

ER-5-0658 a

JAN 13 1954

The Honorable Allen J. Ellender
United States Senate
Washington 25, D. C.

Dear Senator Ellender:

I have received your letter of 9 January 1954 and wish to clarify an apparent misunderstanding with respect to the duties and functions of this Agency and a possible confusion with those of the Counter Intelligence Corps of the Army, known as the C.I.C. The Central Intelligence Agency has conducted no investigation of any nature with respect to the Army Signal Center at Fort Monmouth, New Jersey.

Section 102(d)(3) of the legislation establishing the Central Intelligence Agency -- the National Security Act of 1947 -- specifically provides "that the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions:." Substantially, the only function which the Agency performs within the United States, other than the support of our foreign operations and correlation and evaluation here of intelligence relating to our national security, is the collection of foreign intelligence information available in the United States. We have no investigative functions of any nature in this country except the security investigation of our own personnel or applicants for positions with the Agency.

Faithfully yours,

SIGNED

Allen W. Dulles
Director

DOCUMENT NO. 154
NO CHANGE IN CLASS.
EI DECLASSIFIED
CLASS. CHANGED TO: TS S STAT
NEXT REVIEW DATE:
AUTH: US 752
DATE: 0505/41 REVIEWER:

OGC:LRH/blc
Orig. & 1 - Add.
2 - Signer *W. H. ...*
2 - Legislative Counsel
1 - Approved For Release 2003/03/07 : CIA-RDP80R01731R001600080136-1

Official

Copy



ER 5-0628

MILTON R. YOUNG, N. DAK.	ALLEN J. ELLENDER, LA.
EDWARD J. THYE, MINN.	CLYDE R. HOEY, N. C.
BOURKE B. HICKENLOOPER, IOWA	OLIN D. JOHNSTON, S. C.
KARL E. MUNDT, S. DAK.	SPESSARD L. HOLLAND, FLA.
JOHN J. WILLIAMS, DEL.	CLINTON P. ANDERSON, N. MEX.
ANDREW F. SCHOEPEL, KANS.	JAMES O. EASTLAND, MISS.
HERMAN WELKER, IDAHO	EARLE C. CLEMENTS, KY.

United States Senate

COMMITTEE ON AGRICULTURE AND FORESTRY

January 9, 1954

HARRY R. VARNEY, CHIEF OF STAFF

Honorable Allen W. Dulles
Director, Central Intelligence Agency
Washington, D. C.

Dear Mr. Dulles:

It is my understanding that some time ago your agency investigated allegations of espionage or other wrongdoing at the Army Signal Center at Fort Monmouth, New Jersey. As you know, the Senate Permanent Investigating Subcommittee has recently been investigating similar charges.

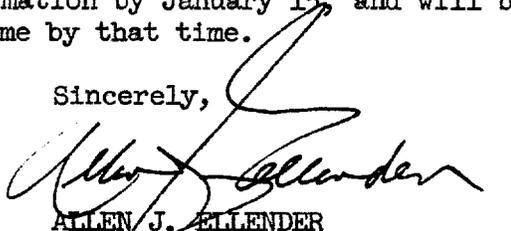
I am anxious to ascertain:

1. Whether the investigation conducted by your agency revealed any espionage or other subversive activity at the Army Signal Center at Fort Monmouth.
2. What additional information, if any, the recent investigations of the Senate Permanent Investigating Subcommittee have revealed concerning espionage or other subversive activity, that was not uncovered by your investigation and in this connection, be as specific as you possibly can.
3. If additional information has been revealed by the Senate Subcommittee, why was it that your own investigations failed to uncover such information.

It has always been my belief and assumption that your agency, coupled with the other security agencies of our Government has been doing the most careful and competent possible job in investigating subversive activity, and I am anxious to know if any substantial evidence of subversive activity has been missed in the course of an intensive investigation by your agency.

I may require this information by January 15, and will be grateful if you can furnish it to me by that time.

Sincerely,



ALLEN J. ELLENDER
U. S. Senator

Document No. 155
 Review of this document by CIA has determined that
 CIA has no objection to declass
 It contains information of CIA interest that must remain classified at TS S S
 Authority: HR 70-2

STAT

Mr. ELLENDER. Did the Senator from Wisconsin bring this to the attention of the Board?

Mr. McCARTHY. Every bit of the evidence taken in our hearings is available to the Secretary of the Army.

Mr. ELLENDER. Are the persons to whom the Senator from Wisconsin has just referred still on the payroll at Fort Monmouth, or have they been suspended?

Mr. McCARTHY. I just told the Senator from Louisiana that 33 were suspended. So far as I know, they were suspended without pay. Is that clear? Thirty-three of those with whom we have dealt in our investigation have been suspended. I think two of them have been reinstated, and possibly a few more.

