

A STUDY OF HISTORICAL PERCEPTIONS
CONCERNING ALLEGATIONS OF
SUBVERSIVE INFLUENCE ON THE FAR EASTERN
POLICY OF THE UNITED STATES
PRIOR TO 1949

Thesis for the Degree of M. S.
MICHIGAN STATE UNIVERSITY

George Newland

1965



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By

George Newland

AN ABSTRACT OF A THESIS


Submitted to
the College of Social Science
Michigan State University
in partial fulfillment of the requirements
for the degree of

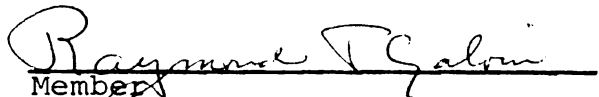
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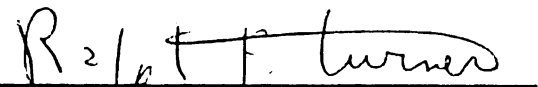
School of Police Administration and Public Safety

1965

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ABSTRACT

A STUDY OF HISTORICAL PERCEPTIONS CONCERNING ALLEGATIONS OF SUBVERSIVE INFLUENCE ON THE FAR EASTERN POLICY OF THE UNITED STATES PRIOR TO 1949

by George Newland

The fall of China to the Communists has been described as the greatest defeat ever suffered by the United States. In the history of the Western World it is marked as a tragedy of catastrophic dimensions.

Tragedy, of whatever dimension, is composed of personal and individual elements.

In American history the period following the fall of China is one marked by internal dissension, recrimination, and a search for reasons behind the failure of the United States in China. Allegations of treason and disloyalty were made against some Americans, particularly those diplomatic personnel who had been involved in United States affairs in the Far East.

This is a study of three cases of the men who were accused of disloyalty, and for whom the tragedy of China became a personal one.

The data presented in this thesis was derived largely from Congressional hearings and reports, supplemented by selected secondary sources. An effort was made

to study the backgrounds of the three men, the allegations made against them, the evidence for and against them, and the ultimate disposition of their personnel security cases. An hypothesis was set forth, based on the original allegations of disloyalty made against the three men. The hypothesis was judged to have not been proven.

An effort was made to ascertain how history has come to view these three men. Pertinent conclusions and observations have been made and set forth concerning the cases and the implication of the cases.

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Grateful recognition is given to the United States Air Force for granting this opportunity for education and research. Hope and assurance of a return on their investment is expressed.

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CHAPTER I

INTRODUCTION TO THE STUDY

I. INTRODUCTION

This is more a study in personnel security than it is a study of personnel security. By this is meant that primary attention is not given to the machinery, past or present, by which government and other sectors of society seek protection by excluding from certain positions persons who are judged to have failed to meet established standards applicable to their trustworthiness.

Central to the approach taken is the predisposition that, as elaborated below, the basic conceptualization and focus underlying any personnel security system may be more significant than the procedural superstructure, if for no other reason than one is derived from the other to varying degrees; the underlying elements being value-oriented and the superstructure norm-oriented but possibly failing in consistency with the stated underlying values as well as those normally prevailing in the larger society. In effect, the personnel security system cannot but be sensitive to and affected by the atmosphere in which it exists and operates. Once absorbed and reflected in the system, these effects may survive long after the atmosphere

and norms that engendered them have passed into history.

The foregoing predisposition leads to an emphasis on the study of people who are affected by the system, in a given social atmosphere, and as a corollary, the manner in which they are affected.

Three cases have been selected which provide means for achieving the aforementioned frame of reference and a related second element based on a predisposition that greater value may be derived from an interdisciplinary approach to such subjects, particularly in attempts to achieve historical perspectives related to the society and times in which various systems are operating.

In essence the research focuses on three men affected by personnel security measures and attempts to ascertain the critical elements of social environment affecting them and the ensuing results.

II. STATEMENT OF THE PROBLEM

Among the threats which a government attempts to guard against is disloyalty manifested by treason, espionage, subversion, sabotage, and related defections from established allegiances. Allegations of disloyalty typically have been concerned with the possible or potential threat posed by a state of mind, propensity, or

other predilection making one a security risk or a person not to be trusted with secrets or duties considered sensitive from the viewpoint of the national interest.

The protective systems largely function in a negative or preventive manner with respect to possible future behavior and cases are viewed in that light. Relatively rare are the cases wherein the allegations contain the element that the actions of the subject have already intentionally caused or significantly contributed to grave damage to the national interest. Such cases, therefore, provide a relatively unique and valuable framework in which the personnel security concept may be subjected to scrutiny. The three cases were chosen with this fact in mind. The number of cases was limited to three on the premise that an intensive investigation of a limited number of cases would permit a more useful testing of the type of hypothesis used.

In the transition from the elation of victory in World War II to the grim disillusionment of the emergent cold war, great feelings of insecurity and anxiety were engendered in the United States by the fall of China to the Communists. It came in a period preceded by such crises as the Berlin Blockade, and the allegations of disloyalty against Alger Hiss, Judith Coplon, and others in positions of trust. It was followed by the successful testing of the

Soviet Union's first atomic device and the advent of the Korean War. Continuing revelations of Communist espionage and subversion in the United States added fuel to the smoldering anxiety and discontent over the failures of the United States to adequately cope with the Communist threat. It is not surprising that many Americans perceived us as beleaguered and harassed by the threat of armed Communism from abroad and threatened by a cancerous growth of traitors in our midst. In this atmosphere it was perhaps inevitable that many would perceive in the fall of China evidence that various Americans, particularly in the State Department, had deliberately engineered and manipulated American policy in furtherance of Communist interests.

Thus, the era of "McCarthyism" was born. Much has been written about this period, and, no doubt, much will be written in the future. Our interest in the era derives largely from the fact that many of the significant aspects of present personnel security systems were either originated or first became significant in that era.

Selection of the three cases was prompted by the existence of significant documentation in the public record, although scattered, and by other considerations, including the fact that all these men were: (1) State Department officers; (2) significantly involved in implementing and influencing U. S. Far Eastern policy;

(3) subjects of public criticism and denunciation by members of Congress, writers, and others; (4) witnesses before Congressional bodies investigating their activities; (5) accused of disloyalty to the United States; (6) "cleared" by a succession of loyalty and security boards; (7) forced out of government service on personnel security grounds.

III. METHODOLOGY

The basic approach is that of the case study, pertinent material being drawn wherever possible from public documents, and primarily from pertinent Congressional hearings.

For supplemental data, recourse to periodicals, journals, and the New York Times has been required. Assumptions have been made as to the knowledge of the reader and the researcher concerning basic historical and factual data.

No study exists of these three cases of the scope and dimension of this study. A relatively brief resume of the general nature of the cases appears in the definitive study by Brown of various aspects of personnel security, and it was from Brown that initial suggestion of the study

derived.¹ Further suggestion was obtained from Fairbank, who stated pertinent to this matter that his personal impression is not the verdict of history "which has yet to be worked out by research,"² and from Seton-Watson, who stated that "the question must be regarded as open."³

IV. HYPOTHESIS

At the core of the cases against these three men, Jonn Stewart Service, John Paton Davies, and John Carter Vincent, was the accusation both open and implied, that they had betrayed American interests out of Communist sympathies. The basic hypothesis of the research, then, is that these men performed, or attempted to perform their duties, or otherwise acted, so as to serve the interests of another government in preference to the interests of the United States.

The larger questions, e.g., what were the significant etiological factors in the Communization of China, whether any other Americans acted to betray U. S. interests to the Communists, and questions as to the effectiveness of U. S. diplomacy concerning China, are at most peripheral to the

¹Brown, Loyalty and Security, 1957, pp. 365-70.

²Fairbank, The United States and China, 1962, p. 273.

³Seton-Watson, From Lenin to Krushchev, 1960, p. 275.

stated hypothesis. Study and treatment of these matters is incidental to the main issue and its value accrues largely to the researcher.

V. IMPORTANCE OF THE STUDY

In the course of these cases, allegations against the subjects were made publicly and officially. Charges were reiterated in the public media with minimal revelation of the substance of the existing evidence against them. There is no question but that pressure was brought to bear on the State Department to brand these men as disloyal and dismiss them.

In bringing together the facts available, a means may be provided for an assessment of these men and a means for determining whether the values of Security and Justice were achieved. In studying what happened to these men we may perceive evidence of why it happened and form judgments as to whether it should have happened. Such a process may form the basis for determining the relative likelihood of repetition of such cases and the implications of such likelihood.

VI. ORGANIZATION OF THE STUDY

Chapter II relates events in the earlier years of the life of the first subject, John Stewart Service, and carries his biography into 1945.

Chapter III is concerned with a review of various allegations made against Service and the evidence found pertinent to the allegations. Chronologically it covers the salient events in Service's life from 1945 to June, 1950.

Chapter IV relates significant events in the Service case from June, 1950, to its conclusion and relates the most recent biographical data available in the sources reviewed.

Chapter V relates events in the earlier years of the second subject, John Carter Vincent, and carries his biography into 1947.

Chapter VI is concerned with the various allegations made against Vincent and the evidence found pertinent to the allegations. Chronologically it covers the salient events in Vincent's life from 1947 to July, 1952.

Chapter VII relates significant events in the Vincent case from July, 1952, to its conclusion and relates the more recent biographical material uncovered.

Chapter VIII relates events in the earlier years of the third subject, John Paton Davies, and carries his biography into 1948.

Chapter IX is concerned with the various allegations made against Davies and the evidence found pertinent to the allegations. Chronologically it covers the salient events in Davies' life from 1948 to December, 1953.

Chapter X relates significant events in the Davies case from December, 1953, to its conclusion and relates the more recent biographical material uncovered.

Chapter XI furnishes observations concerning sources reviewed, including pertinent conclusions contained in the sources.

Chapter XII is devoted to observations and conclusions pertinent to the hypothesis and related implications.

CHAPTER II

BIOGRAPHY OF JOHN STEWART SERVICE--1909 TO 1945

I. EARLY BACKGROUND

Service was born in Chengtu, China, August 3, 1909, of American parents who were missionaries there.¹ His initial visit to the United States was at the age of six when he attended first grade in a public school in a suburb of Cleveland, Ohio. Just before his seventh birthday the family returned to China and he remained there for the next four years. He stated that his parents were determined that he was to have an American education and not lose his American heritage although brought up abroad; therefore, he was sent to Shanghai to an American school and attended for four years.

In 1924 his father was given a second furlough in the United States. Service attended high school in

¹Except as otherwise indicated all material in this chapter is drawn from State Department Employee Loyalty Investigation, Hearings before a Subcommittee of the U.S. Senate Committee on Foreign Relations, 81st Congress, 2d Session, 1950. Reproduced verbatim in this volume, pages 1958 to 2509, is Transcript of Proceedings, Loyalty Security Board Meeting in Case of John S. Service. References to the Subcommittee hearings will hereinafter be cited as "Tydings Hearings," and references to the Loyalty Security Board transcript will be cited as "Loyalty Board."

Berkeley, California, graduating in June, 1925, at the age of fifteen. In the fall of that year he returned to China with his parents and worked as an apprentice draftsman in the architectural offices of the YMCA National Committee of Shanghai. In the winter of 1926 he commenced a trip alone through Southeast Asia, India, and Europe, which brought him back to the United States in time to enter Oberlin College of Ohio in the fall of 1927.

He stated that during college he could be a good student if interested and was active in extracurricular activities. He partially supported himself by waiting on tables and by summer jobs.

After graduation in 1931 he remained at Oberlin for a year of graduate work in the history of art but became more interested in the Foreign Service.

II. THE FOREIGN SERVICE IN CHINA

In September, 1932, after some independent study, he passed the Foreign Service written examinations in San Francisco and subsequently passed the oral examinations in Washington in January, 1933. Learning of the unlikelihood of an early appointment to the Foreign Service, he returned to China where his parents were now living in Shanghai and applied for a Foreign Service clerkship.

In June, 1933, he was appointed Clerk in the Consulate at Kunming in the then very isolated Province of Yunnan in extreme Southwest China.

His fiancée, Caroline E. Schulz, a former classmate at Oberlin, came to Kunming and during this period they were married and had their first child. In July, 1934, he was made a non-career Vice-Counsel.

In October, 1935, he was commissioned as a Foreign Service Officer and transferred to the Embassy at Peiping as a Language Attache. He stated that in 1936 and 1937 he read very extensively and as his interests were scholarly rather than social he found most of his friends among the large group of newspaper correspondents, professors, students, and researchers who were either residing in or continually passing through Peiping. During this period he became acquainted with such persons as Owen Lattimore (then with IPR), Haldore Hansen (AP), and Edgar Snow (Saturday Evening Post). He also became acquainted with the then Colonel Joseph W. Stilwell, the Military Attache.

In December, 1937, he was transferred to the Consulate General at Shanghai, by then under Japanese occupation. He stated that he became active in American Community Church affairs, joined the Junior Chamber of Commerce, was president of a luncheon club at the foreign YMCA, was a member of two American clubs, and resumed track

athletics which he had kept up intermittently since college. In 1940 he became a Mason in a lodge which had an almost wholly Chinese membership.

In November, 1940, his family was evacuated to the United States, and he was not reunited with them on a permanent basis for the next six years.

In May, 1941, he volunteered and was accepted as Third Secretary at the Embassy, by then located in Chungking. His former supervisor in Shanghai, C. E. Gauss, became Ambassador shortly thereafter. John Carter Vincent arrived at about the same time as Gauss, taking up duties as Counselor of the Embassy. Service described his duties from the end of 1941 on as a sort of general assistant, handy man, and drafting officer, sharing living quarters with Gauss and Vincent.

Service stated that although political reporting was only a very minor part of his work at this time, the Chinese Communists maintained official representatives in Chungking, and he met and associated with such Communists as Chou En-lai and Tung Pi-wu. He stated that up until this time in 1941 he had never to his knowledge met a Communist of any sort, Chinese or foreign.²

²Loyalty Board, p. 1965.

He stressed that his contacts were not one-sidedly concentrated among Communists or other opponents of the Central Government but on the contrary were "unusually broad and close, whether with missionaries, businessmen, newspapermen, or Chinese officials."

In the summer of 1942 he was invited by the Minister of Economics to attend a meeting of the Chinese Engineering Society at Lanchow in the far Northwestern province of Kansu and to accompany a party of engineers, officials, and Chinese newspapermen to visit the newly discovered oil field near the border of Sinkiang. The trip extended into four months and covered five provinces. For most of the time he was the only foreigner with this large official party of Chinese, and he stated that he was able to obtain extremely detailed accounts of conditions in those areas.

He stated that the trip made a deep impression on him:

More clearly than in Chungking, I was able to see the effects of inflation, official corruption, speculation, thought control of students and professors, the workings of the secret police, the operation of a vicious conscription system, and the disastrously heavy military impositions which in some areas were forcing farmers to abandon land. I travelled through the Honan famine area where the people were starving while the troops, merchants and officials prospered. I saw the active trade across the Japanese lines with luxury goods coming from the Japanese areas and strategic materials going in the opposite direction. I passed through the blockade zone around the Communist area, saw the lines of blockhouses and the idle concentrations of Central Government troops. I talked

to missionaries living in the blockade area and to Chinese who had been across the lines into the Communist districts and learned that conditions were enough better to attract a movement of refugees who crossed the blockade lines at the risk of their lives.³

Service stated that none of the Chinese with whom he travelled were Communists, nor were the missionaries to whom he spoke; but from every source he received the:

same general picture of the decline of the Kuomintang and the eventual conflict between the parties in which many seemed to feel that the Communists were the more dynamic and more preferable of the two.

Soon after this trip Service returned to the United States on leave, spent a month in California, and arrived in Washington in January, 1943, for a short period of consultation. He stated that he was the first man from the embassy staff at Chungking to have returned since Pearl Harbor and had had unequalled opportunities for travel and observation. He was asked to confer with and be interrogated by the numerous government agencies concerned with China. He stated that several newspaper people were sent to him by the department press section for background information and that the director of the section approved a request from the IPR for him to talk to one of their research staff. In the course of his consultation he also met Dr. Lauchlin Currie, then an executive assistant to President Roosevelt, specializing in Far Eastern affairs.

³Ibid., p. 1966.

Service stated that in a memorandum he prepared at this time he pointed out the dangers of the trend in China, the facts that a civil war would seriously interfere with the war against Japan, might well result in a Communist victory, and would be likely either to involve us in conflict with the Soviet Union or force the Communists into their hands. He, therefore, proposed the urgency of obtaining, by direct observation, information about the Communists who had been blockaded since 1939. He stated his belief that this was the first suggestion that internal factors in China would probably lead to civil war and Communist victory in China. He stated that as a result he erroneously came to be regarded as leader, or a forerunner, of an attitude on policy which "has wrongly been interpreted as pro-Communist."

Service returned to Chungking in early May, 1943, and was again sent to Lanchow, where the embassy was by now regularly stationing an officer as an observer. He stated that one reason for maintaining this post was that it was a strategic point for information concerning the Communists and that:

the Embassy agreed that if opportunity presented I might make an attempt to enter the Communist area, although any such venture would probably have to be disavowed by the Embassy and made on my own responsibility.

III. ASSIGNMENT WITH STILWELL

On August 10, 1943, he was recalled from Lanchow and assigned to General Stilwell under State Department orders clearly stating that he was completely under Stilwell's orders for duties, movements, or station.

Service stated that this is a point of some importance because his complete subordination to Stilwell was never questioned by Ambassador Gauss or the Department of State, but "was not, however, understood by General Hurley who has accused me, I understand, of disloyalty to him."⁴

Service stated that several other Foreign Service officers were transferred to Stilwell's staff at the same time, and one other, John Paton Davies, had been with Stilwell since Stilwell first assumed duty as Commanding General of the China-Burma-India Theatre in early 1942. The group "functioned in a loose way" under Davies, and each was assigned to duties and in places for which "we seemed best experienced." Service was assigned to Chungking where he worked as a Consultant to G-2 and otherwise as the Chief of Staff instructed. His duties were "multifarious and never very clearly defined." He

⁴Ibid., p. 1967.

acted as liaison between the headquarters and the embassy, advised OSS and other agencies coming into the theatre concerning projects which they were considering, helped G-2 in appraising Chinese intelligence, furnished oral and written background information to the headquarters on Chinese political situations and personalities, was a headquarters member on a psychological warfare policy committee, liaison between the headquarters and the Chinese Communist official office in Chungking, then headed by Tung Pi-wu, and as "a sort of public relations officer for Stilwell." In this last pursuit, Service stated, he and the staff had Stilwell's directive to work closely with the press and to give them background information regarding the situation in China, particularly as it affected the war.

Service stated that political reporting was his primary interest and he developed an extensive circle of Chinese contacts. Living in Army billets hampered this work, and so he moved into an apartment in the city with Solomon Adler, the United States Treasury Representative.⁵

⁵ Adler was accused by Whittaker Chambers and Elizabeth Bentley as a "participant in the Communist conspiracy." See Interlocking Subversion in Government Departments, Report, Internal Security Subcommittee of the U.S. Senate Committee on the Judiciary, July 30, 1953, p. 29.

Service stated that much of his reporting was done by informal memorandum. With Stilwell's approval, he gave copies of his memoranda to the headquarters and embassy in Chungking and sent a copy to Davies, who had his office in New Delhi, India. A fourth copy he kept for his own personal files. On these memoranda he placed his own informal security classification.

This was based on a number of factors, such as the need for protecting my sources, the desirability of allowing attribution, and the question of whether circulation among our various allies, including the Chinese, and numerous American Government agencies was wise. Often, of course, the information contained should be considered confidential, only for a short time; if it related to future events the need for confidence would be removed as soon as the event took place or became generally known. In some cases, the need for classification would be removed after correspondents or other public sources learned of the same information. Also, an important factor was that a great deal of the information contained in the memoranda was inevitably critical of persons or situations in China.⁶

Service stated that in July, 1944, President Roosevelt, because of the desperate military situation in China, brought considerable pressure to bear on Chiang Kai-shek for Stilwell to be placed in command of all Chinese armies and for the Chinese Communists to be armed and included in this organization. Service stated that he believed that the fact that his duties required him to

⁶Loyalty Board, p. 1969.

translate Roosevelt's messages personally to Chiang
"helped to contribute to Chinese animosity toward me. . . ."

Chiang agreed in principle to the appointment of Stilwell but requested that Roosevelt send a high level representative to discuss the military and political problems involved. This was the origin of the Hurley appointment.

Service stated that after months of refusal the Central Government finally granted permission for United States intelligence visits to the Communist areas, and, on the basis of recommendation by Ambassador Gauss, Service accompanied the first group to go to Yen-an by air on July 22, 1944. During this visit he had "long and detailed interviews with almost every one of the ranking Communist leaders from Mao Tse-tung on down. Service stated that by late August the group had verified their initial favorable impressions of the Communists sufficiently to make recommendation to give small quantities of equipment useful in guerrilla operations against the Japanese. Service made such a recommendation in a memorandum dated August 29, 1944, stating that aside from the military considerations, he believed that impartial aid would be a constructive force in stimulation of reform and in prevention of civil war.⁷

⁷Ibid., p. 1971.

IV. PROBLEMS WITH HURLEY

Hurley had arrived in Chungking on September 6th, making public statements indicating he was to try to bring about some agreement between the two parties and a unification of the two armies. However, in early October the focus of concern became a demand by Chiang that Stilwell be recalled. Hurley began swinging to support Chiang in this pursuit, apparently hoping Chiang would cooperate on other issues if Stilwell were removed.

Against this background Service, on October 10th, wrote a memorandum to which Hurley later took violent exception, calling it variously "a plan to let fall the government he was sent to support" and "a plan to bring about the collapse of the Central Government."⁸

Service has stated that a fair reading of the memorandum would convince anyone that it was not meant to be, and was in fact not, an argument for the abandonment of Chiang but rather a more realistic policy toward him. He stated that the gist of his contentions had already, without his knowledge, been stated by Stilwell in his

⁸Ibid. Transcript of this memorandum appears pp. 1987-1990.

reports to General Marshall in September and October.⁹ Service stated that in essence he was contending that the end and primary objective of U. S. policy was not the support of Chiang but the revitalization of the Chinese war effort and the attempt to bring about a relationship between the parties that might remove the threat of civil war and unify the country.

Stilwell was recalled on October 19th and just before his departure ordered the return of Service to the United States. Service stated that he left Yen-an on October 23rd and spent one night in Chungking. He had dinner and spent the evening with Hurley. Their conversation and expressed views appear to have been amiable, but apparently Hurley had not as yet seen the October 10th memorandum.

Service proceeded to the U. S. and arrived in Washington on October 29th. Because of his observations and knowledge of the Chinese Communists he was much sought after by various government agencies, by newspaper people, and by the general category of "Far Eastern experts." An invitation for him to give an off-the-record talk at the

⁹ See U.S. Department of State, United States Relations with China, 1949, pp. 68-69. This book is frequently referred to as the "China White Paper" and will be so cited henceforth in this study.

Washington office of the IPR was accepted by John Carter Vincent, then head of the Division of China Affairs. It was at the conclusion of this meeting that Service first met Lt. Andrew Roth, who was in June, 1945, to figure prominently in the Amerasia case.

Service stated that the State Department was then considering assigning him to Moscow. He completed his consultation and left Washington about November 19th for leave in California. In the interim, John Paton Davies had remained in Chungking with General Wedemeyer, Stilwell's replacement. Davies became involved in a clash with Hurley which culminated in Davies' immediate transfer out of China. Wedemeyer requested that Service be returned to replace Davies. Service noted that at this time his previous memoranda had received wide dissemination and he had received numerous commendations for them.¹⁰ At no time had he been told that his views were considered improper or contrary to American policy or that he should modify or restrain his expression of them. Further in this regard he stated that just before he departed Washington, Nathaniel P. Davis, "Chief of the Division," advised him that he was familiar with the situation in Chungking concerning Hurley and the difficulties of the

¹⁰ Loyalty Board, p. 1972.

embassy staff in their relations with Hurley and emphasized to Service that he would be working for the army and not for Hurley and that Service would have the department's understanding support.

V. SERVICE IS RELIEVED

Service arrived back in Chungking on January 18, 1945, and took up duties for Wedemeyer similar to those previously performed for Stilwell. Shortly after the return Hurley summoned him and warned him that he was very much "off base" in his memorandum of the previous October 10th and that Hurley intended to do all the policy recommending in the future. Hurley reminded Service that Hurley's mission in China was to uphold Chiang and the Central Government. He threatened to "break" Service if he provided any interference and stated that he had similarly threatened Davies.

Service stated that he reported this encounter to Wedemeyer, who told him that he was working only for Wedemeyer and should "carry on."¹¹

Service stated that by early February, 1945, it was obvious that negotiations between the two Chinese parties had reached an impasse and broken down. Both Hurley and

¹¹Ibid., p. 1973.

Wedemeyer prepared to return to the United States for consultation. Raymond P. Ludden, another civilian member of Wedemeyer's staff, had returned from a long trip to Yen-an and was in Chungking. He and Service advised Wedemeyer that military considerations made it undesirable for the army to become completely "tied up with" the Central Government. An example was cited that if landing operations were conducted on the China coast, United States forces should be free to cooperate with whatever Chinese forces were encountered, Nationalist or Communist. Wedemeyer agreed, requested a written statement, and ordered Ludden to accompany him to Washington to be available for consultation. The result was a memorandum of February 17, 1945, and a telegram of February 26th, ordered drafted by the Counselor of the Embassy, George Atcheson, to which Hurley later objected as evidence of disloyalty to him and intention on the part of Atcheson and Service to sabotage him.¹²

Service was ordered to Yen-an to attend an imminent Communist Party Congress on March 9, 1945. He resumed his

¹² Ibid., p. 1974. The text of these messages appear in China White Paper, pp. 87-92. Allegations made against Service and Davies by Hurley in the course of hearings held before the Senate Foreign Relations Committee in December, 1945, appear in Loyalty Board, pp. 1982-94, 2000, 2011, 2016, and 2029.

contacts with the leading Communists and prepared numerous memoranda, chiefly descriptive of their program and policies.

