August 5, 1948

Dear Clark:

Pursuant to our conversation, I am enclosing copies of my correspondence with Mr. William F. Hoeser, Chief Counsel of Senator Humphrey's Subcommittee, in regard to personal files of Treasury employees.

With all good wishes.

Sincerely,

/s/ E. H. Foley, Jr.

[Signature]

Enclosures

[Address]

[Address]
August 5, 1948

Dear Mr. Rogers:

I have received this morning your letter of August 3, in which you request that Mr. Bellino of your Staff be permitted to examine the Treasury personnel files of eight individuals named in your letter in connection with an official inquiry being conducted by your Committee. Six of these individuals are former employees of the Treasury Department. The Department has files on two individuals by the name of William Gold, one is employed at the present time and the other retired in 1945, but it is not believed that either of these is the individual you have in mind. The remaining person mentioned in your letter has been placed on involuntary leave pending the adjudication of loyalty proceedings involving him.

We would be glad to have Mr. Bellino examine the Treasury personnel files of all these individuals who have been employed by this Department. These files will be available to Mr. Bellino in the office of Mr. William W. Parsons, Administrative Assistant to the Secretary, Room 3122, Main Treasury Building. Mr. Parsons can be reached on Treasury extensions 312 or 313 for the purpose of arranging a mutually convenient time for this examination.

I note that your request is limited to examination of personnel files. In order that there may be no misunderstanding I wish to call your attention to the fact that the Department would not be in a position to make available any information relating to the loyalty of an employee or any investigative data relating to such employee in view of the President's directive dated March 13, 1946 and his statement of August 5, 1948, on this subject.

Very truly yours,

/s/ E. H. Foley, Jr.
Under Secretary of the Treasury

Mr. William F. Rogers
Chief Counsel
Senate Investigations Subcommittee
Committee on Expenditures in the
Executive Departments
United States Senate
Washington, D. C.

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UNITED STATES SENATE

Committee on
Expenditures in the Executive
Departments
Senate Investigations Subcommittee
August 3, 1948

Honorable Edward H. Faley, Jr.,
Under Secretary at the Treasury,
Treasury Department,
Washington, D.C.

Dear Mr. Faley:

In connection with an official inquiry being conducted by this Committee, it will be appreciated if you will permit Mr. Carolee B. Bellino of this Staff to examine the following personnel files:

William Taylor
Harry Dexter White
Frank Coe
William Gold
Bunia Gold
Harold Glasser
Victor Perko
Solomon Adler

We are particularly interested in examining the complete personal records of the employees who have left the government service.

It will be appreciated if you will telephone National 3120, extension 1120, and advise when these records will be made available.

Very truly yours,

/s/ William P. Rogers
William P. Rogers
MEMORANDUM FOR THE PRESIDENT:

August 9, 1948

Subject: Congressional Requests for Personal Files.

In accordance with your instructions, an off-the-record meeting of representatives of several Executive departments was held in the Cabinet Room this morning to consider what policy should be adopted with regard to the numerous requests now being made by Senator Ferguson's committee for files relating to employment of persons alleged to have Soviet sympathies or connections.

The meeting was attended by the Attorney General, his Assistant, the Assistant Solicitor General, Secretaries Royall, Sullivan and Spruince, Under Secretary Policy of Treasury, Assistant Secretary Davidson of Interior, the Legal Adviser of the State Department, the Assistant Solicitor of Commerce, Mr. Marx Leva representing Secretary Forrestal, and Mr. Steelman, Mr. Denson, Mr. Elsey and myself.

After a two-hour discussion in which each departmental representative was given the opportunity to express his views, agreement was reached on the following procedure, subject to your approval:

1. If any department or agency receives an oral request from a congressional committee, the committee representative shall be informed that the request must be submitted in writing before it can be considered.

2. In responding to written requests from congressional committees for information relating to the employment of individuals, the department or agency may forward to the committee all unclassified routine papers (such as Civil Service Form 57, records of promotion, efficiency ratings, letters of recommendation, etc.).

3. No information of any sort relating to the employee's loyalty, and no investigative data of any type, whether relating to loyalty or other aspects of the individual's record, shall be included in the material submitted to a congressional committee. If there is doubt as to whether a certain document or group of documents should be supplied, the matter should be referred to the White House.

(h) The committee should be informed that the material being supplied contains no investigative data, or papers relating to loyalty, and attention should be invited to the President's directive of March 13, 1946, if possible, a standard procedure should be followed which will not indicate whether or not loyalty material has been strippen from the file.

(3) The provisions of the President's directive of March 13, 1946 and the procedures outlined herein should be regarded as covering the records of former Federal employees, as well as present employees and applicants for employment.

(5) The department or agency should be prepared to supply photostatic copies of the material which it makes available to the congressional committees, in order that the original papers may be retained in departmental files.

It was also the consensus of those present that it would be desirable for the administration to make the following facts known (probably through the medium of a press conference by the Attorney-General):

1. No information has been revealed that has not long since been presented to a Federal grand jury;

2. No information has been disclosed in the past few days by congressional committees that has not long been known to the FBI;

3. The Federal grand jury found this information insufficient to justify indictment of the Federal employees implicated;

4. All but two of the employees implicated have left the Federal Government; and these two had been placed on leave without pay before the Congressional hearings started;

5. The public hearings now under way are serving no useful purpose — on the contrary, they are doing irreparable harm to certain persons, seriously impairing the morale of Federal employees, and undermining public confidence in the Government.

It was also considered desirable that additional publicity should be given to the successful operation of the President's Employee Loyalty Program.

I recommend that you approve the above procedures, and that I be permitted to so inform the interested departments.

Respectfully,

CLARK M. CLIFFORD
August 2, 1948

MEMORANDUM FOR MS. CLIFFORD:

Under Secretary of the Treasury Foley, acting for Secretary Snyder who is out of town, called at 4:20 p.m., Monday, August 1, to state that a staff member of Ferguson's Committee had called to request that the personnel and loyalty files of "seven or eight" Treasury employees be sent to the Capitol by 10 a.m. Tuesday, August 3. Mr. Foley asked for instructions.

I informed him that I felt sure that the White House policy would be the same in the case of Treasury as in Commerce. Commerce was told to ask the Senate Committee Investigator to submit his request in writing. Upon receipt of the written request, the Secretary of Commerce was instructed to "respectfully decline" to produce the papers requested, and to refer the matter to the White House in accordance with the President's directive of March 11, 1948.

I suggested to Mr. Foley that he would probably wish to follow the same procedure. He stated that he would, and would keep Mr. Clifford informed of developments.

GEORGE M. MAYS

CC: Mr. Donald Dawson
    Mr. N. J. Hopkins