Mr. ELLENDER. Mr. President, in view of what the distinguished Senator from Wisconsin has just stated—namely, that there is espionage at Fort Monmouth—let me say that someone must be mistaken, either he is in error or Secretary Stevens does not know the score. When I returned to Washington last month, I wrote three letters—one to the Hon. Allen W. Dulles, Director, Central Intelligence Agency, Washington, D. C.; another one to Hon. J. Edgar Hoover, Federal Bureau of Investigation, Washington, D. C.; and another to Hon. Robert T. Stevens, Secretary of the Army, Department of Defense, Washington, D. C. These letters were identical, except for the addresses; and each of them was dated January 9, 1954. I shall read the one to Secretary Stevens:

DEAR SECRETARY STEVENS: It is my understanding that some time ago your agency investigated the allegations of espionage or other wrongdoing at the Army Signal Center at Fort Monmouth, N. J. As you know, the Senate Permanent Investigating Subcommittee has recently been investigating similar charges.

I am most anxious to ascertain:

(1) Whether the investigation conducted by your agency revealed any espionage or other subversive activity at the Army Signal Center at Fort Monmouth.

(2) What additional information, if any, the recent investigations of the Senate Permanent Investigating Subcommittee have revealed concerning espionage or other subversive activity, that was not uncovered by your investigation; and in this connection, be as specific as you possibly can.

(3) If additional information has been revealed by the Senate subcommittee, why was it that your investigation failed to uncover such information?

It has always been my belief and assumption that your agency, coupled with the other security agencies of our Government, has been doing the most careful and competent possible job in investigating subversive activity, and I am anxious to know if any substantial evidence of subversive activity has been missed in the course of an intensive investigation by your agency.

I may require this information by January 15, and will be grateful if you can furnish it to me by that time.

Sincerely,

The letter is signed by me.

In reply to the letter which I addressed to Mr. Hoover, I received the sort of letter I had expected; I would not have expected anything else. He wrote to me as follows:

Approved For Release 2003/03/07 : CIA-RDP80R01731R001600080136-1

I wish to acknowledge the letter of the Senate Permanent Investigating Subcommittee, dated January 9, 1954, in which you made inquiry regarding investigations conducted at Fort Monmouth, N. J., concerning espionage or other subversive activity at Fort Monmouth. The Army is unable to answer this question because it does not have knowledge of all of the records of the Senate subcommittee, and does not know the extent of the information which may have been developed by the subcommittee.

You will appreciate, I am sure, that I am unable to furnish the information you requested, because of the long-standing policy of the Attorney General regarding the confidential nature of our files.

In view of his interest in such matters, I am referring your communication to the Attorney General.

Sincerely yours,

J. EDGAR HOOVER.

From Mr. Allen Dulles I received the following letter, dated January 13—the same as the date of the letter I received from Mr. Hoover:

CENTRAL INTELLIGENCE AGENCY,
OFFICE OF THE DIRECTOR,
Washington, D. C., January 13, 1954.

The Honorable ALLEN J. ELLENDER,
United States Senate,
Washington, D. C.

DEAR SENATOR ELLENDER: I have received your letter of January 9, 1954, and wish to clarify an apparent misunderstanding with respect to the duties and functions of this Agency and a possible confusion with those of the Counter Intelligence Corps of the Army, known as the CIC. The Central Intelligence Agency has conducted no investigation of any nature with respect to the Army Signal Center at Fort Monmouth, N. J.

Section 102 (d) (3) of the legislation establishing the Central Intelligence Agency—the National Security Act of 1947—specifically provides "that the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions."

That is one thing I should have known, but I did not realize it at the time I sent the letter.

Substantially the only function which the Agency performs within the United States, other than the support of our foreign operations and coordination and evaluation here of intelligence relating to our national security, is the collection of foreign intelligence information available in the United States. We have no investigative functions of any nature in this country except the security investigation of our own personnel or applicants for positions with the Agency.

Faithfully yours,

ALLEN W. DULLES, Director.

I wish now to read a letter from the Department of the Army, dated January 15, 1954, in reply to my letter of the 9th. I will ask my good friend from Wisconsin to listen carefully to my reading of it. I should like to have his comments upon it, in view of the statements which have been made by him since this debate started. The letter reads as follows:

DEAR SENATOR ELLENDER: This is in response to your letter of January 9, 1954, wherein you made inquiry with reference to the recent investigation conducted by the Senate Permanent Investigating Subcommittee at Fort Monmouth, N. J.

That is Robert Stevens, Secretary of the Army, speaking.

Your first question is as to whether the investigation conducted by the Army revealed any espionage or other subversive activity at the Army Signal Center at Fort Monmouth.

