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Concer in CISIB approach plus the interview & Hartnett lat if that is feasible. additiond lead information concerning the (b)(3)Corson - Dolles relationship is non Denny pursued in SAD possibly leading to interviews of Helms & Dave Blee This to will be worked jointly as a SIB + U.D. maller. (b)(6) 5-119/89 SAD will continue to gursue all available leads. (b)(6)C/SI+36 5/19/88 (b)(6)

8 2 MAY 1988

(b)(3) Concur in on going actions , recommendations, including attempting to obtain a copy of the DC Police re-port and interviewing Suggest that before we send an officer to Suitland though we first review the Garsan holdings, they may have a copy of the report. If the interview is approved, then first check with (b)(3) (b)(3) $(b)(3)_{2}(3)$ first check with (b)(3)be up for his assessment as to whether would be up for an interview (probably would - any 68 yo.). (451B (b)(3) (b)(6)

The mainthemet of this investigation should focus on the development of additional informants who would have been prodetiged to information concerning pulle, Kinthallera Colour with C/sist hat we should review FBT records prov to going to suitland & only go this with buckonsideration to possible publicity repercensions with Dabciedential. Idmit set a problem with at least approaching Hannett, for an interview. He can all vays refuse but The holds the key to some significant normation. (b)(6) PYSAD

Approved for Release: 2020/01/15 C06619071

SECRET

11 May 1989

MEMORANDUM FOR:

Chief, Special Activities Division

FROM:

(b)(3)

(b)(3)

Special Investigations Branch Special Activities Division

SUBJECT:

KRONTHAL, James Speyer

1. Subject is a deceased Agency employee who committed suicide in his Georgetown home on 31 March 1953. Current SAD interest stems from a request by C/CIC/SG, Ray Reardon, to determine what information OS holds concerning Subject. This memorandum will review the case and document SAD actions.

2. Subject was the topic of a <u>Newsweek</u> article "The Soviet's First CIA Mole," published in the 15 May 1989 issue. (Attachment "A") The article makes reference to the book "Widows," written by William Corson ______ and Joseph _____ & Susan Trento, which alleges Subject had been co-opted by the Soviets due to his homosexuality.

3. The _______ database contained no information concerning (b)(3) Subject. SRD related that Subject's file had been destroyed in the late 1970's, when many files over 20 years old were purged. (b)(3) Subject's Security File information, due to its age, was never entered in the newly-created _______ Subject's polygraph file _______ (b)(3) was destroyed in October 1980. There is no information on PD index cards except Subject's file number and the destruction date.

4. OP/SAS was contacted and the Subject's Personnel File (b)(1) retrieved from Subject's OP file contained several (b)(1)(3) WASHINGTON POST articles concerning his suicide, as well as an (b)(3) Agency report on the suicide. (Attachments "B", "C") Information in the file indicates that Subject's housekeeper arrived at his residence at approximately 0830 on 31 March, finding a brief note

WARNING NOTICE INTELLIGENCE SOURCES OR METHODS INVOLVED

SUBJECT: KRONTHAL, James Speyer

from Subject stating that he would be sleeping late and did not wish to be disturbed. When Subject failed to report to work, the Agency phoned and asked her to wake Subject. The housekeeper called to Subject, but could not rouse him. Two Agency employees, Gould CASSAL _______ and ______ were sent to investigate and found the body at approximately 1030 hrs. It was noted that an empty vial was found near the body. The presumption was he had taken poison. Neither the OP file nor the newspaper articles indicate what substance the Subject may have ingested.

5. C/CIC/SG supplied SAD with a memo dated 8 May 1989 from Gus Hathaway, ADDO/CI, detailing information on Subject received from former DCI Richard Helms. (Attachment "D") Helms noted that Subject was a bachelor and probably a homosexual. He further noted that the polygraph was uncovering HA cases at that time and Subject, feeling that his career would be ruined by a revelation of homosexual activity, committed suicide. There was no thought whatsoever given to him being a agent of the Soviets. It was never determined what substance was in Subject's system. (Though Helms was the addressee of one of Subject's suicide notes, he does not recall ever receiving it.)

6. Ed Sayle, ICS/UDAC was contacted on 16 May 1989 and reported that his information concerning Subject's case came from Paul Gayner, then C/SRS. In August 1954, Sayle was assigned to SRS and Gayner related the following information concerning Subject during a purge of SRS records. It should be noted that much of this information is speculation, and there is no documentary information currently available to connect Subject with the Soviets.

a. Subject traveled to Germany in the 1930's on business and assisted in the marketting of art works confiscated from the German Jews by the Nazis. The Nazis discovered his homosexual proclivities and he was blackmailed. He was a close friend of Allen Dulles, worked with the OSS in Switzerland, and was later the Agency's station chief ______ (b)(1) (b)(3)

b. At the end of WWII, the Soviet forces obtained information ' from the Nazi files on collaborators and allegedly recruited Subject by threatening to reveal his homosexual activity.

