

To Mr. Adlai Stevenson

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NAVY DEPARTMENT  
Office of the Chief of Naval Operations  
Washington

January 26, 1942.

Secretary Knox has seen.

From: The Chief of Naval Operations.  
To: The Distribution List Appended.

SUBJECT: Communist Propaganda and Espionage System  
operating in the United States as part of  
a world-wide organization with headquarters  
in the U.S.S.R.

Enclosure: (A) Survey of Communist Party Propaganda  
and Espionage Activities.

1. Enclosure (A) has been prepared by the Counter  
Intelligence Section, Office of Naval Intelligence, from  
studies and researches made by it and is transmitted for your  
information.

J. B. W. Waller,  
By direction.

Room 2055

JAN 28 1941

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(ENCLOSURE (A))

COMMUNIST PARTY ESPIONAGE AND PROPAGANDA

INTRODUCTORY

Any attempt to make an accurate estimate of the situation relative to the subversive activities of the Communist Party of the U.S.A. is complicated by a maze of contradictory circumstances and a tangle of international ramifications. Nevertheless, certain facts stand out in this quick changing, kaleidoscopic picture that are self-evident and never changing. It is of extreme importance that these facts be recognized by all concerned with the welfare and security of the Navy.

In order to properly evaluate the present situation relative to the Communist Party in the United States, it is essential to thoroughly understand the motives for its present activities and objectives. To do this the record of the Party must be examined.

Outstanding in the twenty odd years history of the Communist Party in America are its many twistings, turnings, and complete flip-flops, always by order of the Communist International at Moscow. These devious moves have been well described in recently published popular books such as "Out of the Night," "I Confess" and "The Red Decade."

RECENT ACTIVITIES

However, many angles of the present situation are in such complete reversal to what they were only a few months ago that the activities of the Communist Party of the U.S.A. within the past year are

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properly a subject for review.

Going back only to the latter part of 1940 in Communist Party history in the United States brings to mind the Communist inspired Vultee Aviation strike quickly followed by, (with the same brand of leadership and inspiration) Allis Chalmers, North American Aviation, International Harvester, the Ford strike and others. Threats of strikes of ships by the National Maritime Union and the American Communications Association, in control of the Communists, were matters of alarm for both the British and American governments, and reports of delayed sailings of ships were of daily occurrence.

During this deluge of strikes and strike threats, the government of Soviet Russia and Nazi Germany had a non-aggression pact in effect and the Communist Party "line," handed down from Moscow was to delay the war effort of Great Britain and her friends in every manner possible and to keep the United States out of the war and unprepared.

One of the Communist "front" organizations, "The American Peace Mobilization," picketed the White House 24 hours a day protesting against all defense efforts. "The Yanks Are Not Coming" was the Communist slogan of the hour. Meetings of protest against defense were held all over the land. Convoys were opposed by the National Maritime Union and the American Communications Association.

In keeping with the long established Marxian principle calling for the control of transportation by revolutionists, the Communist led union called a strike of the bus lines in New York City, said to have been a demonstration of Communist power in this field and showing

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the Party control over a union predominantly composed of those of Irish birth or extraction.

#### SECRET PLANS

The United States Government intelligence agencies came into possession of the elaborate "Industrial Emergency Control Committee of North America" plan, a secret Communist document, giving in detail a broad sabotage, espionage and intelligence scheme covering activities from Canada to the tip of South America.

During this period long established practices of carrying out the many directives from Moscow, such as infiltration into and control of labor unions; the unremitting agitation of the negro situation; the establishment of "front" organizations, were continued under Communist Party discipline and the watchful eyes of the OGPU (more properly, the NKVD) the U.S.S.R. secret police.

Communists were ordered to accept the "draft" without protest but to use their presence in the U. S. Army to develop Communist cells and were given explicit directions on how to accomplish this.

The war was called an "Imperialist War."

#### THE CHANGE IN TACTICS

Then came the surprise invasion of Russia by Germany on June 22nd last.

The war immediately became a "People's War."