This inquiry is answered in the negative. Insofar as the Army has thus far been able to determine, there is no current espionage or other subversive activity at Fort Monmouth.

Your second inquiry is as to what additional information the recent investigation

revealed concerning espionage or other subversive activity at Fort Monmouth. The Army is unable to answer this question because it does not have knowledge of all of the records of the Senate subcommittee, and does not know the extent of the information which may have been developed by the subcommittee.

Your third inquiry likewise cannot be answered for the reasons set forth in the preceding paragraph.

I may point out that the third inquiry was:

If additional information has been revealed by the Senate subcommittee, why was it that your own investigations failed to uncover such information?

The Secretary of the Army closes as follows—

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. ELLENDER. I will yield when I finish reading the letter.

Secretary Stevens concludes as follows:

I share fully your assumption that the Department of the Army coupled with the other security agencies of our Government is doing a careful and, in my judgment, competent job in investigating subversive activities. I am pleased, however, to cooperate with the committees of the Congress and if evidence of subversive activities is produced the Army will take prompt and appropriate action.

Yours sincerely,

ROBERT T. STEVENS,
Secretary of the Army.

If the Senator from Wisconsin has any comments to make on that letter, I should like to hear them now, in the light of the statements which he has made during the debate.

Mr. McCARTHY. Mr. President, I think Bob Stevens made an accurate statement when he stated that the Army, in its own investigation, had not uncovered any espionage as of that date. As Bob Stevens has often stated, he does not answer for the committee. He is in no position to answer for the committee. I assume that the Senator was interested in our report when it is made. As I have explained to the Senator, we have uncovered espionage. I am sure that we have uncovered what the Senator himself would say was espionage.

I wonder if the Senator objects to our calling before the committee the woman whose testimony I have described, a woman who had been handling top-secret work for 10 years, to tell whether or not she was attending Communist Party leadership schools or was a member of the Communist Party.

I wonder if the Senator objects to our uncovering a man like Harry Hyma.

Mr. ELLENDER. I have absolutely no objection—

Mr. McCARTHY. Let me finish.

Mr. ELLENDER. The Senator asked me a question, and I want to answer it now.

Mr. McCARTHY. Let me finish the question.

I wonder if the Senator objects to our subpoenaing long distance telephone records showing that a known espionage agent some eight of our top secret installations and getting information from them

Approved For Release 2003/03/07 : CIA-RDP80R01731R001600080136-1

The PRESIDING OFFICER Does the Senator from Louisiana yield; and, if so, to whom?

Mr. ELLENDER. I yield first to the Senator from Indiana.

Mr. JENNER. The Senator from Louisiana referred to the FBI. I am sure the distinguished Senator knows the FBI cannot hold investigations or hearings. The FBI cannot call in witnesses and swear them and have them testify under oath.

Mr. ELLENDER. I understand. Mr. JENNER. They can gather information and then take the information to the appropriate agency. They cannot question a witness under oath or dismiss anyone from the Government.

In our hearings we found, as the Senator from Wisconsin also found, situations similar to what was found in the Harry Dexter White case, which I cited. The FBI did a perfect job. It did a complete job. When that information was passed on to higher authority, it was ignored. Therefore the FBI should not be charged with trying to enforce the law. They are an investigating agency.

Mr. ELLENDER. I will acknowledge to the Senator from Indiana that there was a great deal of laxity during the past administration. I admit it. However, the FBI today, as in the past, is always gathering information and is passing it on to the Army and the Navy and the Air Force and in fact to other Departments, through the Attorney General.

Mr. JENNER. But if those agencies do not do anything about it, the FBI cannot do anything either.

Mr. ELLENDER. That is correct; but the FBI ferrets out the subversives.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. McCARTHY. The Senator from Louisiana, as I understand, expressed a great deal of confidence in a letter dated January 15, which stated there were no more Communists in Government.

Mr. ELLENDER. I quoted from the letter of Mr. Stevens and it speaks for itself.

Mr. McCARTHY. I should like to invite the Senator's attention to testimony taken 2 weeks later than the date of the letter. Today is Tuesday. The testimony I refer to was taken on Saturday January 30, 1954, in New York, in executive hearing. It dealt with a major in the Army. The major was before the committee on Saturday.

Previously we had received testimony from two individuals who had attended Communist Party meetings with the major. They knew what his orders were. I am speaking of a major in the Army who is a major in the United States Army as of this moment.