In early April he received urgent but unexplained orders to return to the United States at once. He left Yen-an about April 4th, quickly passed through Chungking, and arrived in Washington on April 12th. There he was informed that Hurley had forced his recall by going to Secretary of War Stimson, the State Department having told Hurley it had no authority to issue Service orders because he was on assignment to the army.

VI. PRELUDE TO THE AMERASIA CASE

Service was detailed to the Office of Far Eastern Affairs for a brief period of consultation. He was made available for interviews by people concerned with China in various government agencies and branches of the State Department. He had no other assigned duties and did not attend policy meetings nor write any policy memoranda or papers.¹³

There subsequently ensued the series of events involving Service in the Amerasia case and his arrest on June 6, 1945. Thus, the events in China, culminated by

¹³Loyalty Board, p. 1974.

his forced recall and subsequent arrest, set the stage for subsequent charges which will be taken up in the following chapter.

CHAPTER III

THE ALLEGATIONS AGAINST JOHN STEWART SERVICE

I. GENERAL NATURE OF CHARGES

At this point it appears necessary to depart somewhat from a chronological organization of events in order to place in perspective the allegations and evidence bearing on the case.

The charges against Service lend themselves and their makers to several dimensions and categories--some were official and relatively specific; some were unofficial; some were first-hand or new charges; some were second-hand and somewhat distorted; the makers or originators of some have never been revealed. Not all of the charges dealt with the established focus of interest of this study, i.e., disloyalty; but in the context in which they were made they became commingled in that category and, therefore, must be considered.

A unique characteristic of the Service case is that the transcript of proceedings of the State Department Loyalty Security Board hearings concerning Service, which took place from May 26th to June 24, 1950, was furnished to the Tydings Committee and appears verbatim of their published hearings on pages 1958 to 2509, with exhibits.

Excerpts from the proceedings follow.

On July 9, 1947, the Secretary of State promulgated departmental announcement 611 establishing a Personnel Security Board consisting of three members to review security and investigative records of departmental and foreign service personnel whose cases are to be considered for termination as security risks. . . .

Mr. Service is specifically charged as follows:

The specific charges are that within the meaning of section 392.2 of Regulations and Procedures of the Department of State, you are a member of, or in sympathy associated with, the Communist Party which has been designated by the Attorney General as an organization which seeks to alter the form of government of the United States by unconstitutional means; and further that within the meaning of section 393.1.d of said regulations and procedures you are a person who has habitual or close association with persons known or believed to be in the category 393.1.a of said regulations and procedures to an extent which would justify the conclusion that you might, through such association, voluntarily or involuntarily, divulge classified information without authority.

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It should be pointed out that the transcript of the hearing will not include all material in the file of the case, in that it will not include reports of investigation conducted by the Federal Bureau of Investigation, which are confidential; that also the transcript will not contain information concerning the identity of confidential informants or information which will reveal the source of confidential evidence; and that the transcript will contain only the evidence in the letter of charges and interrogatory, if any, and the evidence actually taken at the hearing.

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Mr. Service has been informed that various allegations have been made that he is pro-Communist. The allegations have indicated that this is reflected in his writings and that while serving in China and Japan he consorted with Communists; and further that while in the United States he consorted with alleged

Communists and Communist sympathizers and turned over to them classified documents without authority.

He has further been informed that members of the Board are concerned with his associations with the following persons: E. S. Larsen, Mark J. Gayn, Kate L. Mitchell, Philip J. Jaffe, Thomas A. Bisson and Andrew Roth.¹

Service's counsel, Charles E. Rhett, stated that as he saw it the case divided itself in three divisions, the first division being charges made by General Hurley, in testimony before the Senate Foreign Relations Committee in December, 1945, to the effect that Service was pro-Communist, that he undertook to sabotage American foreign policy in China, as General Hurley was attempting to execute it, and that Service, along with Davies and other Foreign Service officers, was in general engaged in attempting to defeat accomplishment of American foreign policy. The second division was seen to arise from the involvement of Service in the Amerasia case. The third division of charges was seen as relating to the period when Service was assigned duty in Tokyo in 1945 and 1946.

II. SERVICE BECOMES A MCCARTHY CASE

It appears necessary for proper clarity to return at this time to a chronological approach in order to place

¹Loyalty Board, pp. 1958-60.

the convening of the Loyalty Security Board in proper perspective and set the stage for further development.

On February 9, 1950, Senator Joseph R. McCarthy addressed a Republican Womens Club at Wheeling, West Virginia, and launched an attack on the State Department. He included Service as one of the "bright young men who are born with silver spoons in their mouths . . . who have been most traitorous." He went on:

When Chiang Kai-shek was fighting our war, the State Department had in China a young man named John Service. His task, obviously, was not to work for the Communization of China. However, strangely, he sent official reports back to the State Department urging that we torpedo our ally Chiang Kai-shek . . . and stating in unqualified terms (and I quote) that Communism was the only hope of China.

Later, this man--John Service--and please remember that name, ladies and gentlemen, was picked up by the Federal Bureau of Investigation for turning over to the Communists secret State Department information.²

The Senator had made essentially the same remarks concerning Service on the floor of the Senate on January 5, 1950.³

On February 20, 1950, McCarthy delivered a lengthy speech in the Senate in response to demands for an explanation of his charges. In this speech he presented

²Tydings Hearings, pp. 1760-61.

³Congressional Record, 81st Congress, 2d Session, January 5, 1950, p. 1973.

information regarding the alleged subversive activities or backgrounds of eighty-one persons with State Department connections, past and present, whom he identified by numerals. Service appears to have been number forty-six of these cases.⁴

Ultimately a Senate Subcommittee of the Foreign Relations Committee under Senator Millard Tydings was convened to investigate the McCarthy charges. McCarthy appeared before the Tydings group on March 15, 1950. He stated that the State Department Loyalty Security Board had recently reviewed the case of Service and had cleared him. However, he stated, the Civil Service Commission Loyalty Review Board had made a "post audit" decision, sending the case back to the State Department, expressing dissatisfaction and recommending that a new board be convened and Service be called before it. McCarthy went on to say:

He is one of the small potent group of "untouchables" who year after year formulate and carry out the plans for the Department of State and its dealings with foreign nations; particularly those in the Far East.

The Communist affiliations of Service are well known.

His background is crystal clear.

⁴Ibid., February 20, 1950, pp. 1954-1981.

He was a friend and associate of Frederick Vanderbilt Field, the Communist chairman of the editorial board of the infamous Amerasia.⁵

McCarthy went on to discuss in some detail his version of the Amerasia case, drawing heavily on an article written by Emmanuel S. Larsen, one of the principals in the case, and appearing in the magazine Plain Talk in October, 1946.⁶ McCarthy concluded:

Five times this man has been investigated as to his loyalty and his acceptance as a security risk to the Nation.

He was not an acceptable security risk under Mr. Acheson's own "yardstick of loyalty" the day he entered the Government.

He is not a sound security risk today.⁷

Meanwhile, Service had departed Seattle on March 11th to take up his new post in India. Upon receipt of the Loyalty Review Board memorandum on March 14th, the State Department cabled Service to return. He received the message at sea and upon his arrival at Yokahama on March 23rd departed by air for the United States, leaving his family in Japan.⁸

⁵Tydings Hearings, p. 131.

⁶The text of this article appears on pp. 1739-53 of Tydings Hearings.

⁷Ibid., p. 1902. See also New York Times, March 16, 1950, p. 1.

⁸New York Times, March 24, 1950, p. 2.

During virtually the same period of his appearances before the Loyalty Security Board, Service also testified before the Tydings Committee. Using the published transcripts of these two hearings, information concerning the accusers, accusations, and evidence in the Service case will be set forth.

III. GENERAL ALLEGATIONS OF COMMUNIST MEMBERSHIP

Charge: Membership in or sympathetic association with the Communist Party.

Accusers: Even McCarthy does not appear to have alleged specific membership.

Evidence: Former Communist Louis Budenz testified that he had "no information as to Mr. Service's political affiliations."⁹ Earl Browder testified that neither Service nor John Carter Vincent ever had any direct or indirect connection with the Communist Party.¹⁰ Frederick Vanderbilt Field took the Fifth Amendment as to his own Communist membership but stated that to the best of his knowledge neither Vincent nor Service had ever been Communists.¹¹

⁹Tydings Hearings, p. 519.

¹⁰Ibid., p. 706. This testimony is in contrast to his characterizations of Frederick V. Field and Philip Jaffe as "friends" and "cooperators." Ibid.

¹¹Ibid., p. 733.

IV. THE AMERASIA CASE

Charge: While in the United States he consorted with alleged Communists and Communist sympathizers and turned over to them classified documents without authority.

Accusers: This must be assumed to refer solely to the Amerasia case.

Evidence: On May 4, 1950, Frank Brooks Bielaski testified before the Tydings Committee and revealed information as follows:¹²

During World War II, Bielaski occupied the position of Director of Investigations of the Office of Strategic Services and maintained offices in New York City. There on February 28, 1945, Archbold van Beuren, who was then the Security Officer for OSS, showed him an OSS secret document dealing with Thailand and a copy of an issue of the magazine Amerasia in which an article appeared concerning Thailand. Bielaski stated that it was obvious that the author of the article had access to the secret document in question because in many places the wording and phraseology were identical. After considering alternatives and conducting preliminary inquiries into the ownership and activities of the magazine, it was decided

¹²Ibid., pp. 923-67.

by Bielaski that a surreptitious entry into the offices of Amerasia at 225 Fifth Avenue was necessary.

Bielaski and several of his agents entered the premises on the night of Sunday, March 11, 1945. According to his testimony the search revealed the presence of about 400 documents, classified up to Top Secret, with their origin indicated as being the State Department, ONI, OSS, and Army Intelligence. In one briefcase was found a type-written original copy and three or four carbon copies of the secret OSS document which was the object of the search.

Because of the profusion of documents, it was deemed safe to take some of them away as evidence of the findings. From the documents, the presence of elaborate photocopying apparatus, and the surroundings, the agents were convinced that they had come upon a principal channel through which information was being obtained from the agencies cited, photostated, returned to the agencies by courier, and that the photostat copies of the documents passed from this center, "probably through communist channels to an unknown destination."

The premises were vacated at about 2:30 A.M., and everything left in the order in which found. On the following Monday Bielaski took the documents to Washington, turned them over to van Beuren, and briefed him on his findings.

According to Bielaski, within five days the FBI had taken over the investigation, had assigned seventy-five men to the case, and instituted surveillances which continued until June 6, 1945, when arrests were made. Bielaski stated to the committee that at no subsequent date was he called to testify in the case and had no further active role in it. He testified that his first knowledge of Service was when Service was reported to have been arrested by the FBI on June 6, 1945.

On May 4, 1950, James M. McInerney, Assistant Attorney General in charge of the Criminal Division, Department of Justice, testified before the Tydings Committee in substance as follows:¹³

At the time of the referral of the Amerasia case to the Criminal Division on May 29, 1945, he was First Assistant in that division. On that date he was advised that during the preceding March it had been ascertained by an OSS surreptitious search that there were classified government documents in the office of Amerasia magazine in New York City. OSS had reported the matter to the Department of State. OSS was requested to take no further action and State had referred the matter to the FBI on March 12, 1945.

¹³Ibid., pp. 971-1051.

McInerney stated that during the subsequent period of investigation prior to June 6, 1945, the FBI made surreptitious searches of the Amerasia office and made similar searches of the residences of several of the persons under investigation.

At the time of the arrests about 800 documents were found and seized--some 600 in the office of Philip Jaffe, editor of the magazine; 200 to 300 in the home of Emmanuel Larsen, State Department employee; and about 42 in the home of journalist Mark Gayn. No documents were found in the unauthorized possession of Kate Mitchell, co-editor of Amerasia, or of Service or of Lt. Andrew Roth of ONI. During interrogation by the FBI following arrest, only Larsen made a statement of any value to prosecution.

In July, 1945, Gayn, Mitchell, and Service testified before a grand jury, Jaffe, Roth, and Larsen having declined to do so. McInerney further testified to the Tydings Committee as follows:

The grand jury took the position, first, that these Government agencies were very sloppy in their handling of documents, and almost invited this type of violation; second, that the same thing that was being done by these people, was being done by regular newspapers, and that copies of documents which were classified, which were marked "classified" could be seen in almost every magazine and newspaper office in New York.

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Jaffe was voted, for indictment, 14 to 6, 12 being required as the minimum.

Larsen was voted, for indictment, 14 to 6.

Roth was voted, for indictment, 13 to 7.

Gayn was no-billed, 15 to 5.

Mitchell was no-billed, 18 to 2.

Service was no-billed, 20 to 0.

We, in effect, wound up here with a case against two defendants, Jaffe and Larsen. I think our examination of the case showed pretty completely that Larsen had been the main abstractor of documents.¹⁴

When asked to describe or categorize the documents seized at the time of the arrests, McInerney went on to say:

I would say that with respect to all of these documents, that they were of innocuous character. If I would estimate that 1 per cent of them related to our national defense, that would be about right. They had to do with very minor political and economical matters in the Far East, and I say that, having been Chief of the Internal Security Section of the Department all during the war, and I handled all the espionage cases for the Department and these things impressed me as being a little above the level of teacup gossip in the Far East. . . .

McInerney stated that during the week of September 25, 1945, Larsen filed a motion to quash the indictment against him on the grounds of alleged wire-tapping and trespass of his apartment by the FBI prior to his arrest. Larsen had apparently become suspicious that such actions had taken place because of remarks he overheard made by FBI agents at the time of the search of his

¹⁴Ibid., p. 974.

apartment in connection with his arrest and subsequently confirmed his suspicions through his building superintendent. Fearing that Jaffe's lawyer would file a similar motion as soon as he learned of it, McInerney contacted the lawyer and obtained from him a firm commitment that Jaffe would plead guilty or nolo contendere and in return the government would recommend to the court that the sentence be limited to a fine. On the following day Jaffe pleaded guilty, a fine of \$2,500 was levied, and was immediately paid. Subsequently, Larsen's attorney agreed to a plea of guilty in return for limiting the sentence to a small fine. McInerney considered Larsen a nonentity in the case who had been corrupted by Jaffe and was penniless. A fine of \$500 was recommended, Larsen pleaded guilty, and the fine was paid by Jaffe for Larsen.¹⁵

On May 26, 1950, McInerney and Robert M. Hitchcock, former Department of Justice attorney assigned prosecution of the Amerasia case in 1945, were present before the Tydings Committee. A summary of pertinent aspects of the testimony of Hitchcock is as follows:¹⁶

The FBI, in connection with the arrest of Jaffe and Kate Mitchell at the Amerasia offices, had seized several

¹⁵Ibid., p. 990. Transcripts of these court proceedings appear Ibid., pp. 1933-37.

¹⁶Ibid., pp. 1001-48.

hundred papers, many of which were clearly the property of one or more government agencies, most of them of the State Department. Many others of the seized papers were clearly established to be copies of similar records. The bulk of them were classified.

In Gayn's apartment, when he was arrested, the FBI seized 60 items, of which 22 were Federal Communications Commission reports pertaining to interrogation of Japanese prisoners of war. About 20 were typewritten copies of State Department papers, and 18 were correspondence or papers which were entirely personal. Copies of some of the items found in Gayn's New York apartment were found in the Amerasia offices.

FBI surveillance had revealed a close relationship between Jaffe and Gayn. It further showed that between March 21, 1945, and May 31, 1945, Gayn met with Jaffe, Roth, and Mitchell separately and together on several occasions. On two occasions Gayn was with Service. Service stayed at Gayn's New York apartment one night. These meetings proved nothing but association.

The seized documents and the associations constituted the entire case against Gayn. Subsequent investigation revealed that Gayn was lawfully in possession of the documents. It was further revealed that these

type of documents were generally available to writers and journalists.

Hitchcock testified that Service gave the FBI a statement at the time of his arrest which related essentially as follows:¹⁷

He was a State Department employee who had spent most of his life in China. He was loaned to General Stilwell in August, 1943, and remained with General Wedemeyer, successor to General Stilwell, until he was recalled "through General Hurley" in April, 1945.

While in China his reports went to the Commander in Chief of the United States forces in China and the United States Embassy at Chungking. He normally kept a copy for himself with the full knowledge of the embassy and army headquarters.

In March, 1945, he was sent to Yen-an, the headquarters of the Chinese Communists, who were holding a party Congress, and made further reports, largely of conversations with Chinese Communist leaders. These reports were distributed normally and, in addition, a copy went to the State Department. When he left China in April, 1945, he received permission from the Adjutant General at Chungking to bring back his personal files and copies of his

¹⁷Ibid., p. 1005.

reports, which he kept in his own desk in the State Department.

He first met Jaffe on April 19, 1945, being introduced by Roth. He knew Jaffe was editor of Amerasia magazine and assumed he wanted to learn the latest news from China; therefore, he took along to the meeting his personal copy of a report of a conversation with Mao Tse-tung, which had taken place March 31, 1945, at Yen-an and in which Mao detailed the policies expected to be adopted by the party Congress.

Jaffe showed deep interest and asked if he had any other reports. Considering the reports to be merely "reportorial," he supplied Jaffe the next day with more of his personal copies. Jaffe said that he did not have time to read the reports and asked if he could take them to New York. Service consented, saying that he was going to New York the following week and could pick them up then.

Service went to New York and stayed at the Gayn apartment. He stated that he had first met Gayn on April 18, 1945, but that he had previously had some correspondence with Gayn and had gone to college with Gayn's brother.

Service stated that on April 25th he called at the Amerasia office and picked up the reports he had loaned to Jaffe on April 19th and 20th. He added that Jaffe was in

Washington on May 3rd and had communicated with Service, saying he would like to get a copy of the FCC monitored report of a broadcast of Mao Tse-tung's recent speech at the party Congress. Service took Jaffe to the State Department, obtained permission, and there gave Jaffe a copy. Later in the day a corrected version came in, several copies were run off, and one was given to Service. When he left his office, he went to Jaffe's hotel, gave him a copy, and left.

Hitchcock further testified that when Jaffe was arrested on June 6th, his briefcase contained eight "ozalids" (copies similar to photostats) of Service's Yen'an reports which were clearly identified as State Department property. Before the grand jury Service denied any knowledge of Jaffe having these copies and said there was no reason for him to have given them to Jaffe because he could have given Jaffe his own personal copies.

Hitchcock opined that if Service had given Jaffe his own personal copies he would have "violated no law whatsoever."¹⁸

According to Hitchcock, Service also testified before the grand jury that after his return from China he had, with permission of his supervisor, presented these

¹⁸Ibid., p. 1007.

same reports at a public lecture in New York City. Furthermore, Larsen subsequently admitted that he had obtained the ozalids from the State Department and delivered them to Jaffe. The personal copies which Service admitted lending to Jaffe never were part of the State Department files.

Investigation had revealed nothing unfavorable concerning Service and no evidence was uncovered of any dealings, other than social, with the other subjects of the investigation, except on April 19th and 20th as stated. When Service was arrested, no official documents whatsoever were found in his apartment.

No evidence was developed against Mitchell or Roth. The indictment against Roth was "nol-prossed" on February 15, 1946.

Hitchcock further testified substantially as follows:

Grand jury testimony revealed that many of the documents involved had been declassified and publicly released, although declassification was not shown on the face of the documents. In many cases no record had been kept as to what documents had been declassified. Many of the documents had had as many as 500 duplicates made and distributed to various agencies. No standardization for classification existed. Usually the writer in a foreign

country made the classification partly governed by his desire to expedite his report, because higher classifications were transmitted by more expeditious means.

Virtually all the documents seized, despite origin in other agencies, were documents copies of which the State Department had received and thus were available in State Department files.

Hitchcock went on to verify and elaborate on various aspects of the prosecution of the Amerasia case as previously testified to by McInerney, the most significant aspects of which concerned the facts and implication surrounding the following quotation:

Nothing is clearer under Federal law than that evidence secured as a result of illegal searches will be suppressed upon the application of those whose constitutional right to the privacy of their homes,¹⁹ their persons, and their effects have been violated.

Thus, it became apparent that the government could never have successfully prosecuted the Amerasia case because of the initial and subsequent illegal searches by the OSS and the FBI.

Hitchcock further testified that although "Jaffe was very communistic," and had, during the period of surveillance, met with Earl Browder and a Chinese Communist delegate to the San Francisco Conference of June, 1945, there

¹⁹Ibid., p. 1020.

was no evidence Jaffe had delivered any documents to any foreign government, or any foreign agents, or any representatives of any foreign government.

On June 7, 1950, Julius C. Holmes, Foreign Service officer and assigned as Minister, U. S. Embassy, London, testified before the Tydings Committee with pertinent portions substantially as follows:²⁰

At the time of the Amerasia case he was Assistant Secretary of State. He recalled that Acting Secretary Grew expressed astonishment when first informed of Service's involvement in the Amerasia case. When Service was arrested, he was suspended from active duty until a court should decide as to his guilt or innocence. Although the grand jury did not indict him, and he was, therefore, cleared of any criminal charges, Holmes, as Chairman of the Foreign Service Personnel Board, was responsible to take appropriate action to determine if any information existed pertinent to the continuance of Service with the State Department. In this pursuit he caused inquiry of Hitchcock in the Justice Department as to whether any such adverse information existed and received a reply in the negative.

²⁰Ibid., pp. 1165-78.

The Personnel Board was subsequently convened; Service was called before it and questioned closely; Holmes, as Chairman, gave him a "very severe oral reprimand for being indiscreet, at least." The board deliberated and unanimously concluded that there was no evidence indicating other than that Service should be reinstated and retained in the Foreign Service. A letter was subsequently signed by Secretary Byrnes reinstating Service.

On June 12, 1950, Philip J. Jaffe appeared before the Tydings Committee in executive session. Jaffe identified his occupation as a manufacturer of greeting cards, gave his address in New York City, but declined to answer virtually all further questions, claiming privilege under the Fifth Amendment.²¹

V. LATER SIGNIFICANCE OF THE AMERASIA CASE

Later events and official conclusions and decisions appeared to characterize the Amerasia case as being evidence of disloyalty on the part of Service or to at least raise a reasonable doubt.²² Both the Tydings Committee and the Loyalty Security Board seemed to be impressed by a

²¹Ibid., pp. 1214-27.

²²New York Times, December 14, 1951, p. 1. Further amplification appears in later chapters of this report.

transcript of a recording made surreptitiously by the FBI of a conversation between Service and Jaffe on May 8, 1945, in which Service reportedly related to Jaffe information concerning a "plan" made by General Wedemeyer's staff in Chungking concerning action to be taken by American forces if a landing were made on the China coast in territory held by the Chinese Communists. Service allegedly cautioned Jaffe that this was very "secret." Service testified that he could not recall the conversation but that although such a situation did exist in China, no decision or recommendation, to his knowledge, had been made at the time of his relationship with Jaffe. He had only known that discussion of the matter was taking place.

Service stated that he could only conclude that his reference to "secret" in this conversation related to his giving the information to Jaffe "in confidence" rather than to any official classification of the information, inasmuch as Service possessed no classified knowledge of the matter nor was aware if any existed.²³

It was pointed out in testimony before the Tydings Committee that this recording or its transcript had not been presented to the grand jury that had declined to

²³Loyalty Board, p. 2459. See also Tydings Hearings, p. 1408.

indict Service in the Amerasia case.²⁴ This fact may well have figured significantly in subsequent decisions concerning Service's loyalty or suitability for a position of trust.

Numerous journalists and correspondents such as Joseph C. Harsch, James Reston, Eric Sevareid, and Brooks Atkinson, as well as pertinent State Department officials, testified to the Loyalty Security Board that the procedure Service followed with Jaffe had been condoned and even encouraged in Washington and China. The difference, or significant factor, in the Amerasia case would appear to be that Jaffe was at least a suspicious character in contact with such people as Earl Browder, as well as Soviet and Chinese Communist officials; and the implication inevitably arose that Service should have known this, or else was disloyal and didn't care, or else exercised poor judgment.

Service testified that at no time was he aware of any Communist connections of the Amerasia group. He stated that the very next day after meeting Jaffe he made inquiry of Roth, and Roth assured him that Jaffe was not a Communist.²⁵

²⁴Tydings Hearings, p. 1422.

²⁵Ibid., p. 1285.

In response to a specific inquiry before the Tydings Committee, Service replied, "Certainly I recognize it as an indiscretion. I have suffered for it for five years."²⁶

As to further implications in the Amerasia case, Larsen, whose article in Plain Talk was used so extensively by McCarthy in his denunciations of Service, repudiated responsibility for the article in testimony before both the committee and the board. He stated that much of the article had been "ghost" written over his objections and that other statements he had made had been prompted by animosity created by his mistaken belief that Service had "pointed the finger" at him before the Amerasia grand jury. Larsen testified in part as follows:

I will once more summarize what I have said at the past meeting--that I have undoubtedly, through questioning and pressure and promises, and through my personal animosity to Mr. Service and Mr. John Carter Vincent--and I believe that as a result of all this I have been extremely unfair to them and have said many careless things that I should have not have said. . . .

