Excerpts from Investigation of Communist Propaganda, Report No. 2290, 17 January 1931, 71st Congress, 3d Session, House of Representatives

pp. 34-35

Military intelligence.—The Military Intelligence Section, G2, of the War Department, has considerable knowledge of the propaganda and activities of the communists in the various units of the Military Establishments and of the so-called auxiliary units, but claim they have no power to combat the destructive influences of communism beyond assuming a defensive position and protecting themselves the best they can.

The G2 of the Army looks upon communism in the United States as a political issue, and, therefore, mostly outside of the realm of their duties and responsibilities. In reality, communism is a mortal enemy within our country, aiming to destroy our republican form of government, guaranteed by the Constitution, to cause civil war and bring about revolution in the United States.

The attitude of the War Department up to now has been that communism, being a political question, it was not the function of the Army to maintain detailed knowledge of the activities of the communists and therefore relied on the Department of Justice to furnish the necessary information. The fact is that the Department of Justice has had no power or authority from Congress to obtain the facts regarding communist propaganda and activities since 1925, and of necessity the War Department has been ever since hopelessly in the dark regarding these revolutionary activities directed against our domestic institutions by the enemies within our gates.

The Navy.—The United States Navy has been largely free from communist propaganda, but has not hesitated to take every precaution to obtain the most complete and up-to-date information concerning the activities of the communists in the United States. Lieut. Commander H. R. Hein, of the Office of Naval Intelligence, attended every hearing of our committee held in Washington and submitted, as a witness, a most helpful and detailed report of the communist organizations throughout the United States, with accurate information as to leadership and activities.

The Navy Department realizes the vital importance of preventing the formation of communist nuclei on board the ships of the Navy as well as among the navy yard civilian employees. One man, if he possesses even a small amount of technical knowledge, could destroy, at least temporarily, the combat efficiency of any naval ship.

The distribution of communist literature among the sailors on shore leave has invariably resulted in the agitators being manhandled by the sailors and coming off second best in the mêlées that have ensued.

Naval Intelligence Section.—In spite of the fact that recent history teaches us that revolutionary propganda takes hold more quickly among naval forces than in the military, it appears that the United States Navy is comparatively free from any indications of communism and that the Navy Department, through its Intelligence Section, is in constant touch with the situation and is not relying on any other department of the Government for their information.

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Code and Signal Section.—The Code and Signal Section of the Navy Department has been attempting for the past five months to decode 3,000 cablegrams between Amtorg Trading Corporation and Moscow, without success. These cables were subjoened by the committee.

The Navy Department code experts are considered among the best in the country, but claim that the cipher used by the Amtorg is the most complicated and possesses the greatest secrecy within their knowledge.

There are only two code experts in the Code and Signal Section of the Navy Department, which is a very important branch of the service, in view of the tremendous advance made in naval communication and the value of rapid decoding of radio and other secret messages.

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The best inside view of Amtorg is given by Basil W. Delgass, who was three and a half years vice president of Amtorg. He was born in Russia, was never a communist, and he came to this country in 1926. Mr. Delgass resigned as vice president of Amtorg July 23, 1930. He resigned of his own accord; although a month before he was advised to return to Russia. He is now under a death sentence in Russia, sentenced to be shot, and all of his property forfeited, he says, because he resigned from Amtorg and refused to return to Russia. With respect to the meeting of Amtorg officials, looking to the investigation by the Fish committee, Mr. Delgass says that statements were prepared which different officials should swear to, and, using Mr. Delgass's own language, "I did not want to participate in perjury, as was done by Mr. Bogdanov and the others. All officials mentioned in the Whalen documents were in this meeting."

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There is probably no way of checking up definitely on the O.G.P.U. agents in the United States without conducting a raid, or by deciphering the cablegrams sent to and from the Amtorg and Moscow.

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The organization of the O.G.P.U. is enormous and takes up half && a mile of buildings, including two big prisons, in the heart of the city of Moscow. It is stated on good authority that together with the shock troops that there are 30,000 active members of the secret police force in Moscow.

According to G. Agabekoff, a former official of the O.G.P.U., this secret police service is one of the most important departments in the entire soviet system of government, and divided into the following departments:

Intelligence &&&&&&&& service (K. R. O.).
Foreign department (I. N. O.).
Secret department (S. O.)
Special department (O. O.).
Extra special department (S. P. E. K. O.).
Department of economics (E. K. U.).
Information (Info.).
Oriental department (V. O.).

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Frontier service (P. O.).
Executive and organization department.

For example, according to Agabekoff, the function of the extra special department is the intercepting of foreign codes, and the reading of code telegrams from abroad. It also composes codes for the soviet departments within the country and abroad. This department carries on the work of reading codes &&&& splendidly and compiles weekly a list of foreign code telegrams it has read, for the information of the heads of the O. G. P. U. departments, as well as for members of the central committee. The foreign department deals with the secret service work in foreign countries. It has its representatives in every soviet embassy, legation, important consulate, and trading agencies outside of Russia.