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SUBJECT: KRONTHAL, James Speyer

Among other information, Subject supplied the Soviets with Dulles' unpublished manuscript on how the Germans in Italy were brought to the surrender table in WWII. (b)(3)

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(b)(3)

(b)(3)

d. On 30 March 1953, Subject had dinner with Dulles at Dulles' home. Subject was found dead the next morning at his home.

e. Sayle believes that two WFO agents, including then C/WFO, were the first to respond to the scene of the suicide and went about "sanitizing" the home. They were nearly arrested by the DC police. (There is no information in any files to indicate ever responded to the scene, or was connected with this case in any way) The DC detective investigating the case (Lawrence Hartnett) was briefed, and continues to speculate the Agency murdered Subject. Corson has interviewed the detective.

f. Sayle also noted that Corson was a friend of the Dulles family and roomed with Dulles and his wife in Georgetown for a period. (There is one reference in Corson's file to him having known Dulles found in an interview with James J. Angleton by the IG) Corson received Dulles' diary from his son, who wished to ruin his father's reputation. Subject's sister, appalled at his collaboration with the Nazis, assisted Corson in his written account.

g. Sayle states he was told by Gather that the Bureau may have spotted Subject meeting with his alleged Soviet case officer(s) and reported it to Col. Sheffield Edwards. Edwards briefed Allen Dulles. Dulles confronted Subject with the information, obtaining a confession from Subject during the dinner meeting. Dulles told Edwards, who in turn reported back to the Bureau.

7.C/IG/OS, located the soft file on Subject,created by SAG when William Corson and Robert T. Crowley(b)(3)submitted the draft of their book "The New KGB," for Agency(b)(3)publications review. A review of this file revealed the following(b)(3)allegations from the book draft:(b)(3)

(b)(3)

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SUBJECT: KRONTHAL, James Speyer

a. On capturing Nazi Germany's files at the end of WWII, the Soviets set about the task of identifying information detrimental to Western governments and military commands.

b. Subject's file was located in old German police records, identifying him as a homosexual.

c. Subject, while employed by a Wall Street firm in international finance, spent four years in the 1930's "fencing" precious art that the Nazis had confiscated from German Jews.

d. Subject traveled to Germany in the late 1930's and was compromised, or entrapped, by the Gestapo while engaged in a homosexual relationship.

e. Subject worked for Dulles in Switzerland while in the OSS, later becoming (b)(1)

(b)(3)

(b)(3)

f. The Soviets recruited Subject through entrapment with an "especially imported 'Chinese' boy" and co-opted him into supplying a review of facts on the German surrender.

g. Subject returned to Washington, felt severe stress over revelations of other Soviet espionage cases against the US, and felt his compromise of information was a betrayal of US.

h. On 31 March 1953, Subject had dinner with Allen Dulles at Dulles' home. Following dinner he went home and killed himself

It should be noted that the Publications Review Board (PRB) asked Corson/Crowley to remove this section from the book. The section was edited and re-submitted to PRB. PRB still objected to the section as amended and it was removed from the final publication.

8. Additionally, the SAG soft file held copies of documents, including FBI memoranda pertaining to the case.

a. A 31 March 1953 FBI memo notes Subject's death and claims the Agency cleared him of allegations of homosexuality.

SUBJECT: KRONTHAL, James Speyer

It also reports that Subject's name was on Senator Joseph McCarthy's list of subversive Agency employees, a fact of which Subject was aware.

b. A 3 April 1953 FBI memorandum concerning an interview with John W. Ford, Director of State Department Security, notes that he conducted an investigation of homosexual activities among CIA and State employees in 1951 and developed evidence that Subject was a homosexual. This evidence included a signed statement from a member of ______ who had (b)(1) engaged in two homosexual acts with Subject. (b)(3)

c. Ford further stated that Subject was polygraphed by the Agency in the early summer of 1951. Ford monitored the test and recalls Subject's

Ford felt Subject was not cashiered because he was a close friend of Allen Dulles and that the Agency felt the activity was in his past.

d. A 10 April 1953 FBI memo reports that Dr. Magruder MacDonald, DC coroner, reported that Subject's body had been tested for narcotics without result. Two blood samples from Subject were turned over to the FBI Laboratory for analysis. Attached Bureau Lab reports found no poisons in Subject's blood samples.

e. An 8 December 1954 FBI memorandum details an interview with Agency employee George MUSULIN Musulin stated that Subject left a suicide letter that the DC Police found and was of the opinion that Sen. McCarthy had obtained a copy. The Agency had kept the original note, but the DC police had kept a copy. This memo also mentioned that Subject learned his name was on Sen McCarthy's list and killed himself, rather than face the publicity.