I do not believe that Mr. Service is a Communist and I never believed he was a Communist.²⁷

As to the association of Service with the other persons involved in the Amerasia case, it would appear to

²⁶Ibid., p. 1284.

²⁷Loyalty Board, p. 2283.

follow that if he had no knowledge of their alleged Communist activities, affiliations, or connections, no imputation of disloyalty could be made. Service testified at some length concerning the brevity of his association with them during the period from April to June, 1945, and further testified that he had had no contact with any of them since.²⁸ No evidence was presented to dispute this contention; however, as previously pointed out, the Board did not reveal what specific information it had been furnished by the FBI.

The same outlook may be taken concerning other persons about whom the Board questioned Service, e.g., Owen Lattimore, Haldore Hansen, Agnes Smedley, Edgar Snow, Harry Dexter White, Lauchlin Currie, T. A. Bisson, Frederick Vanderbilt Field, and E. C. Carter. Service's characterizations of his relationships with these persons ranged from complete lack of contact to casual acquaintance at one time or another in China or Washington. All of these persons have figured, in one way or another, in various investigations, denunciations, and exposes which became endemic of the time. It might be assumed that the Board had available to it at least allegations of suspicions and in some cases specific allegations against these people.

²⁸Ibid., pp. 2339-59.

Although Service denied any close or significant relationship with any of them, or any knowledge of their alleged questionable activities, the fact remains that when someone in Service's position moves in circles or circumstances in which people such as these are found, despite the fact that he may not have sought them out to the exclusion of others, a "doubt" can be raised as to whether (assuming the allegations against them may be true, or possibly true) he may be "one" of them, or in sympathy with their views or aims, or subject to their influence. Whether doubts so raised are "reasonable," it must be presumed, is determined by the totality of facts and circumstances available, hence dependent on the quality and quantity of information developed and set forth in investigative reports.

In the case of Service, the facts and circumstances appear to have continued to accumulate and become increasingly determinate in a manner that must have been bewildering and depressing to him and increasing the difficulty of "clearing" him, especially to the satisfaction of such critics and antagonists as McCarthy.

For example, testimony was given before the Tydings Committee that during the period Service was meeting with Jaffe and furnishing Jaffe with information, Jaffe also met with Earl Browder and Tung Pi-wu, the Chinese Communist

representative to the United Nations Conference.²⁹ In the same context Service was testified to have also met with Tung on "another" occasion, this testimony leaving the distinct impression that the meeting took place under circumstances which could lend greater credence to a conspiracy view of the Amerasia case. Service testified that he had met Tung in China in the course of his official duties and when invited by a U. S. Army captain to have dinner with the captain and Tung in Washington, he had no reason to decline. However, he testified, this contact took place in August, 1945, some time after his relationship with Jaffe had purportedly been severed.³⁰

Service's explanation may appear plausible and reasonable, particularly viewed in the perspective of the world as it existed in 1945, but it is not difficult to imagine a security officer, or a senator, or loyalty-security board member, or a man on the street, who has never had dinner with a Communist, or a Chinese, and who finds it difficult, particularly in 1950 or later, to imagine any loyal American doing so or ever having done so.

²⁹Tydings Hearings, p. 1063.

³⁰Loyalty Board, pp. 2358-59.

VI. THE HURLEY CHARGES

Charges: Service, in conspiracy with other Foreign Service officers, including John Paton Davies, was "dis-loyal" to the American policy in China. This charge became amplified to "pro-Communist" influencing of American policy in China.

Accusers: Harley's charges following his resignation as Ambassador to China in 1945 provided the initial basis for such allegations. The charges were reiterated by Larsen in his Plain Talk article, were repeated by Congressman Judd on October 19, 1949, and again by McCarthy in his January 5, 1950, speech and on subsequent occasions.³¹ They have been repeated, amplified, reiterated, summarized, and resurrected on numerous occasions since in speeches, articles, books, and official government publications.

Evidence: The reports written by Service provide the basic evidence used in this regard. Freda Utley, in testimony before the Tydings Committee, stated that her analysis of these reports, and those of Davies, resulted in the conclusion that Service and others, including Davies, were members of a "pro-Communist" clique in China

³¹Ibid., pp. 1984-85.

and in the Far East Division of the State Department, who, under the influence of Owen Lattimore, caused the fall of China to the Communists.³²

In her book, The China Story, Utley traced this "pro-Communist" influence to General Stilwell, whom she knew in Hankow in the late 1930's. She stated that Stilwell was influenced by Agnes Smedley, who also influenced Davies, who in turn influenced Service.³³ She viewed Service as having fallen victim to Communist propaganda because of his "lack of knowledge of economics and politics." She stated that his reports displayed "ignorance and naivete" rather than definite Communist orientation.³⁴

John T. Flynn expressed much the same conclusions in his book, stating that Service "continually exploited the Communist line."³⁵ His over-all conclusion appears to

³²Tydings Hearings, pp. 750-52. The Senate Internal Security Subcommittee characterized Lattimore as ". . . a conscious articulate instrument of the Soviet conspiracy," Institute of Pacific Relations, U.S. Senate Report 2050, 82d Congress, 2d Session, 1952, cited hereinafter as "IPR Report." The quotation appears on p. 224.

³³Utley, The China Story, 1951, p. 105.

³⁴Ibid., p. 115. Service apparently majored in economics in college. See Tydings Hearings, p. 1326.

³⁵Flynn, While You Slept, 1951, p. 36.

be that both Service and Davies were "dupes" rather than disloyal.

Buckley, in his defense of McCarthy, reviewed the reports of Service and concluded that all reflected "pro-Communist bias." He concluded that Service "misrepresented what he was seeing,"³⁶ and whatever his motives were, there was a "reasonable doubt" as to his loyalty.³⁷

Service testified that there had never existed any disagreement with Hurley's objectives, but Hurley placed great emphasis on continuing support of Chiang and the Central Government, believing that by persuasion he could induce Chiang to make the concessions necessary to bring about a coalition government and a unification of Chinese armies in the war against Japan. All that Service and Davies were advocating, Service stated, was that inasmuch as negotiations had been unsuccessful, it was now time to make positive demands on Chiang.³⁸

Excerpts of the testimony of Secretary Byrnes before the Senate Foreign Relations Committee hearing Hurley's

³⁶Buckley and Bozell, McCarthy and His Enemies, 1954, p. 148.

³⁷Ibid., p. 279.

³⁸Loyalty Board, p. 1991. Compare Tsou, America's Failure in China, 1963, esp. pp. 143-45 with Hurley's biographer, Lohbeck, Patrick J. Hurley, 1956, esp. Part IV. Tsou's analysis essentially coincides with that of Service.

charges in 1945 were presented in the Loyalty Security Board transcript. Byrnes reviewed Hurley's allegations and stated that in his opinion, based on the information which had been presented to him, there was no evidence to support the charges.³⁹ He confirmed Service's later contention that basic policy was not at issue.⁴⁰

During the course of both proceedings in 1950 it was pointed out that despite his having publicly reiterated his allegations as recently as June, 1950, Hurley had declined invitations to testify by the Tydings Committee⁴¹ and the Loyalty Security Board.⁴²

George F. Kennan, in testimony before the Board in reference to Hurley's charges, stated:

In that respect, what bewilders me here is that they advocated, it seems to me, the same thing that General Hurley was advocating, which was political accommodation. . . . And this was unquestioned policy of the American government.⁴³

³⁹Loyalty Board, p. 1993. General Wedemeyer in his 1958 book, Wedemeyer Reports (p. 307) stated that he had made a "thoroughgoing" investigation of Hurley's original charges and concluded that Hurley had been "incorrectly informed."

⁴⁰Loyalty Board, p. 2018.

⁴¹Tydings Hearings, p. 1443.

⁴²Loyalty Board, p. 2066.

⁴³Ibid., p. 2122.

In response to a specific request of the Board, Kennan, "a recognized authority on Communism and one of its staunchest opponents,"⁴⁴ reviewed 126 of Service's reports from China to give the Board his opinion "with reference to the Communist attitude revealed by these documents, if any."⁴⁵ Kennan stated that he had found them to be "throughout severely critical of the Central Chinese Government."⁴⁶ He answered negatively to specific questions as to possible Communist influence or inclination revealed in the reports, finding them "quite the contrary."⁴⁷ He further stated:

My conclusion is the following: I find no evidence that the reports acquired their character from any ulterior motive or association or from any impulse other than the desire on the part of the reporting officer to acquaint the Department with the facts as he saw them. I find no indication that the reports reported anything but his best judgment candidly stated to the Department. On the contrary the general level of thoughtfulness and intellectual flexibility which pervades the reporting is such that it seems to me out of the question that it could be the work of a man with a closed mind or with ideological preconceptions and it is my conclusion that it was not.⁴⁸

⁴⁴Tydings Hearings, p. 1265.

⁴⁵Loyalty Board, p. 2114. These reports appear in Annex 47 of China White Paper.

⁴⁶Loyalty Board, ibid.

⁴⁷Ibid., pp. 2120-27.

⁴⁸Ibid., p. 2120.

Clarence C. Gauss, who had been Ambassador to China from 1941 to November, 1944, testified before the board and described Service's character and performance as "outstanding," described him as having been "objective in his approach" and as having realized that he was abroad to "recognize American interests" and to look at things from the American standpoint.⁴⁹

Gauss stated that he was "sorry General Hurley isn't here because I'd call him a liar to his face," concerning his allegations against Service, Davies, and others. He stated that there was never at any time any evidence of disloyalty on the part of Service or any of the other persons who had been on the embassy staff in Chungking.⁵⁰

Gauss further stated that he considered Hurley's charges as ". . . a figment of an imagination which is seeking its own glorification."⁵¹

Joseph Alsop, in a letter to the Tydings Committee dated May 4, 1950, stated that although he disagreed with

⁴⁹Ibid., p. 2064.

⁵⁰Ibid., p. 2066.

⁵¹Ibid., p. 2070. See also White and Jacoby, Thunder Out of China, 1946, for characterizations of Hurley, esp. pp. 246-47, e.g., ". . . the tragedy of a mind groping desperately at problems beyond its scope." Lohbeck, op. cit., is overwhelmingly laudatory of Hurley.

Stilwell and Service's anti-Chiang reasoning, he believed them to be completely loyal and they "had no part in the loss of China." He stated that it was not U. S. policy but rather lack of policy that "lost" China. He concluded by stating:

In summary, I do not attempt to excuse or palliate the grave American mistakes in China, which I have often denounced, but I submit that we may as well abandon all hope of having honest and courageous public servants, if mere mistakes of judgment are later to be transferred into evidence of disloyalty to the state.⁵²

A corollary issue to the Hurley allegations was brought out before the Loyalty Security Board, with introduction of remarks made by Congressman Dondero in the Congressional Record of December 10, 1945. Dondero stated that Bishop Yu-Pin, who had served as unofficial advisor to the Nationalist Chinese delegation, at the San Francisco Conference, informed him that there was "every indication" that Service was working in the interests of the Communist Party and that it was upon his advice that Stilwell had approached Chiang Kai-shek "no less than three times" in person to ask that the Chinese Communists be armed with American lend-lease supplies. The Bishop alleged that Service "kept hammering at Stilwell that the Chinese Communists were getting a raw deal" and, on the third visit

⁵²Loyalty Board, pp. 2149-50.

instigated by Service, Chiang informed Stilwell he was asking Roosevelt to relieve him of his duties in China.⁵³

Service identified Yu-Pin as the Arch-Bishop of Nanking, an intimate of the Chiangs, and an emissary for them abroad on semi-official missions.

Service denied making such recommendations prior to the recall of Stilwell. As previously, he stated his belief that his presence and interpretation of Roosevelt's messages to Chiang inspired the suspicion that he was more deeply involved in them than was the case. In any event, Service testified his direct contact with Stilwell was comparatively limited and he had no influence over Stilwell, who had extensive Chinese experience of his own.⁵⁴ This contention by Service was confirmed by several

⁵³Ibid., p. 2024. All sources reviewed were found at variance with this description of circumstances. See esp. Lohbeck, pp. 291-94, White and Jacoby, pp. 219-23, and Tsou, pp. 115-18.

⁵⁴Ibid., p. 2026. There appears to be little doubt that Service had become unpopular with the Chiang regime. Lohbeck reiterates and amplifies Hurley's charges although presenting no new evidence. However, he reproduces a note (aide-memoire) from Chiang to Hurley dated September 19, 1945, which stated in part:

Mr. Atcheson and Mr. Service are generally accepted in China as men of strong convictions that a coalition between the Communist and Kuomintang parties should be arbitrarily imposed. They both have expressed views that are definitely unfriendly to the Central Government of China and clearly reveal their support of the policies of the Communist Party. . . . (Lohbeck, op. cit., p. 421).

witnesses before the board, including Col. Frank Dorn, who was former aide to Stilwell,⁵⁵ Lt. Col. Joseph Dickey, Stilwell's G-2,⁵⁶ and by Davies.⁵⁷ No evidence substantiating the charge as such was revealed.

VII. CONSORTING WITH FOREIGN COMMUNISTS

Charge: Service, while serving in China and Japan, consorted with Communists.⁵⁸

Accusers: The source of these allegations to the board was not publicly revealed but apparently was a confidential source (or sources) of the FBI.⁵⁹

Evidence: There seems to be no dispute that Service's duties in China required extensive "consorting" with Communists. In the absence of more clarifying information, discussion of the China aspect of this allegation appears pointless.

Concerning Japan, the board revealed that a confidential informant had stated that he had known Service

⁵⁵Loyalty Board, p. 2162.

⁵⁶Ibid., p. 2167.

⁵⁷Ibid., p. 2130.

⁵⁸Ibid., p. 1960.

⁵⁹Ibid., p. 2386. Some hint arose that one Max Bishop, a Foreign Service officer, might possibly have been able to throw light on this question (Ibid., p. 2398).

while both were in Tokyo in 1945 and that Service and others had conversations in the office of the Political Advisor to the Supreme Commander, Allied Powers, (SCAP) with various leaders of the Japanese Communist Party and that these conversations aroused considerable comment.⁶⁰

Service testified that on September 7, 1945, he received orders for assignment to Tokyo. He left Washington on September 14th with George Atcheson, who had been appointed the U. S. Political Advisor to SCAP. They arrived in Tokyo on September 22, 1945.

As the only officer assigned without a Japanese specialty, Service was assigned as administrative and executive officer. He did no independent political reporting and took no part in policy matters. On one occasion a Japanese Communist named Nosaka, who had spent the war at Yen-an with the Chinese Communists, had a brief conversation with Service in the office of John K. Emmerson. Service stated that there was nothing noteworthy about this conversation or in Nosaka calling at the office, as it was Emmerson's job in political reporting to interview such persons. Service further denied that at any time had he made any statements that could be interpreted as expressing a favorable view of the Japanese

⁶⁰Ibid., p. 2386.

Communists, as being enamored of Communist theory, or as advocating support of the Japanese Communists. He stated that he continued as executive officer until he became ill in April, 1946. After four months of hospitalization he was transferred to Wellington, New Zealand, as first secretary, arriving in October, 1946.⁶¹

John K. Emmerson testified before the board and confirmed Service's statements concerning his assignment, duties, and activities in Japan, including the one meeting with Nosaka. He stated that he was unaware of any facts that might have led to the accusations made against Service by the confidential informant.⁶² His testimony was confirmed by several other persons who had been

⁶¹Lohbeck quotes a report of Service's from Yen'an dated September 12, 1944, in which he related conversations with Okano Susumu, head of the Japanese Communist Party, then in exile in Yen'an. Service purportedly wrote:

The Japanese Communist Party is still small . . . but it has the advantages of strong organization and loyal, active, and politically experienced membership. If its policies are, as claimed, congruent with our own hope for a democratic, non-militaristic Japan, we may wish to consider the adoption toward it of an attitude of at least sympathetic support as one of the more dependably advanced political groups within Japan (Lohbeck, op. cit., p. 420).

One cannot help but wonder what at least subtle effect such a report written in 1944 may have had on views of Service's loyalty in the considerably altered world and atmosphere of 1951.

⁶²Loyalty Board, pp. 2385-86.

assigned to Tokyo during the period in question and who had been in position to observe and be aware of Service's activities and reputation. These included U. Alexis Johnson,⁶³ Robert A. Fearey,⁶⁴ Congressman Richard Bolling,⁶⁵ and Col. Charles L. Kades.⁶⁶

⁶³Ibid., pp. 2395-96.

⁶⁴Ibid., pp. 2396-98.

⁶⁵Ibid., pp. 2413-15.

⁶⁶Ibid., pp. 2415-16.

CHAPTER IV

LATER DEVELOPMENTS IN THE SERVICE CASE

I. FINDINGS OF THE LOYALTY SECURITY BOARD AND THE TYDINGS COMMITTEE

On June 27, 1950, the State Department announced that Service had been determined by the Loyalty Security Board to be cleared of suspicion of disloyalty and found not to be a security risk.¹ However, the text of the Board's decision was not released until October 7, 1950. In the meantime the Tydings Committee completed its hearings and issued its report on July 27th. A detailed review was made of the allegations that had been made against Service and of the testimony received by the committee pertinent to the allegations.²

The report stated that the committee majority had carefully considered the evidence and concluded that Service "is neither a disloyal person, a pro-Communist nor

¹New York Times, June 28, 1950, p. 22.

²State Department Loyalty Investigation, Report of the Committee on Foreign Relations, 81st Congress, 2d Session, Report 2108, 1950. This is the Report of the Tydings Committee, not to be confused with previous citations concerning Tydings Hearings. See esp. pp. 74-93, 117, 145-48.

a security risk."³ They further concluded that Service was "extremely indiscreet" in his dealings with Gayn and Jaffe but that this had no bearing on his loyalty.⁴

In his minority remarks Senator Lodge expressed agreement with the majority view on Service and concluded that in the Amerasia case "he showed himself to be gullible and indiscreet."⁵

The report was extremely critical of McCarthy. This was later seen as a contributing factor in McCarthy's successful campaign to prevent the reelection of Tydings to the Senate.⁶

On October 7, 1950, the Loyalty Security Board released its findings in the Service case. Their review of the allegations and evidence was similar to that of the Tydings Committee although wider in scope.⁷

The board stated that Service clearly committed two indiscretions in connection with the Amerasia case. The

³Ibid., p. 162.

⁴Ibid., p. 163.

⁵Ibid., p. 19 of "Individual Views" following p. 313 of main text.

⁶New York Times, November 8, 1950, p. 4, and November 9, 1950, p. 10.

⁷The text of this opinion is reproduced verbatim pp. 4838-45, Institute of Pacific Relations, Senate Judiciary Committee Hearings, 1952, cited hereinafter as "IPR Hearings." See also New York Times, October 8, 1950, p. 38.

first was to communicate any classified information at all to Jaffe without first checking on his reputation. The second, seen as both an indiscretion and a breach of regulations, was to allow Jaffe to take possession, for however short a time, of classified documents. The board took note, however, of the fact that the documents in question contained nothing that could be considered harmful to the national security.⁸

The board concluded that reasonable grounds did not exist for belief that Service was disloyal and found that he did not constitute a security risk.⁹

II. STATE DEPARTMENT AWAITS THE LOYALTY REVIEW BOARD DECISION

During the following period Service was assigned to administrative duties of a "non-confidential nature" which apparently included distribution of office supplies.¹⁰ On March 3, 1951, it was announced that the department had called Mrs. Service home from Japan where she and the children had been waiting since Service had been recalled

⁸IPR Hearings, p. 4843.

⁹Ibid., p. 4844.

¹⁰New York Times, March 4, 1951, p. 52, and October 26, 1951, p. 12.

in response to McCarthy's charges almost a year before. It was also announced that Service's case was still pending before the Loyalty Review Board of the Civil Service Commission.¹¹

On May 1, 1951, the department announced that the case had been reopened to consider "additional evidence recently received from the Far East."¹² On May 5th the department announced that although eligible, Service was not on the list of Foreign Service officers sent to the Senate for confirmation of promotion. It was also noted that the Loyalty Review Board had returned the Service case to the department for consideration of a "new report from China."¹³

On June 21st Hurley testified before the Joint Congressional Committee investigating the removal of General MacArthur that in 1944 Service had delivered to the Chinese Communists a copy of a memorandum Service had prepared for Stilwell, denouncing the Chiang government.¹⁴ Hurley produced no evidence substantiating this "belief" of his.

¹¹Ibid., March 4, 1951, p. 52.

¹²Ibid., May 2, 1951, p. 21.

¹³Ibid., May 6, 1951, p. 46.

¹⁴Ibid., June 22, 1951, p. 1.

On August 23rd Louis Budenz, a former Communist, testified before the Senate Internal Security Subcommittee investigating the Institute of Pacific Relations (IPR) that the American Communist Party had "relied on" Service and John Carter Vincent "to smear" State Department officials unfriendly to the Russians. Budenz stated that according to "official reports" he received while in the party Vincent was a party member. As to Service he stated he would not "single him out" for identification as a Communist but he added that Service was one of a group mentioned by Communist leaders as "men we can rely on to persuade Stilwell" in antagonism toward Chiang. It was noted that to date Budenz had named forty-three persons connected with the IPR as Communists.¹⁵

On October 25th the department announced that Service, whom it was noted had now been cleared six times by the Loyalty Security Board, would receive a new hearing before the Loyalty Review Board headed by former Republican Senator Hiram Bingham. It was noted that the Loyalty Security Board had reviewed the case under "revised standards" and, after reaffirming its favorable determination of July 31, 1951, had forwarded the case to the Review

¹⁵Ibid., August 24, 1951, p. 8. See also IPR Hearings, p. 626. See also note 18 ff. Chap. VI below.

Board on September 4th. The Review Board advised the department on October 11th of its intention to reopen the case. Service was scheduled to appear with counsel before the Review Board on November 8th.¹⁶

III. DECISION OF THE LOYALTY REVIEW BOARD

On December 13, 1951, the department announced the dismissal of Service from the Foreign Service. It was noted that this was the first dismissal from the department on loyalty grounds.¹⁷

The decision for the dismissal was made pursuant to a finding of the Loyalty Review Board that there "was a reasonable doubt as to the loyalty of said employee" who should be "removed from the rolls of the Department of State."¹⁸

The opinion stated that the Review Board found no evidence of membership in the Communist Party and that the reasonable doubt was based on the "intentional and

¹⁶New York Times, October 26, 1951, p. 12. The Loyalty Review Board was a group of about twenty-five CSC selected private citizens, mostly lawyers and educators of considerable standing, who sat usually in panels of three. For a full discussion of the LRB see Brown, op. cit., pp. 45-46. See also Krock, "The Distinguished Roster of the Loyalty Board," New York Times, December 23, 1952, p. 22.

¹⁷Ibid., December 14, 1951, p. 12.

¹⁸IPR Hearings, p. 4838.

unauthorized disclosure of documents and information of a confidential and nonpublic character."¹⁹

The board stated that Service's actions in China raised no reasonable doubts as to his loyalty but commented that Hurley's Congressional testimony of June, 1951, was not available to the board at the time of the hearing and Service had not been examined on it. The opinion stated:

We therefore make no finding with respect to this question but make note of it as a subject worthy of inquiry should there be further proceedings in this case.²⁰

The board noted that no reasonable doubt concerning loyalty "arises from his activities while assigned to the staff of General MacArthur in Tokyo."²¹

The opinion went on to review and analyze the Amerasia case. The board stated that on April 25, 1945, in New York, one Harold Isaacs, known to Service "to be a former Communist," in response to an inquiry by Service, stated that Jaffe was "bad business" or "bad medicine" and that during the period of May 19-20, 1945, Jaffe, in conversation with Service, took what appeared to Service to be

¹⁹Ibid., p. 4837.

²⁰Ibid., p. 4845.

²¹Ibid.

the "party line" on a particular matter concerning freedom of the press in the Soviet Union.²²

The board noted that Brooks Atkinson, in a letter submitted to the board in behalf of Service, stated that his only complaint about Service was that, in his dealings with Atkinson and the press in general, he was too "punctillious" about security matters. The board contrasted this view with the "very different treatment accorded by Service to Jaffe."²³

The board pointed out that Service had testified that he had disliked Jaffe as a person. The board asked itself the question as to why Service would do for Jaffe, a person he disliked and whom he at least suspected of being a Communist and whom he had been warned against, things that he would not do for the presumably trusted and well-liked Atkinson.²⁴

The board concluded:

To say that his course of conduct does not raise a reasonable doubt as to Service's own disloyalty would, we are forced to think, stretch the mantle of charity much too far.

²²Ibid., p. 4848.

²³Ibid., p. 4849.

²⁴Ibid.

We are not required to find Service guilty of disloyalty and we do not do so, but for an experienced and trusted representative of our State Department to so forget his duty as his conduct with Jaffe so clearly indicates, forces us with great regret to conclude that there is reasonable doubt as to his loyalty.²⁵

IV. SERVICE DEPARTS

On December 14, 1951, Service packed his belongings at the department, collected \$10,700 in accumulated leave and retirement funds, said goodbye to his colleagues, and departed.²⁶

McCarthy and his supporters were jubilant. Said McCarthy:

Good, good, good! It should be remembered that . . . I forced the recall of Service from the Far East and the State Department called Service one of their most trusted experts.²⁷

A contrasting view was expressed that "Truman's . . . loyalty procedures never appeared more tyrannical than in the Service case." The Loyalty Review Board was seen as a "kangaroo court" under whose procedures and practices none under political fire could be vindicated.²⁸

²⁵ Ibid.

