the State Department.

Our investigation reveals that No. 53 resigned from the State Department on December 30, 1948.

12. We find that in the period 1945-46, over 12,000 employees of emergency agencies created during the war were transferred by various Executive orders to the State Department; that some of these individuals appeared to warrant investigation as possible loyalty and security risks in the postwar period; and that, through the transfer of such an inordinately large number of employees, the security staff of the Department was confronted with a great problem.³⁹⁶

Our investigation establishes that this problem was handled in a capable manner; that disloyal individuals were effectively weeded out; and that continuous effective efforts are being made and procedures followed to insure the security of the Department.³⁹⁷

13. Our investigation reveals that the loyalty program is of indispensable value in protecting both the employee and the security of the Federal service and that it is being efficiently administered, specifically:³⁹⁸

(A) That the FBI's loyalty investigations are comprehensive and conclusive with respect to the facts.

(B) That the State Department's Security Division is efficiently operated by highly qualified personnel.

(C) That the Loyalty and Security Board of the State Department is made up of high-type individuals of unquestioned loyalty, integrity, and sound judgment.

(D) That the Loyalty Review Board provides an effective and salutary control over the functioning of the loyalty program.

14. Our conclusions with respect to each of the individuals publicly charged by Senator McCarthy are being restated as follows:³⁹⁹

(A) *Esther Caukin Brunauer*³⁹⁹

The conclusions of this subcommittee in regard to each allegation made by Senator McCarthy are as follows:

(1) There is no truth in the statement that Mrs. Brunauer was assistant to Alger Hiss at San Francisco.

(2) The allegation that Mrs. Brunauer was responsible for getting the American Association of University Women to support Communist fronts is false. In fact, the allegation was based on incomplete evidence when the same evidence would have refuted the charge if it had not been deliberately withheld.

(3) Mrs. Brunauer did attend two meetings of the Friends of the Soviet Union in 1934 and 1936. On both cases she attended for perfectly legitimate motives and no inference of Communist sympathies can be raised therefrom. She denied, and there is no evidence

³⁹⁵ See p. 26, supra.

³⁹⁶ See p. 12, et seq., supra.

³⁹⁷ See p. 12, et seq., supra.

³⁹⁸ See p. 9, et seq., supra.

³⁹⁹ See pp. 26-30, supra.