

SOSED-O-Kr-5/5

UNITED STATES NAVY YARD
THE ASSISTANT SECRETARY OF THE NAVY

(SC)A8-5/LL

WASHINGTON

CONFIDENTIAL

30 April 1941

5 May 1941.

My dear Admiral Watson:

I have received your letter of 30 April 1941, and note that you have investigated the cases of approximately 60 persons suspected of affiliation with the German Bund or the Communist Party and that you have about 50 more in regard to whom investigations are continuing.

I consider such action desirable, and the Department is taking steps to have similar action taken at other Navy Yards and Stations, and the evidence evaluated by a Board of Officers.

I further note that it is your intention in the event of a National emergency, and unless otherwise directed by the Navy Department, to suspend, pending further investigation, all members of such groups, where the evidence is sufficient to prove their close association with, if not membership in, either the German-American Bund or the Communist Party. I also concur in the desirability of such action and will so inform other Navy Yards and Stations.

It is my intention, therefore, that in the event of a National emergency, and unless otherwise directed by the Navy Department, to suspend, pending further investigation, all members of this group where there is sufficient evidence to prove their close association with if not membership in either the German-American Bund or the Communist Party.

Sincerely yours,

RALPH A. BARD

Most Sincerely yours

Rear Admiral A. E. Watson, U.S.N.,
Commandant,
Navy Yard,
Philadelphia, Pa.

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Copies to:

Captain Atkins, SOSED,
O. N. I.

H. Disbrow

W. E. K. S. E.

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Authority NND803073

(SC) A8-5/LL

UNITED STATES NAVY YARD
PHILADELPHIA, PA.

30 April 1941

Dear Mr. Secretary:

During our conversation two weeks ago I mentioned the fact that there were a number of employees in this Yard who were members of the German Bund or the Communist Party, and who, in my opinion, constituted a serious menace in the event of a National emergency. A large number of these men are of German birth and naturalized citizens. They are good workers and as individuals have caused no trouble; however, I feel that they are here for a purpose and that on direction from higher authority they would be capable of carrying out serious sabotage, no matter how carefully they are watched and supervised.

So far we have investigated the cases of approximately sixty, and in addition to the O. N. I. report I have had each case gone over and the evidence evaluated by a Board of Officers. The investigations will continue as there are about fifty more who are suspected.

I am not sure whether this group of men would come under the provisions of the Hatch Act which prohibits the retention in Government Employment of any member of an organization which advocates the overthrow of our Constitutional Form of Government.

It is my intention, therefore, in the event of a National emergency, and unless otherwise directed by the Navy Department, to suspend, pending further investigation, all members of this group where there is sufficient evidence to prove their close association with if not membership in either the German-American Bund or the Communist Party.

Most Sincerely yours

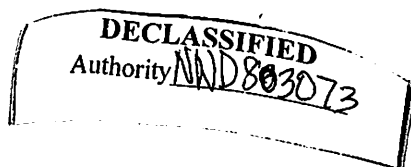


A. E. WATSON
Rear Admiral, U. S. Navy
Commandant

Honorable Ralph A. Bard
Assistant Secretary of the Navy
Washington, D. C.

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August 17, 1940

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Under the provisions of Section 9A of the Hatch Act, it is unlawful for any person employed in any capacity by any agency of the Federal Government whose compensation, or any part thereof, is paid from funds authorized or appropriated by any act of Congress to have membership in any political party or organization which advocates the overthrow of our constitutional form of Government in the United States. It is further provided that any person violating these provisions of the Act shall be immediately removed from the position or office held by him.

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Room 2055

AUG 21 1940

ROUTE TO:-

SOSED-4

11- File No. (SC) A8-5/44

Doc. No. 23753

Copy No. 1 of 1

PRN..... Pcl.No.....

Adequate provisions already seem to have been made for investigating the backgrounds and records of prospective Federal employees. The point at which definite action should now be taken relates to responsibilities in connection with investigations involving matters which pertain to possible Federal criminal violations or subversive activities on the part of employees who are in the service of the Federal Government.

CONFIDENTIAL

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Authority NND 803073

It is essential that investigations of this character be carefully conducted and that they be made by trained people. They properly fall within the category of investigations made by the Federal Bureau of Investigation of the Department of Justice. Agreement has, therefore, been reached with the Department of Justice to have the Federal Bureau of Investigation serve as the clearing house and investigating agency for cases involving the integrity, loyalty, and possible subversive activities of Federal employees.

Such investigations of employees in the Federal Service will be undertaken by the Federal Bureau of Investigation only upon the request of the head of the appropriate Department or agency, so far as provisions of Section 9A of the Hatch Act and Section 15(f) of the Emergency Relief Act of 1941 are concerned. It should be understood, of course, that the heads of Departments and agencies will themselves eliminate the hundreds of cases clearly based upon mere vague rumor and will refer to the Federal Bureau of Investigation only those cases that seem to justify detailed investigations that can be made with the facilities available through that Bureau. This will keep the total number of required investigations within reasonable and workable bounds.

When a request for an investigation of this character is made by the head of a Department or agency, the Federal Bureau of Investigation will make an appropriate investigation and submit the resulting report to the head of the Department or agency for such action as that head may wish to take on his own responsibility. The report will thus furnish needed information which the head of the Department or agency requires to reach a final decision on the basis of an informed judgment.

It is, therefore, suggested that this procedure be followed in the future in those cases where employees in the Federal Service are suspected of violating provisions of Section 9A of the Hatch Act and Section 15(f) of the Emergency Relief Act of 1941 regarding alleged subversive activities.

Wm. H. McReynolds
Wm. H. McReynolds
Administrative Assistant
to the President