²⁶ New York Times, December 15, 1951, p. 30. See also Newsweek, December 24, 1951, p. 15.

²⁷ New York Times, December 16, 1951, Sec. IV, p. 2.

²⁸ The Nation, December 22, 1951, p. 537.

Another source opined that the criterion used in the Service case "makes half of government officialdom open to dismissal" and would make it even more difficult to induce and retain competent people in the government service.²⁹

It was further stated that current efforts to censure McCarthy in the Senate would prove more difficult because of his victory in the Service case.³⁰

On January 15, 1952, in a speech before the Senate, McCarthy purported to be quoting from a transcript of the Loyalty Review Board hearings in the Service case. Service noted to the press that he had been denied such a transcript.³¹

V. SERVICE IN PRIVATE EMPLOYMENT

There followed for Service a period of five years in which he worked for an export firm in New York and remained relatively far from the center of controversy and publicity. He appears to have done well in the business

²⁹New Republic, December 24, 1951, p. 6.

³⁰New York Times, February 3, 1952, p. 7.

³¹Ibid., January 16, 1952, p. 19.

world for in 1957 he was indicated to be President of the company.³²

VI. SUPREME COURT DECISION

In the interim Service filed suit in the federal courts to have the Loyalty Review Board decision overruled. The case reached the Supreme Court and was argued on April 2 and 3, 1957. The decision was rendered June 17, 1957, in favor of Service.³³

The Supreme Court had previously ruled that the Loyalty Review Board had no authority to review or post-audit determinations favorable to employees made by the department or agency authorities or to adjudicate cases on its own motion.³⁴ The court found more at issue in the Service case that under existing State Department regulations the Secretary could not discharge on loyalty or security grounds unless and until the Deputy Under Secretary, acting on the findings of the Loyalty Security Board, had recommended such dismissal. In the case of Service the Deputy Under Secretary had approved the

³² Biographic Register, U.S. Department of State, 1961-62, p. 636. Also New York Times, June 18, 1957, p. 1, and September 4, 1957, p. 12.

³³ New York Times, June 18, 1957, p. 1.

³⁴ Peters v. Hobby, 349 U.S. 332, 99 L. ed. 1129 (1955).

favorable findings; therefore, the Secretary was without authority to disregard the regulations and dismiss Service. The court found that the department regulations clearly constituted a waiver of the Congressional authority given the secretary annually from 1947 to 1953 by the "McCarran Rider" of absolute discretion to dismiss any State Department employee "whenever he shall deem such termination necessary or advisable in the interests of the United States . . . not withstanding the provisions of any other law."³⁵

The case was remanded to the U. S. Circuit Court of Appeals and on July 3, 1957, the Federal District Court ordered Service reinstated in the Foreign Service in the same status he held before his dismissal and for the invalid action to be esponded from the records of the department.³⁶

VII. THE LATER CAREER OF SERVICE

Service returned to the department on September 3, 1957, and was cordially received. He was assigned a project of surveying possible improvements in the shipping of

³⁵Service v. Dulles, 354 U.S. 363, 1 L. ed. 2d, 1403 (1957).

³⁶New York Times, July 4, 1957, p. 14.

employees' furniture overseas.³⁷ The official record indicates that he was assigned as Special Assistant in the office of the Deputy Assistant Secretary for Operations until May, 1959, assuming duties as U. S. Consul at Liverpool, England, September 20, 1959. He was indicated to hold the same grade he had attained in 1948.³⁸

Service's name fails to appear in editions of the department Biographic Register later than 1962. Review of pertinent indices for the period gives no clue as to whether he has retired or otherwise reveals mention of him.

His son Robert, born in China in 1937, entered the Foreign Service Institute on January 26, 1961, and is currently listed as Third Secretary and Vice Counsel at Managua.³⁹

One might be pardoned for departing momentarily from the objectivity of the research to express the hope that the career and times of this young man might be blessed with better fortune than the previous generation.

³⁷Ibid., September 4, 1957, p. 12.

³⁸Biographic Register, loc. cit.

³⁹Ibid., 1964, p. 464.

CHAPTER V

BIOGRAPHY OF JOHN CARTER VINCENT--1900 TO 1947

I. GENERAL BACKGROUND

John Carter Vincent was born August 19, 1900, at Seneca, Kansas, and received his early and secondary education at Macon, Georgia. His mother died when he was a child. His father, a real estate agent and active member of the Baptist Church, died in 1938.¹

Vincent served as an infantry private during 1918, entered Mercer University, Macon, Georgia, in 1919, graduating with a BA degree in 1923.²

After working with his father in the real estate business for a year he entered the Foreign Service in 1924.

II. EARLY FOREIGN SERVICE CAREER

Vincent's initial assignment was as a clerk in the American Consulate at Changsha, China, on April 4, 1924. He was appointed Foreign Service officer, unclassified, Vice Consul at Changsha on May 12, 1925.³

¹IPR Hearings, p. 2294. Information furnished by Vincent.

²Rosow (ed.), American Men in Government, 1949, p. 394.

³IPR Hearings, p. 1967.

While home on leave he was given an appointment to the Foreign Service School, October 10, 1927. This was followed by appointments and promotions as Vice Consul at Hankow on February 4, 1928; Language Officer at Peking on October 1, 1928; Foreign Service officer, Class 8, Consul at Peking, December 19, 1929; Consul at Tsinan, August 7, 1930; Consul at Mukden, January 28, 1931; Class 7, July 1, 1931.⁴

Vincent married Elsie T. Slagle at Tsinan in 1931 and eventually had two children.⁵

Vincent was appointed Consul at Darien, September 13, 1932; Consul at Nanking, November 7, 1934; Second Secretary at Nanking, November 30, 1934. He was assigned to the Far Eastern Division, Washington, September 11, 1935, and promoted to Class 6, October 1, 1935.⁶

The department detailed him to special study at Georgetown University, February 12, 1937,⁷ for two sessions where he studied Latin-American History and Geopolitics. He was promoted to Class 5, June 1, 1937; assigned as Consul at Geneva, Switzerland, February 1, 1939; promoted

⁴Ibid., p. 1968.

⁵Rosow, loc. cit.

⁶IPR Hearings, p. 1971.

⁷Ibid., pp. 1971-72.

to Class 4, November 16, 1939.⁸ He was reassigned to China as Consul at Shanghai, August 10, 1940, arriving there in February or early March, 1941.⁹ He was assigned as First Secretary at Chungking, June 3, 1941; promoted to Class 3, February 1, 1942; assigned Consul of Embassy, Chungking, March 17, 1942. During this period Vincent became acquainted with Service and Davies.¹⁰

Vincent was appointed Counselor of Embassy at Chungking, December 15, 1942, and in May, 1943, was reassigned to Washington where he became Assistant Chief of the Division of Far Eastern Affairs, August 21, 1943.¹¹ He was detailed to the office of the Foreign Economic Administration (FEA) as Special Assistant to the Administrator, October 25, 1943. During this assignment he was under the supervision of Lauchlin Currie, who was Deputy Director of FEA at that time and who had requested Vincent from the State Department. During the FEA assignment Vincent functioned largely as a consultant on conditions in China.¹²

⁸Ibid., p. 1980.

⁹Ibid., p. 1984.

¹⁰Ibid., p. 1987.

¹¹Ibid., p. 2000.

¹²Ibid., pp. 2002-04.

III. LATER CAREER OF VINCENT

Vincent was appointed Chief of the Division of Chinese Affairs, Department of State, January 15, 1944.¹³ In June, 1944, he was detailed to accompany Vice-President Henry A. Wallace on a mission to China. The presence on this mission of Owen Lattimore, who was then an official of the Office of War Information, appears to have played a significant part in the later involvement of Vincent in heated controversy. A substantial portion of the Senate Internal Security Subcommittee investigation of the IPR in 1951-52 was concentrated on this mission and its alleged significance.¹⁴

During 1945 Vincent accepted an invitation to become a "complimentary" member of the Board of Trustees of the IPR. This fact assumed great significance in the IPR investigation despite Vincent's testimony that he was an IPR member only in 1945, performed no duties, and made no contributions.¹⁵ During this same year Vincent

¹³Ibid., p. 2006.

¹⁴See Feis, The China Tangle, 1953, esp. Chap. 15, pp. 145-57, "The Wallace Mission"; also IPR Report, pp. 189-92.

¹⁵See IPR Hearings, pp. 1832-33, 1845-46, 1925-26, 2096 ff.; see also IPR Report, p. 224.

recommended Owen Lattimore for a consultant position with the State Department, an act that also apparently assumed sinister proportions in the minds of some in 1951-52.¹⁶

Vincent was detailed as a Political and Liaison Officer, U.N. Conference, San Francisco, from the middle of April to the end of May, 1945; at the Potsdam Conference from early June to early August; at the Moscow Conference from early December to the end of the year.¹⁷

IV. VINCENT APPOINTED DIRECTOR OF FAR EASTERN DIVISION

Vincent was appointed Director of the Far Eastern Division, Department of State, September 19, 1945. Thus it came about that during what came to be viewed as a most critical period of U.S.-China relations, Vincent became "chief producing scribe on policy toward China," a position where a portion of the responsibility or blame for the "loss" of China would inevitably fall.¹⁸

Problems arose over Senate confirmation of Vincent's 1947 nomination for promotion to career Minister because of allegations presented to Senator Bridges by an undisclosed

¹⁶IPR Hearings, pp. 704, 1739, 1930-36.

¹⁷IPR Hearings, p. 4541.

¹⁸Feis, op. cit., p. 351.

source. Secretary Acheson replied to the charges by letter dated April 18, 1947, characterizing them as "wholly groundless" and confirmation was obtained.¹⁹ Pertinent aspects of these charges are taken up in the following chapter.

In August, 1947, having served the normal four-year tour in Washington, Vincent was appointed Minister to Switzerland.²⁰

¹⁹ This letter is reproduced verbatim as Exhibit No. 754, IPR Hearings, pp. 4540-46.

²⁰ Ibid., p. 1894.

CHAPTER VI

THE ALLEGATIONS AGAINST VINCENT

I. VINCENT BECOMES A McCARTHY CASE

As civil war raged in China, culminating in the complete seizure of the mainland in 1949 by the Communists, Vincent remained in Switzerland.

However, on February 20, 1950, Vincent was denounced as number two of McCarthy's "eighty-one" cases. On the floor of the Senate McCarthy stated in part:

This file shows two things. It shows first that this individual had some of his clothing picked up with unusual material in it. . . . The file shows that this particular individual who has held one of the most important positions at one of the listening posts in Europe, was shadowed; that he was found to have contacted a Soviet agent; and that the Soviet agent was then followed to the Soviet Embassy, . . . this individual is . . . one of our foreign ministers.¹

On March 7, 1950, Vincent sent a letter to John Peurifoy, Under Secretary of State, in which he stated that in 1946 he had misplaced a piece of clothing. It was a raincoat that some visitor had left behind in Vincent's office and that had been there for weeks. One rainy day, having no coat with him, he put on this raincoat to go to

¹Congressional Record, Vol. 96, Part 2, 81st Congress, 2d Session, February 20, 1950, p. 1959.

lunch. Returning, he stopped in at the department washroom and forgot to take the raincoat when he left. Some days later he recalled the oversight and called the building guard office, learning that the coat had been found and turned over to the department's security office. The security office informed Vincent that there had been a piece of paper in the inside breast pocket of the coat containing Russian writing. Subsequent examination revealed the writing to be a practice or exercise in word suffixes, presumably the work of someone studying Russian. The coat was returned to Vincent's office, and, when no one had claimed it by the following year, Vincent kept it.

Vincent went on to deny all other allegations made by McCarthy. He stated that he had never joined any political organization and described himself as "a Jeffersonian Democrat, a Lincolnian Republican, and an admirer since youth of Woodrow Wilson."²

Reference was made to Vincent frequently in the course of the Tydings hearings and pertinent portions were noted previously in this thesis.³

²This letter was read by Vincent during testimony, January 30, 1952, IPR Hearings, p. 1906.

³See esp. notes 10, 11, 27 of Chap. III and note 15, Chap. IV.

The Tydings Report, dated July 2, 1950, stated as follows:

While not among the nine individuals charged before us, Senator McCarthy has had a great deal to say reflecting upon the loyalty of Mr. John Carter Vincent, the American Minister to Switzerland. He referred to Mr. Vincent, who was No. 2 among the so-called 81 cases as (1) a big Communist tremendously important to Russia, as (2) a part of an espionage ring in the Senate Department, and (3) as one who should "not only be discharged but should be immediately prosecuted."

In passing, it should be stated that we have carefully reviewed the loyalty file concerning Mr. Vincent, and the McCarthy charges are absurd. The file does not show him to be disloyal or a security risk.⁴

II. TRANSFER TO TANGIER

On March 3, 1951, the State Department announced that Vincent was to be transferred from his post at Berne to be Consul General at Tangier, although retaining his personal rank of Minister. The White House denied reports of a rift between President Truman and Dean Acheson over this transfer of Vincent.⁵

Speculation swirled around this alleged controversy. Several theories evolved. One posited that Vincent, often accused of "responsibility for the Department's pro-Chinese

⁴Tydings Report, p. 163. See also New York Times, July 18, 1950, p. 16.

⁵New York Times, March 4, 1951, p. 52.

Communist attitude in the past," was ordered transferred because of alleged "leftism." Another theory was that Vincent had been using his influence as minister to favor Chinese Communist interests in negotiations over Japanese assets impounded in Switzerland, and this had "worried the State Department and angered the President." A third theory was that Richard C. Patterson, Jr., reportedly a heavy financial contributor to the Democratic Party, wanted the Berne post and so Vincent had to go. In this regard, the theory went, Vincent was in line to become Ambassador to Costa Rica, but, because of the Senate Internal Security Committee investigation of the Institute of Pacific Relations and renewed Congressional interest in the pre-1950 China policy of the administration, Vincent would undoubtedly be attacked during Senate confirmation hearings and probably denied such confirmation. It was theorized that inasmuch as the Tangier post did not require Senate confirmation Vincent was sent there.⁶

In 1952 Vincent was queried concerning this matter and testified that he had been transferred because he had already indicated to the department that he wanted to

⁶"The Vincent Mystery," Newsweek, March 12, 1951, p. 24.

leave "when my children were leaving, at the end of 4 years." In the testimony there then followed one of the sometimes startling and mystifying exchanges that occur in such hearings and are never fully explained or mentioned again:

Mr. Sourwine: Were you ever informed that you had been suspected of or charged with revealing to Russia, to the Communists, the identities of American agents in Eastern Europe?

Mr. Vincent: No; I never have been. I never have and I never have been informed.

Mr. Sourwine: Did you ever propose or recommend the inclusion of Chinese Communists, or their representatives, in the Economic Commission in Japan?

Mr. Vincent: No, sir; Chinese Communists or Japanese Communists?

Mr. Sourwine: Chinese Communists or their representatives, in the Economic Commission.

Mr. Vincent: No, sir.⁷

Concerning the allegations of pro-Chinese Communist activity in Switzerland, some pertinent testimony was elicited from Vincent in the IPR hearings.

He testified that after the Japanese surrender all Japanese state property in Switzerland came into custody of a committee of the Allied Powers including the United States, British, Chinese, and later the Russian legations. Committee meetings were held for administration of this

⁷IPR Hearings, p. 1895.

property. Vincent testified that he delegated attendance at these meetings to the First Secretary. The former Japanese legation premises were occupied on a rental basis by the Nationalist Chinese until their departure in February, 1950. In December, 1950, a Chinese Communist mission arrived in Berne and sought to rent the vacant premises. Although both the Swiss and British favored this, Vincent requested department instruction and was informed that the prospect was viewed unfavorably. The matter ended there.

Another question arose when the British legation sought to honor a request by the Chinese Communists for a voice in the administration of the Japanese property. Vincent informed the British that the United States government would oppose such action and that matter ended.

Further testimony was as follows:

Mr. Sourwine: Then there never were any Chinese assets turned over or former Japanese assets turned over to the Chinese Communist Government as a result of any action taken by that organization?

Mr. Vincent: No; no, sir.⁸

III. THE IPR HEARINGS

McCarthy continued his attacks on Vincent and others in the State Department, but Senator McCarran with

⁸Ibid., pp. 1771-72.

his IPR investigation competed for the headlines in the middle months of 1951.⁹ Adding to the atmosphere of near-hysteria and recrimination were the hearings conducted into the relieving of General MacArthur by President Truman during which the pre-1947 China policy of the United States also became an issue.¹⁰

The IPR hearings resulted from the seizure by the Senate Internal Security Subcommittee of the files of the Institute of Pacific Relations. The files purportedly appeared to contain information suggesting influence by Communists on the activities of the IPR.¹¹ As in the Tydings hearings the opposing figures of Louis Budenz and Owen Lattimore figured prominently.

It perhaps needs to be reiterated that the focus of this study is not whether American foreign policy or lack of policy caused or aided the Communization of China, or what actions taken by Vincent and others may have contributed to that disaster, or what actions by Vincent may have detracted from efforts to avert the disaster; our

⁹See New York Times, June 22, 1951, p. 10; July 14, 1951, p. 1; August 10, 1951, p. 7.

¹⁰Ibid., May 9, 1951, p. 20; May 11, 1951, p. 1; May 12, 1951, p. 9; May 15, 1951, p. 24; June 9, 1951, p. 6; June 10 and 11, 1951, p. 1; hearings were reviewed ibid., June 10, 1951, Sec. IV, p. 1.

¹¹IPR Report, p. 2.

concern is the evidence, whatever it may be, that Vincent was disloyal and that his official actions were motivated by that alleged disloyalty. No attempt will be made, therefore, to review testimony or other evidence not expressly pertinent to that issue.

IV. ALLEGATIONS BY LOUIS BUDENZ

Budenz testified before the committee on August 22nd and October 1, 1951.¹² According to a later analysis there was little new in his testimony. What was new was seen as the over-receptive manner of his questioning by this committee, in contrast to the challenging tone of his interrogation by the Tydings Committee. The fact that his testimony was almost entirely hearsay was stressed at the beginning of the questioning, but its relevance and importance was equally stressed.¹³

For the purposes of this report the highlights of Budenz' testimony may be summarized as follows:

¹²IPR Hearings, pp. 513-701 and 1077-1110. Louis F. Budenz was a Communist party member from 1935 to 1945. At the time of his defection he was managing editor of The Daily Worker and a member of the CP National Committee. See Packer, Ex-Communist Witnesses, 1962, esp. pp. 120-25. See also Budenz, Men Without Faces, 1950.

¹³Packer, op. cit., p. 158. See also IPR Hearings, pp. 517-20.

Jack Stachel and Earl Browder, Communist party leaders, had told Budenz that the IPR contained a "considerable number of Communists" who used the IPR to influence the foreign policy of the United States in a manner favorable to the Communists and contrary to the interests of the United States.¹⁴ Owen J. Lattimore, an IPR leader and a Communist party member, was chosen by the party hierarchy in 1937 to initiate a propaganda campaign emphasizing the democratic character of the Chinese Communists, their independence from the Soviet Union, and their status as mere "agrarian reformers" rather than true Communists.¹⁵ In 1944 Lattimore accompanied Vice-President Wallace and Vincent on a mission to China. Both Vincent and Lattimore were Communist agents who directed the Wallace mission toward Communist objectives.¹⁶ In response to a specific question concerning whether Vincent was a member of the Communist party, Budenz testified, "From official reports I have received, he was."¹⁷

The Communist party "depended on" Vincent and Service to get General Hurley out of the State

¹⁴IPR Hearings, p. 518.

¹⁵Ibid., pp. 521 ff., 550.

¹⁶Ibid., p. 553.

¹⁷Ibid., p. 625.

Department.¹⁸ A quotation was entered from Wallace's 1946 book, Soviet Asia Mission, to the effect that during the Wallace trip, at a dinner in Russia, a high-level Soviet official proposed a toast to "Owen Lattimore and John Carter Vincent, American experts on China, on whom rests great responsibility for China's future" (p. 172).

Budenz interpreted this to mean that the Soviets were emphasizing the responsibility of Vincent and Lattimore in the furtherance of Chinese Communism.¹⁹

Budenz pointed out that on November 28, 1945, The Daily Worker referred to Vincent and Service as part of the "liberal elements" in the State Department. Budenz stated that this meant Vincent and Service were "Communist or pro-Communist."²⁰

V. BUDENZ IS CHALLENGED

After this testimony by Budenz, the newspaper columnist Joseph Alsop charged that the attack on the Wallace mission was, to his personal knowledge, unfounded. At the time of the mission, Alsop was Aide to General Chennault, Commander of the U. S. Air Force in China. He

¹⁸Ibid., p. 626.

¹⁹Ibid., p. 627.

²⁰Ibid., p. 632.

was in daily contact with Wallace and his aides while Wallace was in Kunming. Alsop wrote that the principal result of the Wallace mission was a cabled recommendation to President Roosevelt that the American Commander in China, General Stilwell, be replaced. Stilwell was violently hostile to Chiang Kai-shek and the Nationalist Government and favorably disposed toward the Chinese Communists, whom he regarded as the only effective force that could be deployed against the Japanese. This recommendation, which was followed by the replacement of Stilwell with Wedemeyer, was regarded by Alsop as a "profoundly anti-Communist act" which clearly demonstrated that the Wallace mission was not Communist-directed and that Vincent, who had concurred in the recommendation, was not a Communist.²¹

It appears worth noting that Budenz testified that Wedemeyer was viewed by the Communists as "an enemy of Soviet interests in the Far East."²²

After the publication of the Alsop column, the committee recalled Budenz to review his testimony about the Wallace mission. He was shown the text of the Kunming

²¹Packer, op. cit., p. 164.

²²IPR Hearings, p. 622.

cables and asked to comment on them in his role as an expert on the Communist party "line."²³ The essence of Budenz' testimony was that Wallace was led by his pro-Communist advisers, Vincent and Lattimore, to take a pro-Communist position in reporting to the President.²⁴

After reviewing the cables, Budenz directed attention to the recommendation that Stilwell be replaced by Wedemeyer. Rather than discussing Stilwell's reputed anti-Chiang and pro-Chinese Communist inclinations, he instead attempted to reconcile the facts with his position by asserting that the American Communist line as expressed in The Daily Worker viewed the replacement as a "good compromise."²⁵

In a letter to President Truman released on September 23, 1951, Wallace refuted the testimony of Budenz, stating that Lattimore had no responsibility for the 1944 recommendations and that the recommendations were the opposite of pro-Communist. Wallace further confirmed that Vincent had concurred in the recommendation of the replacement of Stilwell by Wedemeyer but had not taken

²³Ibid., p. 1081.

²⁴Ibid., pp. 1082-86.

²⁵Ibid., p. 1086. See also pp. 1421-24 concerning evidence introduced later by Alsop as to the highly favorable attitude of the Communists toward Stilwell.

part in the preparation of Wallace's reports to President Roosevelt.²⁶

On September 24, 1951, Senator Lehman called upon the Senate to investigate the "grave charges" made by Alsop that Budenz had committed perjury before the committee with committee sanction.²⁷

Alsop's charges were reiterated by other sources, charging subornation of perjury by the committee²⁸ and describing Budenz' testimony as "baffling" in light of the evidence apparently refuting it.²⁹

On October 17, 1951, Henry Wallace testified before the committee for three and one-half hours, calling Budenz' charges "grave slander" and "utter nonsense."³⁰ Wallace repeated his previous contention that his recommendations to President Roosevelt, if adopted, would have been "most harmful" to the Communist cause in China in

²⁶New York Times, September 24, 1951, p. 1. The text of this letter and of Wallace's 1944 report to the President appear in IPR Hearings, pp. 2287-93.

²⁷New York Times, September 25, 1951, p. 18.

²⁸"The Wallace Report," New Republic, October 1, 1951, p. 6.

²⁹Krock, "The Ever More Mysterious East," New York Times, October 11, 1951, p. 36.

³⁰New York Times, October 18, 1951, p. 7. Testimony appears in IPR Hearings, pp. 1297-1402.

1944.³¹ He stated that he refused to believe that the Senate could "possibly fall" for the testimony of Budenz.³²

On October 18, 1951, Alsop testified, repeating his published refutation of Budenz' charges. He stated that in regard to the cables sent, he himself had authored them with Wallace.

The committee apparently was not impressed with Alsop's assertion that the events he narrated demonstrated that Budenz had falsely accused Vincent of being a Communist. The ensuing questioning emphasized the fact that Alsop had no personal knowledge whether Vincent was a Communist or not and that Budenz was believed to be a more qualified witness than Alsop in that regard.³³

VI. ANALYSIS OF THE BUDENZ ALLEGATIONS

According to one source, "every newsman present left convinced that Budenz' efforts to destroy Vincent had been shown to be lies and that Budenz' word was now worthless."³⁴

Packer, in his analysis of the testimony of Budenz concerning Lattimore and Vincent, considered Alsop's

³¹IPR Hearings, p. 1358.

³²Ibid., p. 1368.

³³Ibid., p. 1454.