The White House picketing stopped at once, all Communist inspired strikes ceased, the "American Peace Mobilization" became the "American People's Mobilization" overnight. "The Yanks Are Not Coming" banners melted from sight and an American expeditionary force was called for

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immediately in the DAILY WORKER and in great mass meetings.

#### NO STRIKES PLEDGED

At a meeting of the plant and maritime industries in Washington just before last Christmas, the Communist controlled unions lead the parade in pledging no strikes, seven day weeks and "all out" effort for defense in every and any manner in the industrial, maritime, and communication fields. The Communists even urged that mechanical devices be used to assist longshoremen in loading and unloading ships and permission for crews to assist was asked, Communist labor demanded aid from everyone in speeding up production and offered plans. Industrialists were criticized in press and platform for not speeding production more. All this was spread before the public in every manner possible in accordance with the Communist Party "line" laid down by Moscow.

#### UNDERGROUND INSTRUCTIONS

But what was not spread before the public is the fact that the balance of the Communist Party "line" is still maintained from Moscow with its discipline, its deceit, its axiom that the end always justifies the means and that the overthrow of capitalist governments by the "workers," by force and violence, has not changed as the prime objective of the Communist International.

Nor was the American public informed that the officials and the rank and file of the Communist Party of the U.S.A. have their instructions to take advantage of this situation, when all loyal Americans are devoting all their energy to winning the war, wherein the Communists can, through the pretense or expediency of being temporarily

comrades-in-arms, infiltrate into strategic positions in industrial plants, the military establishment and the government itself, prepared to assist in its overthrow when the change in the situation comes.

#### THE REAL COMMUNIST PROGRAM DISCLOSED

About last Thanksgiving, before December 7th and Pearl Harbor, a meeting of some high Communist officials was held in New York City and the address of its leader, reported almost verbatim through confidential sources, is very enlightening both as to content and phrasing:

"We, in the United States, are going around in a daze, even in the face of the growing acuteness of the Japanese threat. The Japs are massing troops in North and South Indo-China and are ready to strike before the end of this month (November)...

Investigation reveals that in the City of New York certain Japanese who were placed in strategic positions all over the town have moved out... The public of the United States does not realize the importance of those war moves. This decision must be taken by a united group - such as the Communist Party of the United States.

"The future of the capitalistic world and the world of labor, too, is darkened and the foundations of the international and internal relations have been overthrown or shaken at their bases... Even neutral countries suffer to a greater extent than will ever be known....

"America is the hope of humanity, but is the government capable

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of leading Europe out of this impasse? No, rather America is rapidly Europeanizing itself and slowly but surely selling itself to the Peers of England."

"The extreme power of the privileged classes in England and in the United States is now being concentrated to maintain their place in the international struggle and at the same time to prevent the proletariat from becoming the owners of the country... What we are here for is to see that the United States becomes Communist and strong enough to restore the Soviet Union.

"The Party should not confine itself to propaganda and criticism but, rather come out and act as a real political party of the working class... It should be remembered that in varying circumstances the position of the Communists cannot be identical... The Communist Party should be able to take soberly into account all stages in the development of this war and in the resulting class consciousness and be able to locate and solve at each stage the concrete problems of the governing revolutionary movement corresponding with each step.

"The Party should draw wide masses into the revolutionary class struggle and lead them to the proletarian revolution; follow the example now being set forth by the brave defense of Moscow by the workers themselves; and to follow the glorious example of the Communist International... We want to combine the revolutionary heroism of the German, Spanish, French, and other Communists who are still very active under the Nazi heel.

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"Fascism should be swept off the face of the earth together with Hitler, Roosevelt, the Peers of England, and all Capitalism. The working classes welded into a two-million strong revolutionary army led by Earl Browder with such a wise pilot as Father Comrade Stalin will be able to accomplish its historical mission. "Some wonder how this can be accomplished in so short a time. It seems evident that a base upon which such a plan will grow must be built using Murray's idea, joint council of labor, industry, and government. Every factory now in operation should have representatives on the board of management... in the manner required for the furthering of all workers interests.