9. The SAG soft file contains correspondence between the PRB and Crowley. Crowley, in a 2 February 1984 letter to OGC cites public domain material available concerning Subject's case and reveals this additional information:

a. Corson had interviewed Subject's sister, (t

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SUBJECT: KRONTHAL, James Speyer

She stated that that Subject's homosexuality was known to her and family members from the time he was 13-14 years old. who was ailing at the time, remains convinced Subject (b)(6) was "murdered by agents of the CIA" and was an addressee of one of three suicide notes left by the Subject.

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b. Also interviewed was ______ a first cousin (b)(6) of Subject, who related information about Subject's close association with John Foster Dulles and Allen Dulles prior to WWII. ______ also notes Subject's homosexual preferences (b)(6) since late childhood.

c. Note is made of DC Metro Police records at the National Records Center in Suitland, Maryland, which contain Police incident reports on Subject's suicide, including three suicide letters, addressed to: Subject's sister, Allen Dulles (then DCI), and Richard Helms (then C/OPs).

d. Corson interviewed Lt. Lawrence Hartnett, DC Metro Police Homicide Squad, in December. Hartnett threatened the two Agency officers (_______ Gould Cassal, _______ on the scene with arrest for ransacking the Subject's house and possessions. Hartnett believes this disturbance of the crime scene made any conclusion except suicide unsupportable and still retains his investigation notebook. Hartnett was never satisfied that Subject committed suicide and believes the Subject might have been murdered.

10. SAD received a copy of "Widows" on 16 May 1989. Chapter One, "The First Death," concerns Subject and is very similar to the information deleted from "The New KGB." In some places it is duplicated word for word. A review of this chapter of "Widows," makes the following allegations:

a. After the housekeeper did not wake Subject, Cassal and "from the CIA's Office of Security," arrived and discovered the body. (Cassal and were actually from Ops Training Office, Subject's office)

b. Joseph Speyer & Company sent Kronthal to Germany and used the Speyer connections to sell artworks the Nazis confiscated

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SUBJECT: <u>KRONTHAL</u>, James Speyer

from Jews between 1933 and 1940. (Speyer & Co was Subject's employer from 1934-1938, as noted in Subject's PHS) Subject became acquainted with several high Nazi leaders.

c. The Gestapo found out about Subject's homosexual activity. This arrest record was found by the Soviets through a penetration of the German BND.

d. Due to the emotional cost of selling the property of people who were going to the death camps, Subject quit Speyer & Co. (Subject's PHS says he left the company upon its liquidation in 1938.) Subject returned to Harvard to persue a graduate degree, entering the US Signal Corps and later the OSS when WWII broke out.

e. Subject worked with Dulles in Bern during the war and later became One of his tasks was to (b)(1) recover the art the Nazis stole during the war. (b)(3)

f. The Soviets' wanted Subject to become an agent-in-place in the highest offices of the CIA. Soviets felt Subject's friendship with Dulles would make him a rising star when he returned to Washington.

g. Subject was provided "Chinese boys" by the Soviets while and filmed. He sent regular "packets" of information (b)(1) to Moscow Center. (b)(3)

h. Subject's Soviet handler told him to press for assignment to head of the Agency's clandestine services. Subject feared being exposed as a homosexual and a Soviet agent.

i. Dulles had Subject to his home for dinner on 31 March 1953 to determine Subject's next assignment. Subject left after dinner, returned home, wrote suicide letters to Dulles and Helms, and then killed himself. (Previous information from from the Crowley/Corson manuscript said three notes were left, the third went to Subject's sister. The new book alleges Subject mailed a letter to his sister before he killed himself.)

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SUBJECT: KRONTHAL, James Speyer

j. Lt Hartnett, DC homicide squad, was used to covering up problems from the CIA and maintained a large file of Agency-supplied information on Washington politicos. (If Hartnett was so connected with the Agency, why did he try to arrest Cassal and ?)

k. The book erroneously alleges that Subject's file is "buried deep in the Archives of the CIA. (This investigation has certainly shown that the Subject's case was closed, filed, and eventually destroyed due to its age.)

11. It should also be noted in the Acknowledgments of "Widows" that two references are made in appreciation of Samuel Papich, who was then the FBI-CIA liaison working on Subject's case.