³⁴New Republic, October 29, 1951, p. 25.

refutation to be "devastating."³⁵ He states that at the very least the Communist hierarchy in New York in 1944, viewing the events in China, "were mistaken as to who its friends were."³⁶

He further speculates that Budenz, as well as the Communists who informed him, acted from the perspective that those with whom they agreed, or who cooperated with their aims in any respect, were sympathizers in all respects. Adding to this the passage of years and concomitant diminishing of accurate recollection, it may be that "many persons who were never actually conscious collaborators in achieving Communist objectives were so labeled by Budenz."³⁷

As previously noted in Chapter III, both Earl Browder and Frederick V. Field testified before the Tydings Committee that neither Vincent nor Service had ever been connected in any way with the Communist party.³⁸ It may well be that, as Packer suggests, Budenz was not consciously deceiving but was expressing his view from a

³⁵Packer, op. cit., p. 169.

³⁶Ibid., p. 172.

³⁷Ibid., p. 175. See also Alsop, "The Strange Case of Louis Budenz," The Atlantic Monthly, April, 1952, p. 33.

³⁸See notes 10 and 11, Chap. III.

unique and ambiguous perspective. It needs to also be noted that witnesses other than Budenz implicated Owen Lattimore as having been involved in Soviet intelligence activity.³⁹ It would appear that the committee was impressed unfavorably by Vincent's acknowledged friendship for Lattimore, by the fact that Vincent admittedly had consulted with Lattimore on official matters, and that in early 1945 Vincent had endeavored to have Lattimore hired as a consultant to the China desk of the State Department.⁴⁰ Thus, the more serious the case against Lattimore grew, the more culpable Vincent may have appeared to Budenz and to the committee as well.

VII. OTHER EVENTS OF 1951

On October 15, 1951, Charles Davis, an American charged with espionage in Switzerland, testified that he had been employed by McCarthy for "small sums" to spy on U. S. diplomats in Switzerland. He stated that he had been hired by John E. Farrand, an agent of McCarthy in Paris, and had had direct contact with McCarthy by telephone.

³⁹IPR Hearings, pp. 200, 219, 4519.

⁴⁰IPR Report, p. 200.

He admitted that in 1950 he had sent a telegram to Vincent in Berne, signing the name of a known Swiss Communist. The purpose of this was to provide false evidence that Vincent was receiving communications from Communists. McCarthy denied having any official connection with Davis but admitted that unsolicited information he had received from Davis concerning Vincent had been turned over to the FBI. McCarthy stated that Farrand "did some work for me." He declined further comment.⁴¹

On October 16th, Davis was convicted by the Swiss of espionage on behalf of McCarthy, sentenced to eight months in prison, to be then expelled from Switzerland and forbidden entry for ten years. McCarthy reiterated his denial of implication in the activities of Davis.⁴²

On the same day Vincent, returning to the U. S. on "vacation," stated that he did not feel he was in a defensive position over IPR testimony and would testify if invited but would not volunteer.⁴³ However, on November 18th, Vincent stated to the press that he had received no

⁴¹New York Times, October 16, 1951, p. 3. See also Anderson and May, McCarthy, The Man, The Senator, The Ism, 1951, pp. 199-202.

⁴²New York Times, October 17, 1951, p. 1.

⁴³Ibid., October 17, 1951, p. 11. See also IPR Hearings, pp. 2272-73.

reply to a letter he had sent to Senator McCarran asking opportunity to testify in answer to the Budenz charges. McCarran told the press that a reply had been sent and that arrangements for a December hearing would be made.⁴⁴

On December 16, 1951, the State Department announced it had begun examination of the loyalty case of Vincent. It was stated in the press that Senator McCarran had recommended "almost six months ago" that Vincent be suspended pending a loyalty determination.⁴⁵

VIII. VINCENT TESTIMONY BEFORE SENATE SUBCOMMITTEE

Vincent, accompanied by his counsel, Walter S. Surrey and Howard Rea, testified before the McCarran Subcommittee in executive session on January 24, 25, and 26, 1952, and in public session on January 30, 31, and February 1 and 2, 1952. Only that portion of the testimony pertinent to charges of disloyalty to the United States will be reviewed.⁴⁶

⁴⁴New York Times, November 19, 1951, p. 19. See also IPR Hearings, pp. 2274-79.

⁴⁵New York Times, December 17, 1951, p. 1.

⁴⁶Testimony of Vincent appears in IPR Hearings, pp. 1683-1995, 1997-2268.

Vincent testified that he was not a Communist, had never been a member of the Communist party, and had never sympathized with the aims of Communism. He stated that all other allegations made against him before the committee were either false or in error.⁴⁷

Vincent was queried concerning his associations with sixty some people, including Solomon Adler, Service and Davies, Richard Sorge, Earl Browder, Agnes Smedley, Alger Hiss, Chou En-lai, and Mao Tse-tung. With some, his relationship had been fairly close, e.g., Service and Lattimore; some he had known rather casually, e.g., Alger Hiss; some he had never met but had heard of, e.g., Earl Browder and Mao Tse-tung; some he had never heard of at all, e.g., Richard Sorge.

Concerning Lattimore he stated that he first knew him casually in Peking in 1930, met him again in Chungking in 1941 when Lattimore was appointed by President Roosevelt as advisor to Chiang Kai-shek, had slight contact with him in Washington in 1943, and was together with him for fifty days during the Wallace trip in 1944. He described Lattimore as "a good friend" with whom he had lunched occasionally in Washington and whose home in Maryland he had once visited. He described Lattimore as "a man with

⁴⁷Ibid., p. 1688.

liberal ideas rather than a left-winger." Vincent stated he had not seen Lattimore since 1947.⁴⁸

Vincent testified concerning the charges that had been revealed to him before the Loyalty Security Board: (1) that he was pro-Communist; (2) that he was a member of the Communist party; (3) association with various persons, including Lattimore, Solomon Adler, Lauchlin Currie, Frederick V. Field, and Anna Louise Strong, about all of whom the board had "derogatory information."⁴⁹ Vincent stated that at the time of his association with these people he had no personal knowledge of any derogatory information about them.⁵⁰ In the case of Strong and others he had had no association whatsoever.⁵¹

The committee interrogated Vincent concerning the 1944 Wallace mission. Vincent exhibited a less clear recollection of events than others who testified but essentially confirmed the pertinent testimony of Alsop, Wallace, and Lattimore.⁵²

⁴⁸Ibid., pp. 1738-43.

⁴⁹Ibid., p. 1778.

⁵⁰Ibid., p. 1779.

⁵¹Ibid., p. 1756.

⁵²Ibid., pp. 1804-30, 2030-88.

Vincent testified that in 1945, when appointed as an IPR Trustee, he considered IPR to be a research and publication organization dealing with, as the title indicated, various matters in the Far East. He pointed out that many prominent people, including General George Marshall, had been IPR Trustees.⁵³

Vincent testified that if now asked, he would not serve as an IPR Trustee because it might leave a wrong impression that the State Department endorsed the particular policies to which IPR adhered.⁵⁴

Concerning the Yalta Agreement, to which critics attributed much significance in the fall of China, Vincent testified that he knew nothing of it until long afterward, had felt immediately that it was a grave mistake, and had so expressed himself.⁵⁵

In answer to specific questions, Vincent denied Communist party membership, affiliation, discipline, association, or influence; denied ever having received any Communist party solicitation, advice, or directive; denied attendance at any discussion, group meetings, or social gatherings (except official functions) with Communists or

⁵³Ibid., p. 1845.

⁵⁴Ibid.

⁵⁵Ibid., pp. 1851, 2137.

pro-Communists; denied conformity of actions or opinion, feeling or expression of sympathy for Communism or the Communist party.⁵⁶

Under questioning Vincent agreed that from information revealed by and to the committee he would now conclude that the IPR "had a pro-Communist slant at times."⁵⁷ He stated, however, that he had no reason to believe Lattimore was pro-Communist.⁵⁸ He stated that he would not now recommend Lattimore for a position with the State Department because certain portions of Lattimore's writing reflected misconceptions of conditions in Outer Mongolia as Vincent now knew them to have existed at the time of the writings.⁵⁹

Vincent testified that he did not become conscious of the menace of Communism until "the war was going on and at the conclusion of the war."⁶⁰

Vincent testified that after the end of WW II the administration adopted the policy that taking the Chinese Communists into the Chinese government on a minority basis,

⁵⁶Ibid., pp. 1900-03.

⁵⁷Ibid., p. 1910.

⁵⁸Ibid., p. 1932.

⁵⁹Ibid., p. 1946.

⁶⁰Ibid., p. 1949.

for the time being, was a better solution and gave a better chance of subordinating them than carrying on a civil war.⁶¹ He stated, however, that he now believed that the Communists had never intended to be subordinated.⁶²

Vincent was questioned concerning whether he favored post-war policies of removal of the Japanese Emperor and removal from participation in Japanese affairs of existing business and political leaders and existing financial control. He replied that he had believed that the Japanese monarchy should be modified on a constitutional basis. He stated that at the time of his appointment to the Far East Subcommittee of the State, War, Navy Coordinating Committee, the breaking up of the Zaibatsu combines was already established policy with which he agreed.

Vincent was asked if he would have favored those policies if he had known that they were Communist objectives. Vincent's reply appears as an answer to many criticisms made during this period concerning American foreign policy:

I cannot be responsible for any coincidence of papers worked out in the State Department in which

⁶¹Ibid., pp. 1961, 2195.

⁶²Ibid., p. 2011.

I had a part and what the Communists at that time wished to accomplish.⁶³

The obvious implication was that a policy or action developed to further the interests of the United States cannot justifiably be described as "pro-Communist" merely because some aspect of Communist interest is also thereby served.

Upon completion of his testimony on February 2, 1952, Vincent advised the press that he "certainly" was convinced that the hearing had cleared his name.⁶⁴

One analysis and commentary of his testimony viewed the committee as attempting to hold him responsible for policy decisions reached by Byrnes, Wedemeyer, and Chiang, that the charges of disloyalty still stood as far as the committee was concerned, and that the Congress was sending a top China expert "back to Tangier, branded a traitor." It was noted that as a result of Congressional attacks there was now no longer a single State Department official concerned with China affairs who had served in China in the prior ten years.⁶⁵

⁶³Ibid., p. 2095.

⁶⁴New York Times, February 3, 1952, p. 23.

⁶⁵"McKangaroo's Court," New Republic, February 11, 1952, p. 6. See also Horton, "The China Lobby," The Reporter, April 29, 1952, p. 18.

IX. VINCENT IS CLEARED BY THE STATE DEPARTMENT

On February 19, 1952, the department announced the return of Vincent to Tangiers, having been "completely cleared" by the Loyalty Security Board. The department stated that Vincent had its "full confidence and best wishes" and went on:

The Department has carefully investigated all the charges which have been made against Minister Vincent over a period of time, and it has found unequivocally that no reasonable doubt exists as to Minister Vincent's loyalty to the United States or his security to the Department.⁶⁶

Senator McCarran remarked that it was "difficult" for him to see, with all the information the committee had before it, how the State Department could arrive at the conclusion it had.⁶⁷

One publication noted that the department's announcement said nothing on the question of Vincent's "misjudgements" as the Foreign Service's chief China expert and that the administration was continuing to claim that nothing that U. S. diplomats did, or might have done, could have "saved China for the free world."⁶⁸

⁶⁶New York Times, February 20, 1952, p. 1.

⁶⁷Ibid.

⁶⁸Time, March 3, 1952, p. 20.

X. ACHESON'S DEFENSE OF VINCENT

At the request of Senator McCarran, on February 27, 1952, the department transmitted a copy of Dean Acheson's letter of April 18, 1947, previously mentioned in this study.⁶⁹ The letter made reference to twelve charges but mention here will be limited to those bearing directly on loyalty:

Charge: While at the embassy in Chungking in 1941, Vincent "expressed sympathy for Communist aims and ideology."

Comment: Vincent had no "sympathy for Communist aims and ideology," . . . "and I am willing to state he has never expressed any such sympathy directly or indirectly."

Charge: Vincent authored a policy statement for President Truman, issued December 15, 1945, inviting the Republic of China to "agree to the Communist terms for a coalition government or get no more aid from us."

Comment: Acheson stated that the implication that Vincent had improperly exerted his influence to compel the Chinese authorities to incorporate Communists in the government was "entirely false." Acheson stated that the

⁶⁹See note 19, Chap. V.

policy statement was drafted by Byrnes, Marshall, and himself and revised and approved by the President. The document merely called for cessation of civil war in China and at no place in it advocated bringing the Communists into the government.

Charge: Wallace's report of his 1944 mission, "prepared with the direct assistance of Mr. Vincent," should be examined for "further indications" of Vincent's "approval of the Communist program in China, opposition to support of the Nationalist Government and furtherance of extension of the influence of Russia in China."

Comment: Acheson commented that Vincent had not prepared or assisted in the preparation of the report and had not known what recommendations it contained.

The above allegation has been previously covered in this study.

Charge: The policy and aims of Vincent at the time of Hurley's tenure in Chungking were "contrary to the best interests of this country and contrary to its avowed Foreign Policy in China."

Comment: "At no time have the policy and aims of Mr. Vincent been contrary to our best interests in China or to our foreign policy."

Charge: Between 1945 and 1947 the Far East Division of the State Department was "denuded" of its

former heads who were not "pro-Soviet." Vincent sent Service, an "ardent pro-Communist" to Japan after his arrest in the Amerasia case.

Comment: At no time did Vincent have any control or influence concerning department personnel changes and the alleged "denuding" had never taken place.

CHAPTER VII

LATER DEVELOPMENTS IN THE VINCENT CASE

I. INTERNAL SECURITY SUBCOMMITTEE REPORT

On July 3, 1952, the Internal Security Subcommittee released the formal report of its findings.

Among the findings:

Owen Lattimore was from some time beginning in the 1930's a conscious articulate instrument of the Soviet conspiracy.¹

The effective leadership of the IPR used IPR prestige to promote the interests of the Soviet Union in the United States.²

Members of the small core of officials and staff members who controlled IPR were either Communist or pro-Communist.³

Over a period of years, John Carter Vincent was the principal fulcrum of IPR pressures and influence in the State Department.⁴

The leaders of IPR and their advisers--Lattimore, Carter, Currie, Hiss, Vincent, Jessup, Field, and Fairbank--. . . during the war. . . . Through their influence in the White House, by reports from Foreign Service officers in the field, and through the mission of the Vice President to China; . . . sought to bring pressure to bear to undermine the Chinese Government, and to exalt the status of the Chinese Communist

¹IPR Report, pp. 214, 224.

²Ibid., p. 224.

³Ibid.

⁴Ibid.

Party first to that of a recognized force, and then to that of a member of a coalition government.⁵

Owen Lattimore and John Carter Vincent . . . were influential in bringing about a change in United States policy in 1945 favorable to the Chinese Communists.⁶

The net effect of IPR activities on United States public opinion has been to serve international Communist interests and to affect adversely the interests of the United States.⁷

II. LOYALTY REVIEW BOARD DECISION

On December 15, 1952, the State Department announced that Vincent had been suspended and ordered back from Tangier. The decision was based on a letter dated December 12th from the Loyalty Review Board recommending that the services of Vincent be terminated because the board had arrived at a conclusion "that there is a reasonable doubt as to his loyalty to the Government of the United States." In making this finding the board noted specifically that it had not found Vincent "guilty of disloyalty." The board stated that the members of the review panel had reviewed the entire record in the case and had heard the testimony of Vincent and argument of counsel in his behalf.

⁵Ibid., p. 197.

⁶Ibid., p. 198.

⁷Ibid., p. 224.

The board stated that "without expressly accepting or rejecting" the testimony of Budenz in the IPR Hearings and the findings in the IPR Report, these factors were taken into account.

The board further stated:

Furthermore, the panel calls attention to the fact that Mr. Vincent was not an immature or subordinate representative of the State Department but was an experienced and responsible official who had been stationed in China from April 1924 to February 1936 and from March 1941 to August 1943, and who thereafter occupied high positions in the Department of State having to do with the formulation of our Chinese policies.

The panel notes Mr. Vincent's studied praise of Chinese Communists and equally studied criticism of the Chiang Kai-shek Government throughout a period when it was the declared and established policy of the Government of the United States to support Chiang Kai-shek's Government.

The panel notes also Mr. Vincent's indifference to any evidence that the Chinese Communists were affiliated with or controlled by the U. S. S. R.

Mr. Vincent's failure properly to discharge his responsibilities as Chairman of the Far Eastern Subcommittee of State, War and Navy to supervise the accuracy or security of State Department documents emanating from that Subcommittee was also taken into account.

Finally, the panel calls attention to Mr. Vincent's close association with numerous persons who, he had reason to believe, were either Communists or Communist sympathizers.

To say that Mr. Vincent's whole course of conduct in connection with Chinese affairs does not raise a reasonable doubt as to his loyalty, would, we are forced to think, be an unwarranted interpretation of the evidence. While we are not required to find Mr. Vincent guilty of disloyalty and we do not do so,

his conduct in office, as clearly indicated by the record, forces us reluctantly to conclude that there is reasonable doubt as to his loyalty to the Government of the United States.⁸

III. COMMENT ON REVIEW BOARD DECISION

James Reston commented that there was strong feeling "in Washington" that the case had been unfair to Vincent, particularly since the facts of the case had not specifically been revealed. He speculated that such a decision would seem to discourage Foreign Service officers from any criticism of or recommendations concerning existing policy.⁹

Other comments included the point that the purpose of the loyalty program was being distorted when the honest expression of views which subsequently came into disfavor in Washington became punishable as disloyalty.¹⁰ Another commentary saw Vincent and Lattimore as victims of the notion that scapegoats must be found whenever foreign policy changed and posited that there was no more evidence of Vincent's disloyalty than there was of Marshall, Truman,

⁸New York Times, December 16, 1952, p. 1. The complete text of the board letter appears on p. 37. See also U.S. Department of State Bulletin, January 19, 1953, p. 121.

⁹New York Times, December 18, 1952, p. 22.

¹⁰Ibid., p. 28. See also ibid., December 21, 1952, Sec. IV, p. 1.

or Acheson.¹¹ Another saw the dismissal as evidence of the extent to which the "cult of loyalty" had gripped a "fear laden" nation and described Truman's loyalty program as the "most despicable encroachment on individual rights ever perpetrated by the federal government."¹²

On December 31, 1952, it was revealed that the Loyalty Review Board panel vote in the Vincent case had been split, three to two, and that President Truman was pondering the case.¹³

IV. PRESIDENT TRUMAN AUTHORIZES A NEW REVIEW OF VINCENT CASE

On January 3, 1953, the White House released the text of a memorandum from Acheson to Truman commenting on the board decision. Acheson stated that he could not interpret what the panel meant by not having accepted or rejected IPR testimony and findings yet taking them into

¹¹The Nation, December 27, 1952, p. 593. For a spectrum of views see: Krock, "The Distinguished Roster of the Loyalty Board," New York Times, December 23, 1952, p. 22; "China: Did She Fall or Was She Pushed?" U. S. News and World Report, December 26, 1952, pp. 22-23; New York Times, December 21, 1952, Sec. IV., p. 3.

¹²"Lattimore, Vincent and Loyalty," New Republic, December 29, 1952, p. 5. See also: "Spies or Scapegoats?" Commonweal, January 2, 1953, p. 321; New York Times (editorial), January 7, 1953, p. 30.

¹³New York Times, December 31, 1952, p. 3.

account. He further stated that it had been Vincent's duty to "report the facts as he saw them" and that his reports were "accurate and objective."

Acheson stated that he could only conclude that other board comments had referred to the Amerasia case and Vincent's competence, the former having been thoroughly investigated, revealing no responsibility on Vincent's part, and the latter having no relevance to loyalty. He further stated he could not "in good conscience" carry out the board recommendation.

Acheson, therefore, recommended, and Truman approved, the appointment of a special board of distinguished and learned members including Judge Learned B. Hand, John J. McCloy, James Grafton Rogers, G. Howland Shaw, and Edmund Wilson to review the case.¹⁴

Arthur Krock commented that Acheson and Truman had been faced with a dilemma. If they had overridden the board and either retained or retired Vincent they would be accused of "whitewashing" but to accept the board findings would be conceding that Far East policy had been shaped by a man of doubtful loyalty. Therefore, they chose to lay the case before a non-partisan panel whose findings and

¹⁴Ibid., January 4, 1953, p. 1; the text of the Acheson and Truman memoranda appear in U. S. Department of State Bulletin, January 19, 1953, pp. 121-23.

recommendation would not be ready until after the new Republican administration was in office. It was stated that the Republicans had been consulted and had approved.¹⁵

V. DECISION BY JOHN FOSTER DULLES

On January 31, 1953, the State Department announced that the new Secretary of State, John Foster Dulles, had dissolved the special panel appointed in the Vincent case, stating that the "conclusions" before him in the case were "adequate to give me guidance."¹⁶

On March 4, 1953, it was announced that Dulles had "cleared" Vincent of loyalty and security charges, reversing the Loyalty Review Board on the "reasonable doubt" question. Dulles, however, "accepted" Vincent's resignation and "approved" his request for retirement effective March 31st.¹⁷ Dulles stated that he did not believe that Vincent had ever been a Communist party member or had pro-Communist leanings. Dulles further stated:

From 1936 to 1947, except for a short interruption, he served in key positions in China and in Washington in relation to Chinese, Japanese, and Far Eastern

¹⁵New York Times, January 6, 1953, p. 28.

¹⁶Ibid., February 1, 1953, p. 1.

¹⁷Ibid., March 5, 1953, p. 1.

matters. During this latter period he was largely relied upon by his superiors, notably the President, the Secretary of State and General Marshall when he headed a special Presidential mission to China in 1945 and 1946. Mr. Vincent's part in these matters and his associations during this time, are brought out in detail in the records which I have examined. They have led me to conclude that Mr. Vincent's employment as a foreign service officer should not be continued.

.

I have concluded that Mr. Vincent's reporting of the facts, evaluation of the facts and policy advice during the period under review show a failure to meet the standard which is demanded of a foreign service officer of his experience and responsibility at this critical time.¹⁸

It was revealed that Vincent had been quietly summoned home by Dulles on February 17th. Dulles and Vincent discussed the case at Dulles' home on February 23rd. Vincent had then returned by air to Tangier to prepare his resignation and retirement application.¹⁹

VI. REACTION TO DULLES' DECISION

Senator McCarran called Dulles' action a "subterfuge" and characterized Dulles as following in Acheson's footsteps.²⁰ McCarthy stated that under no circumstances should "anyone like Vincent, having been

¹⁸Ibid., p. 8.

¹⁹Ibid., p. 1.

²⁰Ibid.

rejected by the Loyalty Board, be entitled to a pension."²¹

Another source saw it as "a courageous decision" in that Dulles must have known that the "executioners," being deprived of Vincent as a victim, would turn on Dulles.²² Another viewed the decision as a capitulation to McCarran and McCarthy. It was stated that the political balance of power motivated the decision in that Vincent was innocent but Dulles sacrificed him to the "witch-hunters" and the "China Lobby."²³ Another viewed the decision as having grave implications for the future of the Foreign Service and the effect on the national interest of those who would in the future confine their intelligence reports to newspaper clippings and avoid recommendations of any kind.²⁴ Another congratulated Dulles for exercising his independent judgment, especially since Vincent had "been associated in so many minds with charges of deliberate subversion in the conduct of our China policy."²⁵

²¹Ibid.

²²"A Courageous Decision," Commonweal, March 20, 1953, pp. 542-43.

²³The Nation, March 14, 1953, p. 218.

²⁴Foreign Service Journal, January, 1953, p. 17.

²⁵America, March 21, 1953, p. 667.

VII. VINCENT A RETIRED FOREIGN SERVICE OFFICER

Vincent arrived in New York on April 29, 1953, with his wife on the liner "Constitution" from Tangier. To the press he stated that Dulles appeared to be holding him responsible for the downfall of the Chiang government when in fact only a U. S. "military protectorate" could have saved China. It was noted that Vincent was age 52 and had served not quite thirty years in the U. S. government.²⁶

Vincent retired at an annual pension of \$8,100. He makes his home in Cambridge, Massachusetts. His public activities appear to have been limited to occasional book reviews, journal articles, and letters to the New York Times commenting on various current events in U. S. foreign policy.²⁷

²⁶New York Times, April 30, 1953, p. 15.

²⁷See The Reporter, April 21, 1955, p. 12; The Nation, April 20, 1955, p. 368; New York Times, October 27, 1959, p. 36; May 16, 1961, p. 36; December 17, 1961, Sec. IV, p. 8.

CHAPTER VIII

BIOGRAPHY OF JOHN PATON DAVIES--1908 TO 1948

I. GENERAL BACKGROUND

John Paton Davies, Jr., was born on April 6, 1908, at Kiating, China, of American missionary parents.¹ The family remained at Kiating until the Chinese Revolution of 1911 caused their evacuation to the United States for a year. In 1912 they returned to Kiating. As was that of other children of missionaries, Davies' early schooling was received from his mother, using correspondence lessons from the Calvert School of Baltimore, Maryland. He later attended the American school in Shanghai, and, during a sabbatical of his parents in Oberlin, Ohio, he attended a year of primary school there in 1920. He graduated from the American Shanghai school and attended the University of Wisconsin in 1927 and 1929 and Yenching University at Peiping in 1929 and 1930. He then attended Columbia

¹Sources reviewed contain significantly less biographical material on Davies than on Service and Vincent. Information in this chapter is drawn from scattered sources, including: U.S. News and World Report, December 11, 1953, p. 26; New York Times, July 31, 1951, pp. 1 and 13; Foreign Service Journal, January, 1955, p. 36; the dust cover of Davies' book, Foreign and Other Affairs, 1964; Biographic Register Department of State, 1951, p. 109; testimony of Davies before Tydings Hearings, pp. 2092-2100.