"But this is not enough. There are many factories and branches in this country and they are all bound to one another, all interdependent. If the coal mine yields little coal the result will be that the factories and railroads will be brought to a standstill; navigation will stop... if no cotton there will be no work for the textile workers.

"Therefore it is necessary to form such councils which will embrace all production... An exact account of all requirements and reserves should be kept by these councils and boards, not only of one town or one factory but of the whole country.

"This plan is especially necessary for railroads...

"In this way we would gradually gain control through workers' management from the very top of the ladder to the very bottom...

"If workers wish to take over an industry, they must first undertake the overthrow of its management, once the management is over-



thrown, the workers are in control of the plant which, in the first place, was organized by the management. Why not then strive first for government control and while doing so strive at the same time for control of the government?

"Under Roosevelt our present government is flexible enough to undertake all of this while on the other hand we are strong enough to slowly undermine and control all they take over. Even though a few months ago this would have been impossible, now under the cloak of defense and war, the opportunity is looking us right in the face...

"In every plant Communist Defense Units should be set up... for collection of information... and turn reports in.

"As many members as possible should be released from the CIO. These comrades must seek membership in A. F. of L. unions... to undermine and slowly control this group of labor fakers.

"We must agitate to set Earl Browder free...

"Everything possible must be done to reach a complete understanding with the British section of the Communist Party...

"The establishing of new communications between such countries as Finland, England, China, France, Spain, Rumania, Persian Gulf... is another task...

"All Districts must be concentrated and coordinated in an effort to reach every camp and fort in the United States... no plant or arsenal or ordnance or airport neglected. Contacts must be established with everything under the sun. The Central Committee

house on important matters in the entire world."

MORE DISCLOSURES FROM ANOTHER SOURCE

More details are added to the Communist Party "line", of which the majority of the general public knows nothing, received through a confidential source, in reporting a Communist secret meeting in Chicago, on December 14, 1941, one week after Pearl Harbor.

The following are steps for more intense organization throughout the country which were laid down by the National Committee at the organization conference.

"Every Communist Party member must join a Civilian Defense Unit at once if he is not in the armed forces. Party members must take the initiative in every neighborhood to organize such defense units if there is no such unit working under the Office of Civilian Defense. That means as many members as are able should serve as air raid wardens, auxiliary police, firemen, etc. For the Communists to become the chief organizers in Civilian Defense should not be difficult.

"We must keep uppermost in the minds of the enlisted men the heroic role of the Red Army in turning the tide against Hitler by writing to them, pointing out that it is only because socialism is established in the U.S.S.R. that the government has no "fifth column," to contend with, as those who might have become "fifth columnists" were eliminated in the so-called purges. The role of the revolutionary army should also be emphasized and

particularly unity with workers and with farmers, so that the soldiers, in case they are even called to act against their own people in the future, will know who among the populace are their real allies.

"There must be selected from every Section, Branch, and Unit, comrades who will assume "patronage" over one or more enlisted or drafted men.

"In all states where there are laws against possession of any kind of small arms or any kind of arms, the Communist Party must work for the repeal of such laws as a violation of the second amendment to the Constitution of the U. S, which is article 2 of the Bill of Rights.

"A nation-wide drive for military training of workers must be started by the Communist Party by demanding that the Office of Civilian Defense authorize the arming and equipping of units in working-class blocks and apartment buildings and in every mine, factory, or mill, so that by arming the people, the Communist Party makes it impossible, when the emergency is over, to disarm them. Special defense units of negroes are being organized; for example 50 of such units are already functioning in Pittsburgh.

"The Communist press is having all camps, air fields, etc. covered by correspondents and the wide distribution of the "Daily Worker" in such places is reported."

#### "USO" USED FOR COMMUNIST PURPOSES

The United Service Organizations (USO) is a favorite point of attack for the Communists and elaborate plans are worked out for

selling Communism to the enlisted men of the Army and Navy which includes the use of organized units of girls as bait, free rooms and meals, money loans, and anything else to make Communism attractive to the men of the services.