The major was also accused by witnesses of having recruited soldiers as members of the Communist Party. He is now stationed at Camp Kilmer. His original orders prohibited him from Yokohama, Japan. However, for some mysterious reason, the orders were

Apparently, the only reason given was that his wife and daughters were visiting a psychiatrist, whose name he did not know. However, when asked whether a Communist succeeded in getting his orders changed, he gave us the usual refusal to answer. We checked into the matter further and we found that in August of last year, 1953, a questionnaire was sent to the major. He was asked about his Communist activities. The questionnaire was sent to him as the result of an FBI investigation. It was an excellent FBI investigation. The investigation by the FBI disclosed everything known about the major, and perhaps contained more information than we had about him. For example, it disclosed his attendance at Communist Party leadership schools, Communist meetings held at his home, the recruiting of soldiers into the Communist Party, and so forth. This was August 1953.

He refused to answer on the ground of self-incrimination. In November 1953 he was promoted from captain to major.

This is not a case of a year ago or 2 years ago. We asked the Army to court-martial not only the major but also anyone who promoted him and everyone who knew he was a Communist and did not try to get him out of the service. I suggested to Bob Stevens that this was the only way by which he could blaze a new trail and thus notify every Army officer that the 20 years of treason are past, that the 20 years of Communist infiltration into every branch of the Government, with our high officials looking the other way, are past, and that there is really a new day.

I hope that Bob Stevens accepts the suggestion and acts on it. This major should be court-martialed. Not only should the major be court-martialed, but those who promoted him and those who knew about his activities and did not attempt to get him out of the service should also be court-martialed.

Mr. ELLENDER. Mr. President, did the Senator bring that information to the attention of Mr. Stevens?

Mr. McCARTHY. I should like to finish my question.

Mr. ELLENDER. Did the Senator bring that information to the attention of Mr. Stevens?

Mr. McCARTHY. My letter went to Bob Stevens yesterday. The Senator from Louisiana said the FBI should do the work our committee is doing. I wish to invite the Senator's attention to the fact that—

Mr. ELLENDER. I did not say that.

Mr. McCARTHY. In effect that is what the Senator from Louisiana said.

Mr. ELLENDER. I said we had agencies—

Mr. McCARTHY. Agencies to do the work.

Mr. ELLENDER. That is correct.

Mr. McCARTHY. That we had agencies that could do the work we are doing.

Mr. ELLENDER. Yes; agencies that are qualified to do it and that can do it effectively.

Mr. McCARTHY. Let us see if they can do an effective job. I have the greatest admiration for the FBI. I believe

Mr. McCARTHY. For the present, subject ourselves to what was developed in open sessions. Some witnesses who have been called in closed sessions have not yet been called in open sessions, but they will be called. I think it might be unfair to the Senator if I dealt with the testimony received in closed sessions, so I shall speak mainly of evidence received in open sessions.

I assume that the Senator from Louisiana will concede that espionage conducted in December 1953 would be current espionage, would he not?

Mr. ELLENDER. Yes, I would. I would include all of the last year, since the Republican administration came into existence.

Mr. McCARTHY. I assume the Senator would also concede that if a Government employee who is a member of the Communist Party had access to secret material, such material would be in an open conduit available to the Communist Party. I assume the Senator would not require that we catch the agent at midnight, turning this material over to another Communist agent. Am I correct in that?

Mr. ELLENDER. The Senator is correct, yes. I certainly have no faith in Communists.

Mr. McCARTHY. Then let us refer to a few cases. On December 16 we had a Mrs. Levine before the subcommittee. She had been handling top secret material for 10 years. Neither the Senator from Wisconsin nor the very able Senator from Louisiana would have access to top secret material. We would not have access to secret material except in most unusual cases. Here was a Federal employee who was given the highest honor that it is possible for this Nation or any other nation to give.

Mr. ELLENDER. Was that a person named Coleman?

Mr. McCARTHY. No; the person to whom I am referring is Mrs. Levine. She had conferred upon her a higher honor than any Member of the Senate can have conferred on him.

Mrs. Levine was subpoenaed on the 13th of December. She then spoke to her security officer. The security officer informed her that she had to answer all questions about Communist activities. She replied, "I will not do it. I will not tell the subcommittee that I have been engaged in a conspiracy to commit espionage and I will not tell them whether I am a Communist Party member or not."

The security officer said, "If you do not tell them your employers will have to take action against you."

Mrs. Levine quit on the 13th. She appeared before the subcommittee as a witness on the 16th. She had been handling top-secret material for 10 years. She had been an employee of the telecommunications office and had been handling Fort Monmouth radar material.

Mrs. Levine was asked:

Mrs. Levine, have you been engaged in the commission of espionage?

I refuse to answer on the ground that my answer might tend to incriminate me.

Mrs. Levine, during the 10 years that

5 February 1954

Executive Registry:

Please file the attached with Mr. Dulles' letter to the Senator (Ellender). Thanks.

Alice

CONGRESSIONAL RECORD

FEB 2 1954

Handwritten initials