University in New York, receiving a BS in 1931. He states that while attending Columbia he worked part-time as a grocery clerk, a furniture store handyman, a salesman, elevator operator, as an ordinary seaman, and as a dishwasher.

Davies abandoned plans for a career in journalism to enter the Foreign Service on December 17, 1931.

II. EARLY CAREER IN THE FOREIGN SERVICE

Davies' initial assignment was as Vice-Consul at Windsor, Ontario, Canada, on January 12, 1932. He entered the Foreign Service School November 29, 1932, and was assigned as Vice-Counsel at Yunnanfu, China, March 30, 1933; Language Officer at Peiping, August 30, 1933; and Vice-Consul at Mukden, September 5, 1935, during the Japanese occupation.

Davies was assigned to Hankow April 7, 1938, and served there during the Japanese seige, bombing, and capture of the city. It was at Hankow that Davies first became closely associated with Joseph W. Stilwell, then a Colonel serving as the Military Attache. Davies later testified that at this time Stilwell was primarily involved in the collection of military intelligence and Davies was equally involved in the collection of political intelligence. As a result of this community of interest

and activity a rather close relationship grew up. At this time Davies also became closely associated with the "clique" of American journalists and adventurous types such as Agnes Smedley and Freda Utley.²

Davies was promoted to Class 8, March 16, 1939, and was assigned to Washington June 28, 1940. While in Washington he married Patricia L. Grady, daughter of a career diplomat. They reportedly have six children.

III. WARTIME SERVICE UNDER STILWELL

Assignments followed as Consul at Kunming and Second Secretary at Chungking, July 1, 1942. In 1943 Davies' services were requested by Stilwell, and he was assigned as Political Adviser to the General, initially reporting to him in the field at Maymyo, Burma. Stilwell gave little specific instructions to Davies concerning duty, initially telling him merely to "keep out of diplomatic trouble."

Davies carried out political reporting in Burma, maintained contacts with the press, developed economic information concerning India, prepared indoctrination pamphlets for troops, and furnished political guidance to OWI and OSS. As the scope of his duties grew beyond his

²See note 34, Chap. III, for Utley's view of the Hankow events.

personal capacity, Service and two other Foreign Service officers were requested and assigned to Stilwell's staff.

During this time Davies spent much of his time in India, making liaison trips to Admiral Mountbatten's headquarters and flying over "the Hump" between India and China several times.

On one of these trips in 1943 the plane became crippled, requiring Davies and the other passengers to parachute out over one of the most rugged areas of the world. In later years, Eric Sevareid described this ordeal in an eloquent radio broadcast, describing how Davies assumed leadership of the group during the following weeks in the jungle amidst rain, heat, and headhunters. Sevareid lauded Davies' "calm and natural courage, common sense, and discretion," and recalled his inspiration to the group.³ Davies was awarded the State Department Medal of Freedom in 1948 for exceptional and meritorious service from March, 1942, to December, 1944, in China and India. The episode in the jungle was cited, as was Davies' "resourcefulness and leadership."⁴

³The text of Sevareid's broadcast of November 8, 1954, appears in Foreign Service Journal, January, 1955, p. 36.

⁴New York Times, July 31, 1951, p. 1.

As previously outlined in Chapter II, Davies continued to serve under General Wedemeyer after the transfer of Stilwell.⁵ Soon the problems with Hurley arose and on January 26, 1945, Davies was assigned as Second Secretary at Moscow. It appears that Hurley intended at first to request that Davies be dismissed from the Foreign Service, but after heated discussion with Davies, agreed not to do so, but rather to recommend that Davies be transferred to Moscow to "see at first hand the operation of some of these ideas that Mr. Davies had been espousing."⁶

Lt. Gen. Walter Bedell Smith became U. S. Ambassador to Russia in 1945. In his book Smith stated concerning Davies:

The chancery officer next in seniority to Kennan was John Davies, for years a Far Eastern specialist. Born in China and with long service there, he was extremely valuable in interpreting trends and events in that area, and I found him a very loyal and very capable officer of sound judgment. His beautiful and talented wife, herself the daughter of an Ambassador and a former Assistant Secretary of State, worked in the chancery, as did almost all the Embassy wives.⁷

⁵ See note 10, Chap. II. See also testimony of Wedemeyer, IPR Hearings, p. 776.

⁶ Testimony of Wedemeyer, IPR Hearings, p. 830.

⁷ Smith, My Three Years in Moscow, 1949, p. 88.

Davies was promoted to Class 4, Foreign Service Officer on May 19, 1946. He was promoted to Class 3 on November 13, 1946. He was transferred from Moscow to duty at the State Department in Washington as of August 11, 1947. On April 14, 1948, Davies was promoted again, to Class 2, Foreign Service officer.

CHAPTER IX

THE ALLEGATIONS AGAINST DAVIES

I. PROBLEMS IN CHINA

Despite the fact that the public record appears to provide less material for a view of the case of Davies than of Service and Vincent, it does appear settled that the root of the original allegations against him lay in wartime China. As previously mentioned, the reports which Service and Davies prepared and sent from China figured significantly in the charges made against them. Both Flynn and Utley are cogent examples cited among others.¹ In her 1951 book Utley stated that to her the Davies reports "do not reveal that he ever was a Communist." She went on to state that the reports do prove that Davies evidenced no scruples in his efforts to gain an advantage for the Chinese Communists and that his reports indicated he favored the Communists because "he believed theirs to be the winning side."²

¹See notes 32-37, Chap. III. See also "Again a Checkup," Newsweek, July 23, 1951, p. 20; "Finally Out," Newsweek, November 15, 1954, p. 44; "The Davies Case," Foreign Service Journal, December, 1954, p. 34. See also testimony of Wedemeyer re Davies reports, IPR Hearings, pp. 776-831; IPR Report, pp. 187-88.

²Utley, op. cit., p. 112. Contrast with Tsou, op. cit., pp. 195-218.

Frequently cited in support of Utley's latter contention is a quotation from Davies' report of November 7, 1944, that "the Communists are in China to stay" and "China's destiny is not Chiang's but theirs."³

Previous mention has been made of George Kennan's analysis of Service's reports.⁴ There is evidence that a similar review of Davies' reports would result in similarly favorable conclusions.⁵

It appears that Davies had gotten into difficulties even before the Hurley episode occurred. Romanus and Sunderland, in their history of WW II and related events in China, state that Davies had incurred the displeasure of the War Department for what was considered a breach of discretion in February, 1944.⁶ The matter is not further amplified either in the cited work or in others examined. For that very reason it may be safe to assume that Davies' loyalty was not in question at the time.

³China White Paper, p. 573. This report is also reproduced IPR Hearings, p. 4828.

⁴See notes 44-48, Chap. III.

⁵See testimony of Davies, Tydings Hearings, p. 2129; North, Moscow and the Chinese Communists, 1963, p. 212; Utley, loc. cit. (Utley indicates the reports of Davies and Service were essentially in accord.)

⁶Romanus and Sunderland, Stilwell's Command Problems, 1956, p. 458.

Of equal or greater interest is material derived from Stilwell's personal papers by researchers presumably long after the later disloyalty charges against Davies had been disposed of. It appears that Davies sent a letter to Stilwell dated October 2, 1944, from Washington, stating his belief that the War Department and the Joint Chiefs of Staff were losing interest in China. In order to recapture attention, Davies proposed that the U. S. forces ally with the Chinese Communists to seize the Shanghai area. The Communists would then be armed with captured weapons. The operation was to be kept secret from the Central Government and the Communists were to be treated as a sovereign power to the complete exclusion of the Central Government. At that time Stilwell apparently merely filed the letter in his personal papers.⁷

This proposal by Davies would appear to provide better evidence for the charges raised by McCarthy, Utley, et al., than the reports appearing in the China White Paper.

Of further interest is the fact that according to General Chennault, Stilwell later made this same proposal in July, 1945, and was rebuffed.⁸

⁷Ibid.

⁸Testimony of Chennault, IPR Hearings, pp. 3624-25, 4769.

II. HURLEY'S CHARGES

Attention was previously given in this report to the allegations made by General Hurley following his resignation of November 26, 1945, and further amplification appears unwarranted except to note that Hurley's charges and perhaps his beliefs were at least in part influenced by the Davies' reports and other incidents and conditions in China during the war,⁹ and the charges were used by other antagonists and critics of Davies from 1945 on.¹⁰

Hurley appeared before the Senate Foreign Relations Committee on December 5, 1945, to explain his charges against the Foreign Service personnel in China.

The following is an extract from the record of the hearing before the Senate Foreign Relations Committee:

Senator Green: You have in your statement many times referred to the number of career men in the State Department who were trying to sabotage your policy and the policy of this country, but you accused only two by name, Service and Atcheson. Are there any others that you would like to include? . . . of your own knowledge . . . Service and Atcheson are the only ones that you know?

⁹See Sec. VI, Chap. III, esp. notes 38-43, 50. The resignation letter of Hurley appears in China White Paper, pp. 581-84.

¹⁰Buckley, op. cit., p. 367.

General Hurley: No, they are not the only ones who were disloyal to me. I would add to that list John Davies.¹¹

III. DAVIES PROPOSES "TAWNY PIPIT"

Upon his return to Washington in 1947, Davies, according to his own account, had been assigned to the State Department's Policy Planning Staff. Apparently his formal appointment to that staff did not occur until July, 1950, but during 1948 and 1949 he appears to have participated in high-level policy work.

According to testimony in the IPR hearings, Davies conferred on November 16, 1949, with two representatives of the Central Intelligence Agency concerning a plan to establish a group of people who would provide "materials and guidance" for the CIA in its mission of providing information to the U. S. Government about the Chinese Communists. The two CIA representatives who talked with Davies at this meeting were Lyle H. Munson and Edward Hunter. This project or episode later came to be known as "Tawny Pipit" and a matter of considerable significance and controversy concerning Davies' loyalty.¹²

¹¹These hearings were public but transcripts were not printed for public distribution. Westerfield, Foreign Policy and Party Politics, 1955, p. 273. The quotation is from U.S. News and World Report, December 11, 1953, p. 26.

¹²See IPR Report, pp. 218-20.

IV. DAVIES BECOMES A McCARTHY CASE

According to Buckley, Davies was one of Senator McCarthy's numbered cases cited on the Senate floor February 20, 1950.¹³ If true, it would appear that Davies probably was case number seventy-nine, about whom McCarthy stated:

This individual is on the special project staff. . . . The intelligence report in his file indicates numerous informants reported he was pro-Communist, radical and of dubious background.¹⁴

V. MUNSON AND THE FBI

On April 11, 1950, Munson told his version of the November 16, 1949, conference to the Federal Bureau of Investigation.¹⁵ Munson's resignation apparently became effective about the same time. Dudman states that Munson resigned "in a dispute over the handling of a security case."¹⁶ No evidence has been found to indicate that this was the Davies case.

¹³Buckley, op. cit., p. 208.

¹⁴Congressional Record, Vol. 96, Part 2, February 20, 1950, p. 1955.

¹⁵IPR Hearings, p. 2752.

¹⁶Dudman, Men of the Far Right, 1962, p. 143. Dudman describes Munson as founder and owner of a "highly efficient mail-order bookstore" in New York that "specializes in the literature of the right wing," ibid., p. 142.

VI. DAVIES TESTIFIES FOR SERVICE

Davies testified in behalf of Service before the Loyalty Security Board on May 27, 1950.

Davies introduced excerpts from annex 47 of the China White Paper in which at various times between 1943-44 Davies expressed views concerning probable Soviet post-war action, which can properly be summarized as prophetic and of a warning nature at a time when as he says, "this was not a theme which was widely proclaimed for obvious and sound reasons." For example, he stated on June 24, 1943:

With Russian arms, with Russian technical assistance and with the popular appeal which they have, the Chinese Communists might be expected to defeat the Central Government and eventually to take over the control of most if not all of China. It may be assumed that a Russo-Chinese Bloc, . . . would not be welcomed by us. The effect of such a bloc upon the rest of Asia and upon world stability would be undesirable.¹⁷

VII. McCARTHY, WEDEMEYER, AND PROMOTION

On June 15, 1950, Senator McCarthy in a speech at Groton, Connecticut, charged that Emmanuel Larsen's testimony in the 1946 Congressional probe of the Amerasia case

¹⁷Tydings Hearings, pp. 2127-29.

showed Davies to be a member of the pro-Communist "clique" in the State Department.¹⁸

General Wedemeyer, testifying on June 11, 1951, before the Senate committee investigating the dismissal of General MacArthur, was asked to comment on Hurley's charges that U. S. policy in China was not supported by the Foreign Service officers in China during the war. Wedemeyer stated that Davies, Service, et al., were invariably critical of the Chiang Government in their reports and frequently praised the Communists. Wedemeyer stated that he could not say whether these men were Communists or "pinko" or disloyal. He assumed they were not. Wedemeyer commented that disloyalty:

. . . is a terrific accusation or allegation to make against fellow Americans. It is difficult for a man to live down too, once it is made indiscriminately.¹⁹

Davies was promoted to Class 1, Foreign Service officer as of June 20, 1951.

VIII. DAVIES SUSPENDED BY STATE DEPARTMENT

The State Department announced on July 12, 1951, that Davies had been suspended as of June 27th. The

¹⁸New York Times, June 16, 1950, p. 1. Larsen largely repudiated such allegations. See Tydings Hearings, p. 2283; see note 23, Chap. III above.

¹⁹New York Times, June 12, 1951, p. 12.

announcement stated that action had been taken at the recommendation of the State Department Loyalty Security Board. It stated that Davies' case would be heard in formal hearings before the board starting July 23rd; that suspension was mandatory when it had been determined that security charges should be preferred; and that suspension did not indicate that a person was guilty of misconduct or was a security risk. It was emphasized that Davies' "security" rather than his loyalty was in question. Senator McCarthy commented that he had given Davies' name to the Tydings Committee in 1950, but he was unable to recall what charges he had made.²⁰

Davies issued a statement:

I welcome the opportunity that the State Department is giving me to answer the malicious and irresponsible charges made against me. I am confident that I shall be able to dispose of once and for all the contemptible accusations which have added immeasurably to my burdens as a loyal Government worker.²¹

IX. DEPARTMENT CLEARS DAVIES

The State Department on July 30, 1951, announced that Davies had been cleared by its Loyalty Security Board and returned to active duty. His suspension was rescinded

²⁰Ibid., July 13, 1951, p. 1; "Again a Checkup," Newsweek, July 23, 1951, p. 20.

²¹New York Times, ibid.

and he was reinstated "without prejudice and with the full confidence of the Department." The announcement described Davies as "one of the Department's outstanding foreign service officers."

The press noted that Davies' problems had arisen from Hurley and McCarthy, but that there were no accusers who testified at the hearing.

It was further reported that Davies, now vindicated, would be assigned to Germany as Deputy Director of the Office of Political Affairs, High Commissioner for Germany.²²

One editorial cited the "collapse" of the Davies case as illustrative of the folly of alleging disloyalty "when you mean inept, naive" and "unable to represent correctly the foreign policy of the United States." Davies was compared to Walter Hines Page, who also had been unable to "unfailingly carry out the policies of the United States."²³

X. DAVIES' IPR TESTIMONY

On August 8, 1951, Davies was called before the Senate Internal Security Subcommittee, then under

²²New York Times, July 31, 1951, p. 1.

²³"Lets Not Confuse Naive Diplomats with Enemy Spies," Saturday Evening Post, September 1, 1951, p. 10.

chairmanship of Senator Pat McCarran, for questioning in executive session. He testified on August 8th and August 10th. The committee had called him because it had now come into possession of a copy of the memorandum submitted to the FBI in April, 1950, by Munson.²⁴

During the course of the hearings Davies indicated his position as member of the Policy Planning Staff of the State Department and was further questioned:

Mr. Morris: Now Mr. Davies, have you recommended for employment with CIA John K. Fairbank?

Mr. Davies: This is a question, if it is what you are leading to, which is of a top-secret classification, and it is one which very few people in the government are clear to know about.

It touches on an operation which is only slightly less sensitive than that of atomic energy.

I, therefore, am not at liberty to talk about this subject without clearance from my superiors. . . .

Mr. Morris: I was going to ask you about John K. Fairbank, Anna Louise Strong, Agnes Smedley, Benjamin Schwartz and Edgar Snow.²⁵

In subsequent testimony, Davies, although declining on security grounds to further elaborate, indicated obliquely that his recommended use of this group of persons concerned a double-agent operation. He was led to describe the extent of his relationships with each of the individuals

²⁴IPR Report, pp. 218-19.

²⁵IPR Hearings, p. 5444.

and his opinion or judgment as to their political convictions.²⁶

Davies stated that he had had intermittent contacts with all the persons cited. He described them as persons with a variety of political views. He stated that neither John K. Fairbank nor his wife Wilma were Communists, nor Edgar Snow nor Benjamin Schwartz. Agnes Smedley was by then deceased but Davies stated that he had always considered her "at least a fellow traveler and probably part of the agitation apparatus."²⁷ He described Anna Louise Strong exactly as he had Smedley.²⁸

Davies denied ever having recommended any of the group for "employment" but rather for "utilization."²⁹

XI. ASSOCIATION WITH BENJAMIN SCHWARTZ

Davies testified that he had met Schwartz in 1948 or 1949, had seen him since on two or three occasions, usually for lunch when Schwartz was in Washington. He described Schwartz as a professor connected with Harvard University who had made extensive studies of the Chinese

²⁶Ibid., pp. 5445-83.

²⁷Ibid., p. 5445.

²⁸Ibid., p. 5447.

²⁹Ibid.

Communists. Davies denied that he had ever discussed with Schwartz the possible utilization of him in a "clandestine" operation.³⁰

XII. ASSOCIATION WITH EDGAR SNOW

Davies stated that he had met Edgar Snow in China in the early 1930's when Snow was a Language Officer at the U. S. Embassy. He became again acquainted with him in China in 1942 or 1943 when Snow was there as correspondent and met him again in Moscow and occasionally in Washington. Davies stated that he had never become well acquainted with Snow and, therefore, had no very strong impressions of his personality or outlook other than that he had "leftist tendencies in the war years." Davies could recall one instance of corresponding with Snow. In Moscow Snow apparently had developed friendship with a Russian girl whom the embassy personnel assumed was a NKVD agent. Sometime after Snow's departure he wrote back to Davies inquiring about the girl, and Davies made inquiries and wrote to Snow that the girl was apparently well.³¹

³⁰Ibid., pp. 5452-61.

³¹Ibid., pp. 5461-67.

XIII. ASSOCIATION WITH AGNES SMEDLEY

Davies stated that he first met Agnes Smedley in 1938 in Hankow when she was there working with the Chinese Communists. Davies stated that it was his duty as a political reporting officer to become acquainted with such persons as Smedley. She was used to establish contact with the Chinese Communists, and Davies obtained information from her. Davies testified that he had had no contact whatsoever with Smedley since 1939 in Hankow.³²

XIV. ASSOCIATION WITH ANNA LOUISE STRONG

Davies stated that he first met Anna Louise Strong in 1945 or 1946 at a reception at the U. S. Embassy in Moscow where she was a free-lance correspondent. He saw her there on other occasions with other correspondents until 1947 and had no contact with her since.³³

XV. ASSOCIATION WITH JOHN KING FAIRBANK

Davies testified that he first met Fairbank in Peking in 1933 or 1934 when Fairbank was a student working on a thesis there. They became well acquainted and had

³²Ibid., pp. 5467-72.

³³Ibid., pp. 5472-74.

maintained a friendly relationship ever since. He saw him frequently in China during the war when Fairbank was with OSS. During later visits by Fairbank to Washington they had lunch or a drink together. Davies considered Fairbank a friend of long standing with whom he corresponded irregularly.³⁴

XVI. TESTIMONY OF ELIZABETH BENTLEY

Davies was mentioned in the testimony of Elizabeth Bentley who, on August 14, 1951, testified that she had never had any direct contact with Davies but had been told "through the Silvermaster group" (an alleged Soviet espionage ring in Washington) that Davies was quite sympathetic to the Communist cause. She further testified that she had later read one of Davies' reports (apparently illegally) and said at the time, "yes, they were right about his sympathies."³⁵

XVII. TESTIMONY OF GENERAL WEDEMEYER

On September 19, 1951, General Wedemeyer testified that he had had no cause to be critical of Service or Davies, et al., while they were under his supervision in

³⁴Ibid., pp. 5475-80.

³⁵Ibid., p. 439.

China. He stated that upon the return of himself and Hurley to China in February, 1945, Hurley advised Wedemeyer that he was having difficulty with these men. Hurley felt that they were undermining his efforts to bring about stability in China. As a result Hurley took action to have Davies transferred. After receiving his orders to transfer to Moscow, Davies came to Wedemeyer's house where Hurley was also living. A heated argument ensued between Davies and Hurley. The substance of the argument apparently was that Davies believed that he had been loyal to Hurley but that Hurley had not been loyal to him.

Wedemeyer reiterated that in China Davies had "played up the shortcomings, maladministration, and unscrupulousness of Nationalist leaders" and emphasized "the orderliness or the potentialities of the Communist forces in Yen-an."³⁶

In his testimony Wedemeyer would not characterize Davies' reports as "pro-Communist."³⁷

In response to a question as to his opinion of the loyalty of Davies and Service, Wedemeyer replied that he

³⁶Ibid., pp. 828-31. A more detailed account of the Hurley-Davies episode is set forth in Wedemeyer Reports! op. cit., pp. 318-19.

³⁷Ibid., p. 778.

felt he could not answer that question but, "if I had followed their advice, communism would have run rampant over China much more rapidly than it did."³⁸

After completion of his testimony, Wedemeyer wrote to Senator McCarran on November 11, 1951. His letter called attention to the fact that his testimony had caused the State Department to comment that Wedemeyer had in 1945 officially commended Davies for outstanding performance of duty and yet he was now criticizing him. Wedemeyer stated that only long after the Foreign Service officers had left China did it become "obvious" to him that their recommendations, if accepted, would have accelerated the Communization of China. Wedemeyer further wrote:

I had never questioned nor do I now question their loyalty to me or to our country. I have testified exactly to this effect before Congressional Committees. Also I have consistently so informed governmental³⁹ officials investigating the loyalty of these men.

In his book, Wedemeyer Reports!, Wedemeyer's beliefs or perceptions appear somewhat different from those expressed in his testimony but still appear ambiguous or ambivalent. Concerning Service, Davies, and the two other Foreign Service officers on his staff, he notes:

³⁸Ibid., p. 831.

³⁹Ibid., p. 2534.

Their sympathy for the Chinese Communists is obvious in their reports. . . . Whatever their motives, . . . misplaced idealism to naked careerism or worse, their activities were not actually out of line with the policy that both Hurley and Marshall vainly endeavored to implement. . . .⁴⁰

He went on to write that "at the time" he had no reason to doubt their loyalty but that he should have "paid more attention" to Hurley's "justified" suspicion of this group.⁴¹ He further wrote that reading through their reports "today":

. . . it seems obvious not only that their sympathies lay with the Chinese Communists but also that they were either consciously or unwittingly disseminating exaggerated or false, Communist inspired, reports concerning the National Government. . . .⁴²

.

. . . I should have realized that it was strange, if not positive proof of John Davies' Communist sympathies, that in his report of his visit to Yen-an, December 15-17, 1944, he should have been so concerned that a leading Chinese Communist general, Peng Teh-Huai, "had little faith in what the United States will do to help the Communists."⁴³

Wedemeyer also wrote that while in China, it had never occurred to him that "my four professional Foreign

⁴⁰Wedemeyer, op. cit., p. 312.

⁴¹Ibid., p. 313.

⁴²Ibid.

⁴³Ibid., p. 314.

Service officers could be disloyal to me or to their country."⁴⁴

XVIII. PERJURY AND POLITICAL AFFAIRS

On September 21, 1951, the Internal Security Subcommittee sent a transcript of Davies' testimony of August 8th and 10th to the Department of Justice requesting a perjury investigation and citing discrepancies between the Davies statements and the Munson memo to the FBI.⁴⁵

Davies' appointment as Deputy Director of the Office of Political Affairs in the U. S. High Commissioner's Office was announced by John J. McCloy, U. S. High Commissioner for Germany, on September 22, 1951.⁴⁶

On October 29, 1951, the Department of Justice informed the Internal Security Subcommittee that it had found no evidence of perjury on Davies' part.⁴⁷

⁴⁴Ibid., p. 319.

⁴⁵IPR Report, p. 220.

⁴⁶New York Times, September 23, 1951, p. 30.

⁴⁷IPR Report, loc. cit.

XIX. TESTIMONY OF JOSEPH ALSOP

Alsop testified before the Internal Security Subcommittee on October 18, 1951, stating that "grave injustice" had been done to Davies through unfounded allegations. He stated that neither Davies nor Stilwell had been disloyal, only mistaken, the source of Davies' "errors" in China having been Stilwell.⁴⁸

XX. TESTIMONY OF MUNSON

Munson testified in open session before the Internal Security Subcommittee on February 15, 1952. A portion of his testimony follows:

Mr. Morris: Mr. Munson, do you recall making a voluntary statement to two agents of the Federal Bureau of Investigations on the 11th of April, of 1950?

Mr. Munson: On or about that date I did make a statement to two special agents of the FBI.

The text of the Munson statement follows:

April 11, 1950

I, Lyle H. Munson, make the following voluntary statement to Albert C. Hayden, Jr., and William S. Hyde, who have identified themselves to me as special agents of the Federal Bureau of Investigation.