#### PROPAGANDA INTENSIFIED

The Communist Party propaganda is on a wider scale than ever before because under the guise of defense work they are able to hire halls for meetings, get broadcast time and do many other things that would not be tolerated in normal peace times.

#### THE "IWO"

The International Workers Order, a workmen's insurance organization under Communist control, with hundreds of branches, is being used as a means of carrying out the Party objectives.

#### FAKE WAR RELIEF AGENCY

The Russian War Relief, Inc., who has trapped many very reputable American citizens as endorsers with all its imposing show window of respectable dupes, is merely a Communist "front" organization and little of the huge sum it is believed to be collecting is likely to reach Russia, but probably is being used for furtherance of the Party plans. The International Ladies Garment Workers Union, a wealthy Socialist CIO union that is generally anti-Communist, refused to transmit their \$25,000 for Russian relief through this organization but sent it through the American Red Cross.

#### DEDUCTIONS

Considering the picture as presented up to this point, which shows the Communist Party of the U.S.A. going along apparently with

the war effort of the United States and Great Britain in every respect, but, also, considering the Party's record for twists and turns and flip-flops and considering that, every minute of the day and night the Party is infiltrating into strategic positions in the political, economic, and defense forces of our nation the question arises, when will this picture again change?

The answer is undoubtedly--when the Moscow masters give the Communist Party of the U.S.A. orders to change its tactics, it will be done in the twinkling of an eye.

One guess is as good as another, perhaps, as to when this will occur.

One school of thought reports information alleged to be reliable that the Nazis and the Russians are heading for an armistice, said to be planned for February, in which case the preliminary steps to the proletarian revolution <sup>are</sup> is supposed to then start in the United States when the Communist Party will again be the leading factor in strikes, slow-downs, sabotage, and so forth. In back of this evaluation, the sudden reversal of the German army in Russia and the failure of the U.S.S.R. to join the United Nations in action against Japan. This school of thought may be the victim of Nazi propaganda spread to slow up the war effort and this summary is not given great credence by close students of the situation.

From other sources the picture is drawn which indicates that the German army withdrawal was a tactical error by Hitler in overriding his generals, whereby too many Nazi troops were withdrawn from the Russian front to other points to prevent a shortening of the lines

being stopped where planned, due to unexpected strength shown by the Russians and failure to properly take into account the winter weather. The advocates of this evaluation do not believe that, as long as the U.S.S.R. is winning, she will ever stop until she has regained the Baltic States, Poland, Finland, and other territory on the West, and whatever parts of Eastern Asia she desires on the East, giving the U.S.S.R. one quarter of the earth's surface instead of one-sixth as presently, and the U.S.S.R. will then be in a position to attempt to Bolshevize the rest of the world. This is considered a more logical point of view than the first situation mentioned.

A third group expects the U.S.S.R. to fight Germany to a standstill after regaining the territory she has presently lost and then let Europe seethe in its own disruption, during which revolution by the proletariat and the seizure of whatever governments may be left on the Continent can be easily accomplished by the Communists.

Of course, these three guesses are nothing else but that, and many other solutions of the final outcome are not even suggested here, but it will be difficult to imagine any situation coming out of the present war which will not, sooner or later cause the present hand-in-hand policy of the Communist Party of the U.S.A. and the United States Government to completely reverse itself, taking into consideration the history of the Party and its present insidious infiltration policy.

#### THE NAVY'S RESPONSIBILITY

All of the Communist teachings of the Marxian-Lenin theory of revolution insist that the revolution by the proletariat over the capitalist governments cannot be successful until the Communists

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have control of trade unions and the armed forces of a nation. We can believe that government agencies other than the Navy can take care of all Communist activities outside of the Navy, but the responsibility of keeping the Navy clear of Communist infiltration belongs to the officers and men of the Navy and no one else. The Communist influence in the Navy so far is negligible through the alertness of all hands. It must be kept that way for the safety of our nation.

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