12. Based on the current interest in the Subject and "Widows," SAD has taken and will continue the following actions:

a. Continue to add to the recreated security file on Subject for future reference, basing it on information obtained during this investigation;

b. Continue to interview current and former Agency employees to gather information on Subject. These interviews should include who is retired and currently living in North Carolina;

c. Have a WFO officer go to the National Records Center in Suitland and attempt to obtain copies of the DC Police report on Subject's suicide, the autopsy report, and other associated documents -- forgoing an attempt to interview Hartnett, who appears to be hostile to the Agency;

d. Obtain information from the Executive Registry pertaining to Allen Dulles' datebook for 31 March 1953 and verify the dinner engagement; and

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SUBJECT: KRONTHAL, James Speyer

(b)(3)

e. Obtain copies of any FBI files pertaining to Subject to verify or discount the Soviet connection. (On 16 May, ADDO/CI contacted the Bureau to receive their files. C/CIC/SG will pass this information to SAD) (b)(3) (b)(6)

Attachments

Approved for Release: 2020/01/15 C06619071



Denied staff retreat and even mess privileges: The surgeon KOOP: A SOUP Ending

Delations between Surgeon and top Bush officials were far more sour than generally reported when Koop abruptly submitted his resignation last week. Health and Human Serv ices sources say Koop had been cut from a staff retreat, stripped of his own appointments secretary—and denied privileges in HHS_Secretary_Louis_Sullivan's private dining room. Though Koop gave no reason for leaving early, friends say he was deeply disappointed that Bush did not offer him the top HHS job, try to keep him in his current post—or contact him at all. "Our appointments proce dure is so slow we hadn't fo

Slow Motion t took heavy State Depart ment prodding, but the Pen-tagon last week finally began drawing up contingency plans for U.S. military action in Panama administration sources say. Options prepared by the Joint Chiefs of Staff range from the evacuation of American dependents at U.S. military bases

to the use of force against Panamanian leader Manuel Noriega in a crisis after the general elections. The JCS routinely readies such plans for the president; the delay on Panama reflects Pentagon opposition to any military action there, these sources say

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cused on who to appoint, much less who to reappoint," says a senior White House official. Othersources say that Koop's high profile and controversial stands outraging conservatives by stressing education and condoms in the AIDS war, for example—made Bush's aides very inneasy. Koop's version may appear in a book he's agreed to deliver by fall.

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"Wesn't is she one day last week with DOC: ONE

First GIA Mole he Soviets planted their first "mole" in the CIA in 1952, and he was a personal friend of Director Allen Dulles, according to a former Marine officer who worked for the agency. In a new book called "Widows," William Corson names the Soviet agent as James Speyer Kronthal, station chief in Bern, Switzerland. Kronthal committed suicide after dining with Dulles, who was considering him as head of clandestine services. Corson and coauthors Su-san and Joseph Trento say Kronthal's homosexuality became known in Nazi Germany years earlier, that the Soviets obtained those files, filmed him with boys and recruited him. 🛛 Will the Kremlin think the CIA is recruiting dwarfs when its spy satellites spot dozens of iny figures on the grounds of agency headquarters in Lang-ley, Va., this fall? That's the joke in intelligence circles as work concludes on the first daycare center for CIA offspring.

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The Soviet's

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tection Agency next month will begin determining the ability of tiny microorganisms to devour oil from the tanker that is now blackening Alaskan beaches. Using bacteria taken from Prince William Sound that have been mixed with special nutrients (nitrogen and phosphorus) and oxygen in a biological reactor, EPA scien-tists will "inoculate" up to a quarter mile of oil-contaminated beach. The microorganisms consume the oil, breaking it down into carbon dioxide and water. Lab tests with the microorganisms have been successful. If they are effective on an actual oil spill, the EPA hopes to use the technique on larger sections of the dirtied Alaskan beaches.

RANDY BRANDON-SIP

Red Alért NTO THE No one complained last Christmas when Avon sent Giorgio's Red perfume to hundreds of congressional wives. But when a conscientious spouse recently learned the sprice \$175 an ounce—she called the House ethics committee. It ordered unopened bottles returned and opened ones paid for by personal check. Then, a loophole: when received, Red was not yet on the market. As a "promotional gift," the panel's chief counsel ruled, it was safe to keep. S. S. main .

LUCY HOWARD with bureau reports

Approved for Release: 2020/01/15 C06619071

CiA Man Found D In 32d Street Home; Note Implies Suicide

Administrative Post Paid Him Over \$10,000 A Year; Police Cautious

An administrative official of the super-secret Central Intelligence Agency was found dead today in his fashionable Georgetown home.