On Wednesday, November 16, 1949, I participated in a conference with John P. Davies, Jr., of the Department

⁴⁸IPR Hearings, pp. 1435-36.

of State. My memorandum for record, written subsequent to that meeting, reports the following as the substance of Mr. Davies' comments:

1. That as regards Chinese personnel, the persons most helpful to OPC would be Chinese with American wives or husbands, who consequently had close ties with this country.

2. That he [Davies] had discussed with other OPC staff members the matter of employing certain persons through appropriate cut-outs, to consult and guide OPC in certain activities affecting the Far East.

3. That the persons he had indicated to them should be used were Benjamin K. Schwartz, Edgar Snow, Agnes Smedley, Anna Louise Strong, Professor [John] Fairbank and wife.

Mr. Davies expressed the feeling that the above mentioned persons should be used by OPC, and that the consultation and guidance and materials prepared by them would represent the proper approach. Mr. Davies said that he would be perfectly confident to put Professor and Mrs. Fairbank at the head of a unit charged with producing such materials. He said that he was aware that they were considered Communists by some uninformed persons, but that they were not Communists, but "only very (politically) sophisticated."

It was Davies' suggestion that the above persons be situated physically in an office or suite of offices somewhere other than Washington (probably New York or Boston) and that through a cut-out of OPC choosing, these persons provide not only guidance, but actually produce materials, for OPC utilization.

Davies was particularly insistent that Dr. Schwartz, of the Russian Research Institute at Harvard, be retained by OPC for policy guidance in certain fields of its activities, and noted that Dr. Schwartz had been most helpful to him as a consultant.

The suggestions and recommendations made by Mr. Davies did not constitute an order or directive, nor

were they so interpreted by me or my superiors.

Lyle H. Munson⁴⁹

According to Munson, the recommendations were never implemented. Munson further stated that he did not know what had prompted the FBI to come to him on this matter. He stated that Davies had made no remarks concerning the political inclinations of any of the group except the Fairbanks and had "left the impression" that none of the group were Communists.⁵⁰

XXI. PERJURY CHARGES AND DENIALS

Davies, in Germany, declared to the press that allegations that he had proposed Communists or pro-Communists for CIA "employment" had been previously investigated and "disposed of as without foundation."⁵¹

On February 18, 1952, the State Department issued a press release stating that the facts given by Munson had been known to the department, that the matter had been thoroughly investigated by the department at the time the original incident had been reported more than two years

⁴⁹Ibid., p. 2753. OPC referred to the Office of Policy Coordination in the CIA.

⁵⁰Ibid., pp. 2758-70.

⁵¹New York Times, February 17, 1952, p. 15.

earlier, and had been found to be groundless in any implication that Davies was suggesting anything inimical to the security interests of the United States. The department further stated that it had been advised that the controlled use or exploitation of persons of all shades of political complexion "is perfectly compatible with and customary in the business of intelligence," and that a suggestion of the kind made by Davies to the CIA carried no implications of disloyalty.⁵²

On February 21, 1952, the Internal Security Subcommittee wrote a second time to the Justice Department, asking whether in light of the Munson testimony, the department planned any action in the Davies case. The committee included with this letter a staff memorandum citing seven items appearing to be contradictory in the testimony of Munson and Davies.⁵³

A magazine review of the Davies case on February 25, 1952, indicated that when Davies' 1949 proposal had been originally referred to CIA Director Roscoe H. Hillenkoetter, he had referred the matter to the FBI. It was further reported that Senator Homer Ferguson,

⁵²U.S. Department of State Bulletin, February 18, 1952, pp. 274-75.

⁵³IPR Report, p. 220.

following release of the Munson testimony, had suggested that Davies be returned from Germany to testify in answer to Munson.⁵⁴

XXII. TESTIMONY OF GENERAL CHENNAULT

General Chennault testified before the subcommittee on May 29, 1952. He stated that although he had had limited personal contact with Davies in China he had been given "first hand reports" of his activities there. Chennault was questioned concerning a quotation from his book, Way of a Fighter, (pp. 316-18) as follows:

Since it was still official American policy in the summer of 1944 to support the Chungking government, it was a common joke that Stilwell's headquarters were developing a private foreign policy with John Davies (Stilwell's political adviser) as secretary of state.

In reply Chennault related an incident where Stilwell's staff "permitted an evacuation plan to leak out." This plan outlined the route the Americans were to take, if necessary, for evacuation of Chungking through Tsinan Province. This leak reduced Chinese morale "because the Americans were fully prepared to evacuate."

⁵⁴"Quotes from Davies," Newsweek, February 25, 1952, p. 30.

Chennault did not further elaborate nor did the subcommittee pursue the matter further.⁵⁵

XXIII. THE IPR REPORT

The Internal Security Subcommittee issued its report on the Institute of Pacific Relations on July 2, 1952. Included was a four and one-half page resume of the Davies case. The committee declared that Davies had testified falsely in denying that he recommended that the CIA "employ, utilize and rely upon certain individuals having Communist associations and connections."⁵⁶ The committee recommended that the Department of Justice submit to a grand jury the question of whether Davies had perjured himself before the committee.⁵⁷

The report revealed that on June 19, 1952, the committee had learned the whereabouts of the second CIA representative who had heard Davies make his proposal of November 16, 1949. This was Hunter, who was subpoenaed, and his testimony taken in executive session. This testimony was not made public by the committee. The committee stated, however, that the testimony of Hunter

⁵⁵IPR Hearings, pp. 4768-69.

⁵⁶IPR Report, pp. 218, 224.

⁵⁷Ibid., pp. 222, 226.

confirmed the Munson testimony "in all material respects" and was transmitted to the Department of Justice.⁵⁸

The report stated that five of the six persons recommended by Davies, as well as Davies himself, had some "connection" with the IPR, and of the six, Smedley, Strong, and Fairbank had been identified to the committee as Communists. It was also confirmed that in 1949 Hillenkoetter had recommended not implementing Davies' proposal after he had consulted with the FBI.⁵⁹

The report furnished an analysis of certain of the Service-Davies China reports and concluded them to have been in line with Chinese Communist objectives.⁶⁰

One review of the IPR Report revealed that the project Davies had recommended bore the code name "Tawny Pipit." Concerning the recommendation that Davies be tried for perjury, it was stated:

The charges of perjury might not be easily proved in court. Far more important was the fact that the McCarran Committee had pulled together a strong case against the IPR and had shown its influence on the U. S. Government to be a factor in U. S. policies that led to catastrophic losses in the Far East.⁶¹

⁵⁸Ibid., p. 221.

⁵⁹Ibid., p. 219.

⁶⁰Ibid., p. 188.

⁶¹"Report on the IPR," Time, July 14, 1952, p. 25.

XXIV. EVENTS OF LATE 1952

Davies' name once more was brought out on September 29, 1952. In a hearing in the Federal District Court in Washington, D. C., at the Benton-McCarthy libel suit, Gen. Walter Bedell Smith testified that he still considered Davies to be a "very loyal and capable officer."⁶²

On October 2, 1952, the Chairman of the Internal Security Subcommittee sent a third request to the Department of Justice for information on the Davies case. A letter, addressed to Attorney General J. P. McGranery, stated in part that the committee was aware that additional evidence in the Davies case "beyond that which it had reported publicly," but "corroborative thereof," was available to the department. It, therefore, asked the department what action was contemplated.⁶³

The original Davies testimony before the Internal Security Subcommittee was made public on October 10, 1952, as part of the IPR hearings record.⁶⁴

⁶²New York Times, September 30, 1952, p. 1.

⁶³Ibid., October 11, 1952, p. 5.

⁶⁴Ibid.

XXV. DECISION OF THE LOYALTY REVIEW BOARD

On November 12, 1952, a spokesman for the High Commissioner of Germany announced that Davies had been called home "for consultations." It was later revealed that Davies was reporting for secret hearings before the CSC Loyalty Review Board, which had authority to look over the record of the original State Department Loyalty Security Board hearings and overrule that board's decision if it found reasonable doubt as to loyalty.⁶⁵

Davies returned to his post in Germany on November 22nd. The Loyalty Review Board issued its decision on December 22nd, stating that it had reviewed the entire record of the case and heard the testimony of Davies in person and argument of counsel on his behalf. It had listened to the testimony of Gen. Walter Bedell Smith, Director of the CIA, and Ambassador George Kennan, former head of the Policy Planning Staff of the State Department (Ambassador to Russia at the time this decision was written), particularly with regard to Davies' suggested utilization by the CIA of the services of persons alleged to be Communists.

⁶⁵Ibid., November 15, 1952, p. 6.

The board's letter concluded: "We have arrived at the conclusion that there is no reasonable doubt of the loyalty of Mr. John Paton Davies." However, the board noted in a separate paragraph that it was not within its province to approve or disapprove of the wisdom or judgment of Davies as a Foreign Service officer.⁶⁶

One commentary on the Davies case noted that McCarthy and McCarran continued to allege that American China policy had been deliberately sabotaged and that Lattimore, Vincent, and Davies were among the principal saboteurs. The view was expressed that the public record so far disclosed no evidence of overt acts linking any of the three with an alleged conspiracy, yet the allegations had seriously affected public confidence in the State Department and had "shattered" the morale of the Foreign Service. It was speculated that the clearance of Davies was not likely to satisfy McCarthy and McCarran.⁶⁷

XXVI. MORE PURSUIT OF "TAWNY PIPIT"

The Eisenhower administration came into office in January, 1953, and John Foster Dulles became Secretary of

⁶⁶Ibid., December 16, 1952, p. 37. Text of the board letter appears U.S. Department of State Bulletin, January 19, 1953, p. 121.

⁶⁷New York Times, December 21, 1952, Sec. IV, p. 3.

State. The Senate Internal Security Subcommittee reviewed the Davies case again in eleven days of secret hearings during January, 1953. Testimony was taken from several people in the State Department and the CIA, as well as Kennan, Munson, and others. A second memorandum from Munson, made in 1949, giving more detail on the Davies proposal of 1949, was read into the record. This memo was not revealed to the public.

After this series of hearings the committee voted unanimously to ask the Department of Justice to determine whether Davies should be indicted for perjury. It sent to the Justice Department a complete record of the eleven days of hearings.⁶⁸

XXVII. TESTIMONY OF GENERAL W. B. SMITH

General Walter Bedell Smith testified before the Senate Foreign Relations Committee on February 4, 1953.

General Smith testified in part as follows:

This incident itself developed from a policy of putting security people in the various operating sections of the Agency. Mr. Munson, who was an officer of the division I have mentioned, was also a security officer. Mr. Davies made the proposal to Mr. Munson that a group of individuals, some of whom I know to be Communists, some whom were probably crypto-Communists, others were possibly left

⁶⁸"The Strange Case of John P. Davies," U.S. News and World Report, December 11, 1953, p. 26.

wing, but have never been demonstrated to have any Communist affiliations, be gathered together in another city and used through what he called a "cut-out," which I will define as a man of absolute loyalty and trustworthiness who operates on behalf of the Government, but whose connection with the Government is not known at all to the people with whom he is operating, to give certain guidance.

Mr. Munson, acting in his capacity as an officer of the Division, made a report to his immediate senior. He also made a report via the CIA security channels to our security officer, who made an oral report, later reduced to writing, to Admiral Hillenkoetter.

They were suspicious of this proposal, and they reported it to the appropriate authorities, and as a result there was an investigation.

When it came to my attention I dug the files out. I saw the two written records, both of them made some time after the event, and they varied in two rather significant instances, so that I do not have complete confidence in the accuracy of either one.

I rather took the average of the two, reached the conclusion that Davies had made such a recommendation, that it was probable his idea would not have been particularly productive, but that from the purely professional standpoint the suggestion was not one which would have caused me to consider it a grave security risk, although I was unable to assess, and I told the Loyalty Board that I was unable to assess, Mr. Davies' motives in making it.

Later in his testimony General Smith stated that he had not thought and did not think that Davies was disloyal to his country; however, he hinted that he may have had some question in his mind concerning the value of the judgments Davies may have made. To a question as to whether he thought stupidity could be just as dangerous to

the United States on occasion as deliberate disloyalty he replied that it might be more dangerous.⁶⁹

XXVIII. DAVIES TRANSFERRED AS JUSTICE DELIBERATES

After the Smith testimony, a fourth request for a decision on the Davies case went to the Justice Department, in the form of a letter by Senator McCarran on April 14, 1953.⁷⁰

On April 17, 1953, the State Department announced that Davies was being transferred to Lima, Peru, as Counselor. The transfer was described as "routine" by the department.⁷¹

On May 1, 1953, the Internal Security Subcommittee Chairman, by then Senator William E. Jenner, wrote to Attorney General Herbert Brownell, Jr., saying that if Davies was to be investigated by a grand jury, action should be taken before he left for Peru.⁷²

⁶⁹New York Times, February 5, 1953, p. 1.

⁷⁰U.S. News and World Report, loc. cit.

⁷¹New York Times, April 19, 1953, p. 19, and April 20, 1953, p. 15.

⁷²U.S. News and World Report, loc. cit.

Davies arrived at Idlewild Airport, New York, with his family, on May 18, 1953, en route from Frankfurt, Germany, to his new post at Lima.⁷³

Attorney General Brownell was again queried on June 11, 1953, by the subcommittee whether a determination had been made yet in the Davies case. This was the sixth request by the committee, over a period of twenty-two months, for a Justice Department opinion on possible perjury aspects of the Munson-Davies testimony. The Deputy Attorney General, William P. Rogers, replied on July 6th that the department had not yet reached any final determination.⁷⁴

XXIX. MCCARTHY DECLARES WAR

On November 24, 1953, Senator McCarthy, speaking over national radio and television, stated in part:

For example we still have John Paton Davies on the pay roll after 11 months of the Eisenhower Administration. And who is John Paton Davies? John Paton Davies was (1) part and parcel of the old Acheson-Lattimore-Vincent-White-Hiss group which did so much toward delivering our Chinese friends into the Communist hands. (2) He was unanimously referred by the McCarran committee to the Justice Department in connection with a

⁷³New York Times, May 19, 1953, p. 31.

⁷⁴Interlocking Subversion in Government Departments, Report, Internal Security Subcommittee, U.S. Senate, July 30, 1953, p. 48.

proposed indictment because he lied under oath about his activities in trying to put Communists and espionage agents in key spots in the Central Intelligence agency. The question which we ask is, why is this man still a high official in our government after 11 months of Republican administration?⁷⁵

One source viewed this attack by McCarthy as a "declaration of war" against the President. Reportedly, the administration was now aggravated at McCarthy over his pressures to oust Davies, particularly since the Senate had been given ample information refuting the charges against Davies.⁷⁶

Secretary of State Dulles, on December 1, 1953, announced that a new security investigation of Davies had been started the previous May. He said it would be concluded by the first of the year and mentioned that more than 2,000 pages of evidence, including much material not considered by the original State Department Loyalty-Security Board, had been accumulated. Dulles also pointed out that Davies had personally requested a new investigation after Senator McCarthy's speech.⁷⁷

James Reston reported that McCarthy's feud with the Republican administration was coming to a climax in the

⁷⁵New York Times, November 25, 1953, p. 5.

⁷⁶Ibid., November 26, 1953, p. 1.

⁷⁷Ibid., December 2, 1953, p. 1.

Davies case. He went on to comment that nowhere in the public record did there appear any testimony by Davies as to what he actually had in mind in his 1949 CIA proposal. Reston stated that he had interviewed Smith, Kennan, and others in an attempt to fathom Davies' motives and had developed only guesses as to objectives. The consensus was that Davies expected: (1) To obtain information about organization and theories of the Chinese Communist Government; (2) To obtain guidance as to proper "lingo" to use in propaganda broadcasts to Red China; (3) To utilize the six persons as instruments in a war of nerves against the Chinese Communists.⁷⁸

George Kennan wrote a letter to the New York Times, noting that he was Davies' supervisor at the time of the proposal. He deplored the fact that at the time of the proposal no effort had been made by CIA to clarify Davies' position rather than rejecting the proposal and suspiciously moving the matter into security channels. He went on to describe Davies as a man of "quick and intuitive intelligence" and as a "talented and devoted servant who has already suffered a unique measure of adversity for his efforts to be useful to his country. . . ." ⁷⁹

⁷⁸Ibid., December 9, 1953, p. 1.

⁷⁹Ibid., December 17, 1953, p. 36.

CHAPTER X

LATER DEVELOPMENTS IN THE DAVIES CASE

I. DULLES PURSUES THE DAVIES CASE

On December 29, 1953, the Department of State's Office of Security recommended that Davies be suspended and processed under the new security standards established by Executive Order 10450, implemented May 27, 1953. Executive Order 10450 dealt with "Security Requirements for Government Employment." It established new criteria for continuing employment by the United States. These criteria related not only to loyalty but also to reliability and trustworthiness. The order established various adjudication procedures including a final determination by the head of the department whether retention "is clearly consistent with the interests of the national security."¹

On January 19, 1954, Dulles announced the arrival from Peru of Davies for "consultations" concerning his security clearance.² The following day a statement of charges was submitted to Davies in order to obtain his sworn answers prior to Dulles' determination as to possible

¹"Documents in the John Paton Davies, Jr. Case," Foreign Service Journal, December, 1954, p. 44.

²New York Times, January 20, 1954, p. 9.

suspension. Dulles made "a careful examination of the charges and the information upon which the charges were based." He concluded that the matter required further inquiry. Davies had previously told Dulles that he would welcome whatever further examination Dulles deemed appropriate. Accordingly, on March 23, 1954, Dulles directed that a Security Hearing Board be designated to consider the case. Davies voluntarily accepted the jurisdiction of this board and was, therefore, not suspended as would have been normal procedure. Dulles had concluded that under the circumstances then prevailing, "the interests of the United States would not be prejudiced thereby."³

On March 28, 1954, Davies returned to his post in Lima.⁴

II. HEARING BOARD CONVENES

A Security Hearing Board of five persons drawn from other agencies was convened on May 14, 1954. The Chairman of the board was Lt. Gen. Daniel Noce, Inspector General of the Army. The other four members were: Henry F. Hurkley, Deputy to the Director for Plans and Readiness in

³Foreign Service Journal, loc. cit.

⁴New York Times, March 29, 1954, p. 13.

the Office of Defense Mobilization; Robert M. Koteen, Legal Assistant to the Federal Communications Commission; Floyd Springer, Jr., Assistant to the Director of the Foreign Operations Administration; and Theodore G. Waale, Director of the Office of Procurement and Technical Assistance of the Small Business Administration. The board studied the complete record of the case and held hearings during June and July, 1954.⁵ Davies testified and called six witnesses who testified in his behalf. Five witnesses who had furnished "derogatory" information testified; all but one testified in Davies' presence and were cross-examined by Davies' counsel.⁶

On August 30, 1954, the board reached an unanimous decision that the continued employment of Davies was "not clearly consistent with the interests of national security" and that his services should be terminated.⁷

Davies was recalled to Washington on October 24, 1954.⁸ Dulles apparently had been reviewing the board recommendations since his receipt of the findings sometime after August 30th.

⁵Foreign Service Journal, op. cit., p. 46.

⁶Ibid., p. 44.

⁷Ibid.

⁸New York Times, October 25, 1954, p. 23.

III. DECISION BY DULLES

Dulles announced on November 5, 1954, that he had reviewed the recommendation of the board, publicly revealed now for the first time, and determined in accord with the board that Davies would be dismissed.⁹

The board decision indicated that Davies had "demonstrated a lack of judgment, discretion, and reliability." The board emphasized that it defended Davies' right to "report as his conscience dictated" but found that he had made known his dissents from established policy "outside of privileged boundaries." The board also emphasized that its decision resulted primarily from its analysis of Davies' "known and admitted works and acts" and in that connection his "admissions and deficiencies as a witness before the Board."¹⁰

Dulles stated:

The Board found that Mr. Davies' observation and evaluation of the facts, his policy recommendations, his attitude with respect to existing policy, and his disregard of proper forbearance and caution in making known his dissents outside privileged boundaries were not in accordance with the standard required of Foreign Service Officers and show a

⁹ Ibid., November 6, 1954, p. 1; the text of Dulles' statement appears in Foreign Service Journal, December, 1954, pp. 44, 46.

¹⁰ Foreign Service Journal, ibid., p. 44.

definite lack of judgement, discretion, and reliability.

The Security Hearing Board did not find, nor do I find, that Mr. Davies was disloyal in the sense of having any Communistic affinity or consciously aiding or abetting any alien elements hostile to the United States, or performing his duties or otherwise acting so as intentionally to serve the interests of another government in preference to the interests of the United States.

Under the present Executive Order on Security, it is not enough that an employee be of complete and unswerving loyalty. He must be reliable, trustworthy, of good conduct and character.¹¹

Dulles further stated that the board had unanimously stated that Davies' personal demeanor as a witness "did not inspire confidence in his reliability" and that "he was frequently less than forthright in his response to questions." Further elaboration of the charges against Davies was not given.¹²

It was noted in the press that Davies would lose all pension rights for which he would have been eligible in four years; that although Dulles had not revealed the specific charges against Davies, his activities in China probably formed their basis, with his articulation of his views to correspondents as Briefing Officer for Stilwell contributing significantly.¹³

¹¹Ibid.

¹²Ibid.

¹³New York Times, loc. cit.

IV. COMMENT BY DAVIES

Davies commented to the press that he did not feel there were adequate grounds for the judgment rendered, but he would "let history be my judge."¹⁴

Also released was the text of a letter, dated November 2, 1954, from Davies to the board. From the letter it is possible to extract some of the accusations made against him in the department's letter of charges.¹⁵

1. "actively opposed and sought to circumvent United States policy toward China." Davies stated in part:

When a Foreign Service officer concludes that a policy is likely to betray our national interests, he can reason to himself that, as ultimate responsibility for policy rests with the top officials of the department, he need feel no responsibility for the course upon which we are embarked; furthermore his opinions might be in error or misunderstood or misrepresented--and so the safest thing for a bureaucrat to do in such a situation is to remain silent. Or, a Foreign Service officer can speak out about his misgivings and suggest alternative policies, knowing that he runs serious personal risks in so doing. I spoke out.

2. "my relations with the Chinese Communists." Davies stated:

¹⁴Ibid. Text of the Davies statement appears Foreign Service Journal, op. cit., p. 46.

¹⁵Foreign Service Journal, ibid.

I cultivated them. I did so for a purpose-- to obtain information. I did so with knowledge of my superiors and my American colleagues. It was an open relationship.

3. ". . . list of names which in my letter of charges,

I was asked to speak to." Davies stated in part:

Now a number of people on the list presented to me are known communists. Others are fellow-travelers.

But some are persons who, aside from being suspect or worse, I have no reason to believe are disloyal.

.

One of the difficulties for a Foreign Service officer in the present system is, as I inadequately explained in my testimony, that he is not officially informed what contacts are unsuitable. A Foreign Service officer can be, until he is suddenly accused, unaware that certain of his contacts are regarded by the Government as unsuitable, and he does not know with what degree of disfavor, if any, certain people who have been publicly attacked are viewed by the security officials. For if a Foreign Service officer must sever connections with everyone, American and foreign, about whom there has been or may be a derogatory report, then he will of necessity, live in a useless vacuum.

V. OTHER COMMENTARY ON THE DECISION

Eric Sevareid, in a radio broadcast of November 8, 1954, related the 1944 jungle episode he had shared with Davies. He recalled that when he was faint from heat and thirst Davies had given him the last of his own water. He stated:

I have known a great number of men around the world, under all manner of circumstances. I have known none who seemed more the whole man, none more finished a civilized product, in all that a man should be--in modesty and thoughtfulness, in resourcefulness and steady strength of character.

.

Mr. Davies is not, concluded the board of Mr. Dulles, of sufficient judgement, discretion and reliability. Sufficient, one may ask, unto what? Their test can only have been of supernatural design. I saw their victim measured against the most severe tests that mortal man can design. Those, he passed. At the head of the class.¹⁶

Another comment was that Davies had been "abused and most unjustly penalized."¹⁷ Another commentator stated that although "some" saw Dulles as "craven" and "disloyal to the Foreign Service," he believed that Dulles "reluctantly and sorrowfully did what he believed he was sworn to do."¹⁸

Another source stated that Davies' "dissents from established policy" apparently occurred in Chungking in 1944 and concluded that on the evidence "only extremists will feel obliged to quarrel with the verdict."¹⁹

¹⁶Foreign Service Journal, January, 1955, p. 36.

¹⁷The Nation, November 13, 1954, p. 415.

¹⁸Krock, The New York Times, November 16, 1954, p. 28.

¹⁹America, November 20, 1954, pp. 197-98.

In a letter to Dulles the American Civil Liberties Union warned that the dismissal might impair American foreign policy by imposing a "conformity of thought" on diplomatic personnel, deterring them from ever questioning existing policy.²⁰ This same fear was expressed and amplified in an editorial that stated in part that Foreign Service officers now had the added burden of knowing that despite the approbation of their superiors of their present duty performance, they might "today, tomorrow, or ten years hence be found to have shown a definite lack of judgment," etc., in their past performance.²¹

Reiterating the damage the dismissal would cause to the Foreign Service, another commentary went on to characterize it as an "unnecessary blunder" which Dulles must already recognize as such; that Dulles' "appeasement" of the "Formosan Wing of Sentors" and the "China Lobby" would cost a high price. It was noted that during the previous November the Foreign Service had only sixty-three applicants for four hundred vacant positions and many officers were already seeking other jobs.²²

²⁰New York Times, December 13, 1954, p. 15.

²¹"The Davies Case," Foreign Service Journal, December, 1954, p. 34.