The body of James S. Kronthal, 41, of 1662 Thirty-second street N.W. was found about 10:30 arm., but it was nearly 1 p.m. before homicide police, exercising unusual caution, would give out details.

Lt. Lawrence Hartnett of the homicide squad said Mr. Kronthal's body was stretched fully clothed except for a coat on a bed in the larger of two secondfloor bedrooms.

Note Implies Suicide.

On a bed stand police found an empty clear-glass vial and a page-long, handwritten note "indicating likely suicide," Lt. Martnett said. He refused to divulge the note's contents a standard police practice.

A spokesman for the CIA said only that Mr. Kronthal was employed in an "administrative capacity." He refused to say whether it involved the handling of matter involving the national security. His salary was more than \$10,000 a year.

Coroner A. Magruder Mac-Donald went to the home to assist in the investigation. He refused to comment on the cause of death pending an autopsy this afternoon.

Found by Other CIA Men.

Two other employes of CIA, Gould Cassal, 43, of 3445 Thirtyeighth street N.W., and Mc-Gregor Gray, 31, of 4501 Walsh street, Chevy Chase, Md., discovered the body after Mr. Kronthal failed to report to his office.

An hour earlier, a maid had begun her work downstairs, unaware Mr. Kronthal was dead.

One policeman said death apparently occurred about 12 hours before the body was found. There were no marks of violence

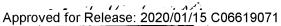
Agency Works With Police.

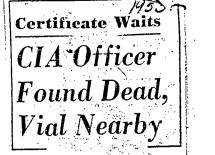
The CIA was working closely with the police in the investigation.

Following close-lipped practice, the CIA revealed little about Mr. Kronthal. He had worked at the agency "two or three years."

A native of Deal, N. J., he was born August 21, 1912. He was graduated from Yale University in 1934 and obtained a degree from Harvard University in 1941.

Police said he had relatives living outside the city, but none in this vicinity.





An "important," administrative officer in the hush-hush Central Intelligence Agency was found dead in his Georgetown home yesterday, with an empty vial beside his body.

Police said the circumstances and a page-long letter to a friend pointed to suicide.

The body of James S. Kronthal, 40, of 1662 32d st. nw., was found about 11 a.m. by two friends from CIA.

Police said the maid, Mrs. Lavinia Thomas, of 2813 N st. nw., arrived as usual at 8:30 a.m. at the attractive, white brick home where Kronthal lived alone. She found a brief note from Kronthal, asking her not to disturb him because he wanted to sleep late. She went about her work.

When Kronthal failed to report to his office, CIA telephoned the house and asked that he be aroused. Police said Mrs. Thomas called out and got no answer, but hesitated to disturb her employer because of the note.

According to police, Gould Cassal, of 3445 38th st. nw., and Mc-Gregor Gray, of 4501 Walsh st., Chevy Chase, came to investigate. Police said they found Kronthal's body, full-clothed except for a coat, on a day bed in his secondfloor bedroom. An empty vial was on the floor.

Homicide Lieut. Lawrence Hartnett said investigators found a hand written letter to a male friend indicating Kronthal was "mentally upset because of pressure connected with work."

An autopsy indicated Kronthal died between 10 p.m. and midnight Monday. Actual cause had not been determined last night. Dr. A. Magruder MacDonald, District coroner, withheld a death certificate pending chemi-

cal analysis. Kronthal, believed to have been unmarried, was a former assistant instructor at Harvard and a former Army captain. He entered the State Department in March, 1947, and served as an attache in Bern. Suiterland. Records show he left the department in May, 1952. CIA declined to sa when Kronthal joined the staf. A spokesman said he served in an "administrative caracity" and his job was "important." Kronthal was horn in Deal



JAMES KRONTHAL.

Police Await Report By Chemist in Death Of Intelligence Man

The cause of the death of James S. Kronthal, Central Intelligence Agency administrative officer, will remain a mystery until police receive a report on a chemical analysis.

Mr. Kronthal. 40. was found dead yesterday morning on an upstairs bed in his Georgetown home at 1662 Thirty-second street N.W.

On the table near the bed was a handwritten note which Lt. Lawrence Hartnett said may have explained the case with the words that Mr. Kronthal was "mentally upset because of pressure connected with work."

On the same table was an empty glass vial. Unable to determine what had been in it. Coroner A. Magruder McDonald ordered the chemical analysis, which may not be completed before next week.

Following its practice, the CIA revealed nothing of Mr. Kronthal's work there the last two or three years except that he was in an administrative capacity. His salary was more than \$10,000.