²²"The Ghost That Won't Lie Down," Harpers, January, 1955, p. 20.

In his 1955 book Dean Acheson devoted considerable attention to the Davies case and pointed out that the board members, although presumably competent in their own fields, were on questionable ground in judging the competence of a Foreign Service officer "whom his professional colleagues and superiors had rated among the small group at the top." He quoted James Reston's observation that Dulles had been the:

greatest dissenter outside of privileged boundaries in the recent history of the United States Capital. He has gone to more dinners with the reporters and registered more dissents from established policy in the last ten years than any official in this town.²³

VI. THE AFTERMATH

Brooks Atkinson wrote in 1962:

As an aftermath of McCarthyism, many Americans still assume Chiang Kai-shek was sold down the river by clever felons in the U. S. State Department.

To those of us who were stationed in China during World War II nothing could be more stupid or malicious than this piece of hysterical fantasy. After all these years it's interesting to see how close John Davies came to the truth. Since the truth turned out to be unwelcome in the McCarthy period a decade later, one of the State Department's best foreign service sections was broken up, its officers harried by ignorant and malevolent people and Mr. Davies was dismissed.

²³ Acheson, A Democrat Looks at His Party, 1955, p. 132. The Reston quotation is from New York Times, November 10, 1954, p. 3.

Atkinson went on to relate that the morning after the dismissal, after Davies "was tossed to the wolves," Dulles telephoned Davies and offered to recommend him to any prospective employer. Atkinson went on:

Mr. Davies did not need a recommendation from anybody. A cheerful, versatile, highly articulate man, he now lives in Lima, Peru, with his wife, five daughters and one son.

Atkinson went on to relate that Davies runs a small shop in Lima where he designs, builds, and sells furniture, employing Peruvian labor. Noted Atkinson:

At its winter convention last year the American Institute of Interior Designers awarded him two first prizes for a chair and a table.²⁴

²⁴New York Times, April 10, 1962, p. 40.

CHAPTER XI

OBSERVATIONS CONCERNING THE VERDICT OF HISTORY AND ITS SOURCES

I. RESEARCH TECHNIQUES

Techniques commonly employed in personnel security systems are essentially in accord with the case study method of social research, e.g., the study of personal documents, probing into various aspects of the subject's life, and gathering data on associates, activities, and attitudes, in an attempt to grasp the pattern of the individual's life and to apply established standards in an attempt to arrive at a conclusion concerning the individual's trustworthiness.

In both instances, however, the most significant threat to the validity and reliability of the findings may lie in the response of the individual researcher to the stimuli he is receiving; the inevitable impact of one's own experiences and biases intervening to jeopardize objectivity. Even the modern historian must systematize his individual observations of original sources so that a measure of reliability is possible.¹

¹Goode and Hatt, Methods in Social Research, 1952, p. 337.

Because this thesis is an adaptation of the case study method, effort has been made to leave the trail of movement through the primary sources as clearly marked as possible. A corollary effort has been made to intersperse only those secondary sources needed to fill gaps in the factual narrative and to create, where possible, a perspective of the atmosphere or historical milieu in which relevant events were occurring.

The original plan of research contemplated exploring available sources for factual material and ascertaining what conclusions had been arrived at by others who had reviewed the same material. This did not contemplate such comprehensive approaches, e.g., as analyzing the Service-Davies reports in detail, as those used by Kennan and others. For such an approach to have been valid, one would have to possess or develop a knowledge beyond the scope of the present effort. It was rather planned that three steps would be involved: (1) a review of the available facts, (2) a review of conclusions reached by writers possessing relevant specialized knowledge and who have studied the three cases, (3) a review of a number of historical works, for example, works dealing with general American history or U. S. diplomatic history including the period in question, which rely predominantly on such sources as mentioned in (2) above. The

third step was designed to arrive at the "verdict" of history, so that this study will say in effect: These were the men; this is what happened to them; this is what history says, ten or more years after the fact, regarding the hypothesis engendered by the allegations made against them.

II. THE "VERDICT OF HISTORY" FOUND UNFEASIBLE

Discovering the "verdict of history" proved unfeasible because the third category of works discussed above were found to be inadequate in number and content. Specifically, it was found that the question of the loyalty of these men was not covered in any work of the third type mentioned above. An alternative was to ascertain whether these works concluded that there had been any internal subversion of the U. S. China policy. If a particular book concluded there had been none, then one could use this as a positive index that these men had not been deemed disloyal. The fallacy of this approach lay in the fact that these were not the only State Department personnel so accused; therefore, if the source concluded that there had been subversion, but failed to mention names, no conclusion could be drawn concerning the three cases studied.

No usable sources in category (3) above were found.

The most positive statement found was as follows:

Some implied that American treachery had lost China to the Communists.²

.

. . . most Americans did not accept the charge of the "China bloc" and others that traitorous Communists or sympathizers in the government had shaped Far Eastern policy for the benefit of foreign Communists. . . .³

Conclusions drawn from this inadequate coverage would be questionable, but one might speculate as to possible implications.

The almost total silence by historians is perhaps best explained on the grounds that the matter remains controversial and is perceived as best left for future historians who will have the advantage of the perspective of several decades. It may be that historians perceive the matter as of relative unimportance. The libel laws may also have some bearing on the matter.

III. INITIAL CONCLUSIONS

One conclusion appears inescapable. None of the men studied have emerged as either the Benedict Arnold of

²DeConde, A History of American Foreign Policy, 1963, p. 695.

³Ibid., p. 697.

the 20th Century or the American Dreyfus. Whether general American history will ever deem their cases of sufficient importance to warrant attempts to resolve the question of their loyalty more definitely remains to be seen.

Another conclusion which can be drawn is that an understanding of these cases requires a relatively wide coverage of subject matter. It may be that replication may not be feasible without this understanding; therefore, some comment concerning secondary sources and relevant quotations appears in order.

IV. GENERAL KNOWLEDGE OF CHINA

One should have some idea of the cultural and sociological bases of China. Of the works reviewed, Fairbank⁴ dwells most extensively on this, as does Tsou.⁵ Tsou appears to use more sources more eclectically and his treatment of every aspect of the problem is more detailed. Both are valuable for review of events in China after 1926 and give specific emphasis to the period of our concern.

⁴Fairbank, The United States and China, 1960.

⁵Tsou, America's Failure in China, 1963.

V. COMMENTARY BY FAIRBANK

Fairbank states:

To an observer outside the government, the chief results of all these China policy investigations seem to have been security-consciousness and conformity. Very little, if any Communism, espionage, or treachery was uncovered but everyone was intimidated.⁶

VI. COMMENTARY BY TSOU

Tsou's analysis of the causes of the fall of China appears more detailed and objective than any other source reviewed.

Concerning the "conspiracy" charges he states:

It cannot be too strongly emphasized that not only is there no proof of the existence of such a conspiracy, but, more importantly, the diffuse process of policy formation in the United States precluded the possibility of subverting her foreign policy by such a small group in the interest of a foreign power.⁷

Concerning Vincent he states:

If any one element in Vincent's outlook can be said to have influenced his thinking and policy recommendations more than any other, it was the traditional policy of the United States. . . . His personal misfortune symbolized the misfortune which had befallen that policy.⁸

⁶Fairbank, op. cit., p. 274.

⁷Tsou, op. cit., p. 425.

⁸Ibid., p. 281.

VII. COMMENTARY BY SETON-WATSON

For another view of the historical development of Communism in China, Seton-Watson provides a concise analysis and commentary. He accepts the China White Paper as "convincing." He also states:

It is certain that accusations against the State Department by irresponsible demagogues have reached fantastic dimensions. But it does not follow from this that all the accusations are false. The question must be considered as open.⁹

VIII. COMMENTARY BY CHIANG AND SNOW

Chiang Kai-shek provides interesting perceptions in his book and lists as one cause of his defeat the diplomatic isolation caused by "slandorous attacks" by "pro-Communists" in the United States.¹⁰ A detailed first-hand account of the pre-war Communists in Yen-an is the widely cited book by Edgar Snow.¹¹

⁹Seton-Watson, From Lenin to Krushchev, 1960, p. 275.

¹⁰Chiang Kai-shek, Soviet Russia in China, 1957, p. 223.

¹¹Snow, Red Star Over China, 1938.

IX. COMMENTARY BY NORTH

North ably traces the use of Communism in China from birth to victory and emphasizes the Chinese Communists' relations with Moscow. He further states:

Russian, Chinese and American Communists undoubtedly did their level best to influence both official and unofficial public opinion by propaganda, infiltration and subversion. And to a considerable degree they may have succeeded.

He also points out that every American who hoped for a "united, free and democratic China" was not necessarily the dupe of Communist manipulation or guilty of subversion.¹²

X. TRADITIONAL U.S.-CHINA RELATIONS

For a review of traditional relations between the U. S. and China, Fairbank, Tsou, the China White Paper, and Spanier are valuable sources. Spanier provides an analysis of why prevailing American myths caused the widespread belief that Communists in government caused the China disaster.¹³

¹²North, Moscow and the Chinese Communists, 1953, 1963.

¹³Spanier, American Foreign Policy Since World War II, 1960, esp. Chap. IV, pp. 69-96.

XI. WORLD WAR II IN CHINA

Events during World War II in China were particularly significant. The best factual account, centering around Stilwell and Chiang are the three volumes of Romanus and Sunderland, which also make passing reference to the activities of Service and Davies in China.¹⁴ Feis, Tsou, and Chiang also provide contrasting views, as does the China White Paper.

A first-hand account of two American correspondents in China during the war is the prize-winning book by White and Jacoby.¹⁵

XII. COMMENTARY BY YOUNG

The strongly debated question of American aid to China is covered in some detail by Young who served the Chiang Government as an economic adviser. He lays the main blame for China's defeat to American decisions relative to aid made well before the end of the war. He also states:

¹⁴Romanus and Sunderland, U.S. Army in World War II, The China-Burma-India-Theatre: (1) Stilwell's Mission, 1952, (2) Stilwell's Command Problems, 1956, (3) Time Runs Out in CBI, 1959.

¹⁵White and Jacoby, Thunder Out of China, 1946.

What of post-war charges that disloyalty of certain Americans was a major cause of the Nationalist downfall on the mainland? Such an explanation is too simple. Whatever American disloyalty there was in the war period did not, I feel, decisively change the weight of the eight factors herein outlined.¹⁶

XIII. 1945-1949 EVENTS

Events occurring between the end of the war and the fall of the mainland in 1949 are examined by Wedemeyer. He devotes some attention to Service and Davies and leaves one guessing concerning his conclusions as to their loyalty. His views appear similar to Chiang's in many respects.¹⁷ North, Tsou, Young, and Fairbank also provide well-documented and seemingly objective accounts.

XIV. VIEWS OF KUBEK, DAVIS, HUNTER, AND FLYNN

Four works that make no pretense at objectivity are by Kubek, Davis, Hunter, Utley, and Flynn. Kubek reviews the period from 1941 to 1949 in U.S.-China relations, relying heavily on the IPR hearings. His characterizations of Service, Vincent, and Davies do not extend beyond "pro-Communist" and he appears to be placing the major blame for subversion on Harry Dexter White, Owen Lattimore, and Alger

¹⁶Young, China and the Helping Hand, 1963.

¹⁷Wedemeyer Reports! 1958.

Hiss.¹⁸ Davis and Hunter have written an avidly pro-Nationalist polemic aimed largely at the continuing efforts by the "conspirators" to gain U. S. recognition of Red China. They appear to blame General Marshall primarily for the fall of China, but also speak of the "malign influence" of the IPR, Frederick V. Field, Hiss, Philip Jessup, Vincent, and Fairbank.¹⁹

Flynn and Utley have been previously mentioned. Flynn emphasizes the propaganda campaign waged in the U. S. against Chiang and in favor of the Chinese Communists, utilizing press, journals, and books. He appears to conclude that Service and Davies were "dupes" but appears uncertain as to Vincent.²⁰

XV. COMMENTARY BY FREDA UTLEY

Utley theorizes that the primary "impulse" which impelled newspapermen, authors, and Foreign Service officers to "espouse" the Chinese Communist cause may have been sympathy for the Chinese people. She concludes:

. . . it is impossible to gauge the extent to which idealistic motives, as distinct from ambition, or

¹⁸Kubeck, How the Far East Was Lost, 1963, esp. pp. viii, 444, 281, 308.

¹⁹Davis and Hunter, The Red China Lobby, 1963, esp. pp. 1-57.

²⁰Flynn, While You Slept, 1951.

cowardice, or secret sympathy for the Communist cause, led to treasonable activities in high places in Washington.

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Summing up the evidence available, the verdict of an impartial jury would be that the delivery of China to the Communists, with what amounted to the blessing of the United States Administration, was due to ignorance, refusal to face facts, romanticism, and political immaturity or a misguided humanitarianism, and the influence of Communist sympathizers and careerists who staked their reputation on a pro-Soviet policy.²¹

XVI. COMMENTARY BY MORGENTHAU

Hans J. Morgenthau, writing in 1955, provides a critical view of the very assumptions upon which the security program, as exemplified by Executive Order 10450, is based. He characterized the program as "a series of ritualistic performances . . . divorced from reality and reason." He posits that to Congressmen "all men are suspect as traitors" and diplomats are particularly subject for they "deviate in certain obvious respects" from the ideal type of the "normal" good American; they know foreign languages, spend much of their lives in foreign countries associating with strange peoples, and tend to be intellectuals.

²¹Utley, The China Story, 1951, p. 239.

The general tenor of the Morgenthau article is that not only had the security system failed in its avowed purposes, but it had also reduced the quality of the Foreign Service to mediocrity and incompetence. He came to the conclusion that there "never was a pro-Communist clique in the State Department which deliberately worked for the triumph of Communism in China."²²

XVII. THE ERA OF MCCARTHYISM

The collected essays of I. F. Stone provide several interesting and at times entertaining perspectives on various events and issues of the 1950's, including McCarthy, the loyalty and security programs, the IPR investigation, and the Service and Davies cases.²³

Buckley and Bozell devote much space to Service, Davies, and Vincent and have been mentioned previously. Basically the book is a pro-McCarthy polemic.²⁴ A contrasting view of McCarthy is found in Anderson and May

²²Morgenthau, "Impact of the Loyalty-Security Measures on the State Department," Bulletin of the Atomic Scientists, April, 1955, pp. 134-40. See also Morgenthau's "Foreward" to Tsou, op. cit., pp. vii-viii.

²³Stone, The Haunted Fifties, 1963.

²⁴Buckley and Bozell, McCarthy and His Enemies, op. cit.

who, however, devote little space to our three cases.²⁵
 A short, entertaining resume of the McCarthy era is found in Chaplin, who equates the era to mass hysteria.²⁶ A similar but more intellectual analysis is found in Smelser's theoretical approach to collective behavior.²⁷ Lipset devotes much attention to McCarthy, his bases of support, his general targets, and the social conditions facilitating his rise.²⁸ Much attention is also devoted to the phenomenon of McCarthy and his time in Bell's collection of essays on the radical political right in the United States.²⁹

Westerfield provides interesting analysis and commentary concerning the effect on U. S. foreign policy of McCarthy and other Congressional critics.³⁰

John Paton Davies unfortunately provides virtually no autobiographical data in his 1964 book, which is

²⁵ Anderson and May, McCarthy, The Man, The Senator, The Ism, 1952.

²⁶ Chaplin, Rumor, Fear, and the Madness of Crowds, 1959, Chap. 10.

²⁷ Smelser, Theory of Collective Behavior, 1963.

²⁸ Lipset, Political Man, 1963.

²⁹ Bell (ed.), The Radical Right, 1963.

³⁰ Westerfield, Foreign Policy and Party Politics, 1955.

largely a series of essays on several aspects of the United States in world affairs. He does venture into analysis of the effects on the Foreign Service of the attacks "from the radical right" culminating in the early fifties. He states in part:

The violence and subtlety of the purge and intimidation left the Foreign Service demoralized and intellectually cowed. With some doughty exceptions, it became a body of conformists. The timidity influenced promotions, and many cautious mediocrities rose to the top of the Service.³¹

³¹Davies, Foreign and Other Affairs, 1964. The quotation is from p. 197.

CHAPTER XII

CONCLUSIONS, OBSERVATIONS, IMPLICATIONS, AND SPECULATIONS

I. CONCLUSION

Existing standards in the federal personnel security program dictate that decisions pertinent to the hypothesis of this study must be an over-all common-sense one based on all available facts. The available facts have been examined in the light of whether these three men were disloyal, that they performed or attempted to perform their duties, or otherwise acted so as to serve the interests of another government in preference to the interests of the United States.

This examination has resulted in the conclusion that the hypothesis has not and was not proven valid. Not only is there insufficient evidence of the disloyalty of these men; there is much evidence to the contrary.

II. OBSERVATIONS ON OTHER DECISIONS

The above conclusion is in accord with the conclusions officially propounded in the cases of Davies and Vincent. Service was dismissed on "reasonable doubt" as to loyalty but was reinstated because of procedural

defects. We can only assume that later security determinations found his retention "consistent with" the national security, or the national interest. We have failed to find whether or not history agrees with the official findings as to the loyalty of these men. The fact that history appears to be finding their fate less than worthy of note may be evidence of the greater tragedy of the matter. Certainly if the dismissal of Davies and the forced retirement of Vincent was less than just, then some action or adjustment, or at least a footnote to the record, is warranted.

In the same regard the case of Service must be viewed in the light of his later career. Some pertinent questions need to be asked. Would it appear normal for a man of his obvious talent and exceptional background to spend his later career dealing with the shipping of household goods and as Consul at Liverpool, never advancing beyond the grade he attained in 1948? Was the value of justice attained in his case? If, for one reason or another, Davies and/or Vincent had been retained, would their later careers have followed a similar pattern to that of Service?

One can conclude that regardless of whether the charges made against these men were proven or disproven, once the allegations were made the value of these men to

the Foreign Service and to their country was significantly diminished. When loyalty allegations are raised against a physicist, one might conceivably disregard them, for he can be watched and yet still produce his physical product or process. But when a man's value lies in his ideas on foreign policy and where the very essence of his value is in the trust that may be placed in him, the doubt raised may be decisive.

The notion of "where there's smoke there's fire" appears to be easily accepted because it feeds the needs of men in search of evidence of weakness in others.

The "Tawny Pipit" farce in which Davies became involved may be evidence that a man once stigmatized may forever after find his recommendations and creations viewed with suspicion. It may be that Service was never recommended for promotion after 1957 because of fear that the necessary Senate confirmation process would reopen old controversies. Perhaps he was sent to England because the British are perceived to be less inclined than some other countries to accept allegations at face value. There may be some merit to the theory that Vincent was transferred to Tangier because the appointment did not require Senate approval.

We might speculate that Secretary Dulles, and perhaps Acheson also, perceived that regardless of the

truth or falsity of the charges, the value of these men had been significantly diminished, by circumstances beyond their control; that if retained, they would generate future problems because of their "past."

In any event, it is apparent that they were in effect dismissed "for the good of the service" as perceived by the final authority, the Secretary of State. Whether the decision was shortsighted is a matter for individual speculation and evaluation.

Of greater significance is the notion that the adjudicative machinery of any personnel security system should be at least as free of political and non-objective pressure as is the judicial system. It also appears likely that a system which overreacts to unsubstantiated allegations and neglects positive action to dispel the stigma of such unfounded allegations may itself not be operating in the national interest.

III. QUESTION OF NATIONAL INTEREST

Raising this question of the national interest requires some further observation on the decisions that were officially rendered in these cases. Examination of the public record reveals that the cases were adjudicated in a political and social atmosphere that was far from ideal for the attainment of objectivity. One might

reverse the security standard and ask: Were these dismissals in the national interest?

There is evidence that they were not. There are at least grounds for speculation that the retention of these men was found not consistent with political interest, i.e., they were scapegoats for the failures of the United States in China. Indications have been reviewed that these dismissals were anything but favorable in their impact on the Foreign Service. No attempt has been made here to gauge to what extent these effects may still be pertinent, but the question appears worth asking.

Perhaps the effects have not been limited to the Foreign Service. The type of duties to which these men were assigned have close parallels throughout the Executive Branch and may exist today in greater number and proportion than in their day.

The question must also be raised whether today, when, for example, a military intelligence officer or CIA agent selects his subjects for inquiry or brings his knowledge, talent, and perception to bear on an analysis of existing conditions--examined in the light of existing conceptions or policy--he may hesitate, aware that his seemingly insignificant effort, whatever its effect, may sooner or later come back to haunt him and blight or terminate his career.

Might his entire conception of his duty be thus affected? Will he be prepared to report forthrightly, to hazard predictions which his judgment tells him are probable, and to recommend changes in policy in the expectation that, while some mistake may be made, the "hits" will outweigh the "misses?" Or will he try to avoid mistakes by saying as little as possible or by sticking to what is uncontroversial and safe? What implications do these questions have for the national interest?

IV. LOYAL AND SECURE TYPES

It appears worth pondering whether the tragedy of these men--not significant enough in itself to even merit a footnote to history--provides an insight into the larger tragedy of the mediocrity, conformity, and closed-mindedness some perceive to exist in the federal service. To what extent may these factors have contributed to the inhibition of our efforts toward fulfilling our global commitments?

There is reason to believe that bureaucracy, of whatever organizational label, tends to either suppress or reject the very type of men Service, Vincent, and Davies appeared to be. It may be an inevitability that the flamboyant, politician type, such as General Hurley, both

in and out of the executive, will resent and clash with articulate, purposeful, dedicated, intellectual specialists who have spent their lives immersed in attempting to master complex situations such as China or atomic physics. The politician may resent the sense of frustration and inferiority engendered by the interaction, and the specialist may resent the politician's superficiality and the power that inevitably accrues to him. The politician who may be predominantly conformist, non-controversial, other-directed, mediocre, conservative, and eternally self-serving may be rewarded by promotion for having created a pleasant atmosphere for his superiors. The dedicated specialist may not fare so fortunately; he may not even survive if he is unable to contain the truths within him.

V. LOYALTY, SECURITY, AND CONFORMITY

One must recognize the need for discipline within a bureaucracy. Loyalty to one's superiors and to their policies is an attribute to be encouraged. But even virtues can become immoderate. We have seen the results of unquestioning conformity and loyalty. We tried and hanged at Nuremberg perhaps the most disciplined and unquestioning group of modern times. The danger of equating loyalty to one's country or one's reliability, or security or suitability to mediocrity, reticence,

inarticulateness, and conformity becomes apparent. The question of how many "yes-men" a country may nurture and yet survive remains to be tested.

VI. PERSPECTIVE AND PERCEPTION

Much has been written and otherwise expounded on the significance of perception in the interpretation of political events. In essence it is posited that reasoning is limited and directed into channels affected by emotions and psychological frame of reference. We are inclined to perceive from the perspective most pleasing to us. We tend to see what we want to see--or that which our experience enables us to see.

This theory may provide an etiological frame of reference for much that occurred in the era under study. Failure to achieve empathy with different perspectives or perceptions may be the greatest obstacle in the attainment of the values of both Security and Justice. It may be a significant determinant in the failure to profit by the lessons of history.

There may have been failure to recognize and cope with perceptions that Chinese social conditions could not be viewed from the perspective of existing American ideals; or a perception of China as embarked on an inevitable path of social upheaval; or a perception that

the United States was not equipped, politically, militarily, or psychologically, to significantly affect events in China.

There appears to have been an inability by many Americans in the 1950's to perceive conditions in China during the war and after from the perspective of those Americans who experienced them. By 1950 it seemed exceedingly difficult to perceive that any American could have ever viewed Soviet or Chinese Communist objectives and interests as coincident with those of the United States. The collective perspective had become too altered.

VII. SECURITY MATTERS AND SECURITY PERSONNEL

Security matters and security personnel appear most vulnerable to lack of perspective empathy and resistance to learning from the past. A constantly necessary perception of the security officer must be that 100 per cent security can be attained only when there is 0 per cent operation. To protect information completely one may either make everything a secret or do away with all information. In the first alternative everyone must be trusted and in the second no one need be trusted. Either alternative is obviously destructive, but security programs appear constantly to be striving toward one alternative or the other with minimal regard for past lessons available.

VIII. LESSONS OF HISTORY

In 1941 American aircraft were parked closely together to facilitate security. They were, therefore, more easily destroyed. Could similar events occur twenty-four years later in Viet Nam? Might it be expected that some American intelligence or security personnel would find themselves in difficulties in Viet Nam because of their actions or attitudes vis-a-vis the local regime, much as the previous generation had in China? Are we likely to learn of American officials in trouble because of their relations and dealings with the American correspondents in Viet Nam?

These speculations, of course, only illustrate the obvious: That events and problems have a tendency to reoccur and few entirely new situations ever arise. What is most salient is the question of whether we progress and become better oriented and equipped to cope with our problems. To cope with them we must first understand them. This is rarely an easy task.

Thirteen years ago, a short time as history goes, Nathaniel Peffer waxed prophetic in a manner still worth quoting in conclusion:

Some day an American historian will attempt to explain the chapter of history that deals with American policy toward China in the years after

1945 and the venomous domestic controversy it has created. He will not succeed unless he is a psychiatrist by training as well as a historian. For the material he is dealing with is outside the bounds of rationality and cannot be treated by factual observation and logical analysis.

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The whole episode is part of a hysterical chapter in American history of which the most charitable that can be said is that it is the result of the psychic shock of war accentuated by shoddy politics.

Some day we shall be ashamed of it.¹

¹New Republic, August 4, 1952, p. 14.

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