

III - 67 - 2. "War Time Red Spy Net Fooled Axis - Boston Traveler, Thursday,  
February 10, 1949.

"Spy Charge Absurd, Says Miss Smedley - Boston Traveler,  
Thursday, February 10, 1949.

"American Woman Blamed For Hoax" - Boston Traveler, Thursday,  
February 10, 1949.

**Keep tuned to WHDH for latest news developments.** Five-minute Herald-Tribune news periods are prepared every hour on the air. The world news round-up is broadcast nightly at 6 P. M. Keep tuned to WHDH, 850 on your dial.

**\$493,000 More Asked For Univ. of Mass.**

A supplemental budget of \$493,000 was asked for the University of Massachusetts for the salaries of 200 additional students. The increase is needed also to take care of the cost of station and building maintenance.

Dr. Ralph A. Van Meter, university president, and other officials said 200 more students would be added to the university. The increase is needed also to take care of the cost of station and building maintenance.

**EXPLORE**  
Have fun tracking down other languages at home. German, Portuguese, etc.

**BERLITZ**  
110 HENRY ST. BOSTON

**Brookline Jewish Center Program**  
Create Jewish centers and groups in Boston.

**filene's men's store**

**FRIDAY, SATURDAY, MONDAY**

**remington electric**



**IN WEST MEDFORD.** St. Raphael's Holy Name Society, planning a pre-Lenten pageant for Feb. 28-March 1, is sending John J. Kiely, left, and William Mahoney to New Orleans to study Mardi Gras color. They are shown at the airport in Boston, greeted by United Airlines hostess Bobbie Bailey, as they boarded the train for the trip.

**The Weather**  
Colder weather hit Nebraska and northern part of the country today. West and sub-zero in the Plains.

**EAST HAS HEAT WAVE**  
Colder weather hit Nebraska and northern part of the country today. West and sub-zero in the Plains.

**Store Hours Daily—9:30 A. M. to 5:30 P. M.**

**Conrad's**

**WAVE TAKEN**

**Lack of Food, Fuel Critical**

**In Storm Area More Snow, Wind**

**Hir States in West**

Food and fuel shortages became critical in some communities in the West today as heavy snows and high winds continued to batter the region. In some areas, power was cut off and schools were closed.

**THOUSANDS STRANDED**  
Four-state area was blocked by heavy snows, leaving thousands of travelers stranded.

**WINDS OUT OF THE GULF**  
Northwest last night, hitting North Central Idaho and moving into the Pacific Northwest today.

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Northwest last night, hitting North Central Idaho and moving into the Pacific Northwest today.

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Northwest last night, hitting North Central Idaho and moving into the Pacific Northwest today.

**FILENE'S Automatic Bargain BASEMENT for MEN**  
Automatic Bargain BASEMENT for MEN  
Automatic Bargain BASEMENT for MEN

**IMAGINE**  
FRIDAY at 9:15 A. M.  
ever hear of a hand detailed fleecy overcoat so LOW? Because the wind blew the roof off a nationally advertised maker's factory—because a large New England maker sold us his surplus—

**MEN'S ALL WOOL**  
**FLEECE MANY HAND DETAILED**

**NATIONALLY ADVERTISED OR NEW ENGLAND MAKER**  
**OVERCOATS**  
a look will tell you your \$ \$ \$ savings

**\$10**  
NOTE—Even if you already own an overcoat—thirty men at \$10 will buy an extra one to put away for next year  
SEE on many the hand filled collars, hand sewn linings, hand sewn button holes—details you'd find only in much more expensive overcoats  
SIZES 39 to 44 REGULARS  
37 to 44 LONGS—some SHORTS in the lot

**FILENE'S Automatic Bargain BASEMENT for MEN**

**HOUSEWARE**  
One of the largest selections that will leave you  
**LARGE NEW**  
closes out his odd lots—seconds many limited

# Spy Ring

(Continued from Page Eight)

Miyago Yotoko was an artist and key man. Akiyama Koji was a translator and the only member of the gang in it for money. Mrs. Kitabayashi Tomo was a dressmaker and the thread that unravelled the whole network.

How they and the rest of the espionage crew worked, and were betrayed by Communist Ito Ritsu, is a tale of intrigue, romance, possible torture and death.

It is a thriller of blinking lights, codes, hidden radios never set up in the same spot twice. It involves fake passports, microfilms passed in cigarette packs, money changing hands between shadowy figures in dark theaters.

## REDS KEPT INFORMED

Things like troop movements and secret weapons were secondary details, although the ring gathered in plenty of them, too.

Sorge, the report says, was able to keep Russia "fully informed on Japanese military and industrial

He was tall, heavy, arrogant and ruthless, a hard drinker and a philanderer. He had one wife in Russia and another, a school teacher, in the United States.

The report tells of his methods: "After gathering together facts, opinions and estimates from a wide range of sources, the German embassy, the British embassy, the American and French embassies and the Dutch legation, the Japanese war ministry, the imperial cabinet, common household gossip, the press and magazines, Sorge sorted them out.

## SLAV RINGLEADER

"Often he asked the opinions of Ozaki (Hozumi) and Miyagi (Yotoko), having come to a conclusion, usually he would test it by conversations with the German ambassador, a major-general, and the military, air and naval attaches of the embassy.

"He had a high respect for their judgments since they were professional soldiers charged with evaluating just such information for the guidance of the German government."

Another top-notch member of the ring, Branko de Voukeltich, would be discussing the same problems with newspaper friends who had access to the American, French and British embassies and often had semi-official views from diplomatic contacts.

De Voukeltich was a Yugoslav who became correspondent for a French magazine and Yugoslav paper as "Cover." Later he was with the French news agency, Havas.

## PREDICTED JAP DEFEAT

Ozaki was an author and expert on Chinese affairs. He worked for the Tokyo newspaper Asahi Shimbun. He had gone to college with men who rose to positions of importance in the Japanese government. He was smart enough himself to predict Japan's eventual defeat at the height of her greatest military successes.

A highly placed friend got Ozaki lined up as adviser to the cabinet on Chinese affairs. He had access to state papers and the ears of key officials. Later, he had an almost equally strategic spot with the South Manchurian Railway, which was more of a political empire than a business firm.

Sorge would take his information, weigh it, check it and then write his dispatches to Moscow.

Some went out by radio, some on microfilm by courier to Shanghai and some to the Soviet embassy.

De Voukeltich's home was used as a photographic laboratory.

A German, Max Klausen, was the radio operator. He had been in the spy ring in China with Sorge and Ozaki.

The report says it was he who went to Harbin in 1929, met the chief Soviet agent, Gloemberg-Ott, and installed a radio.

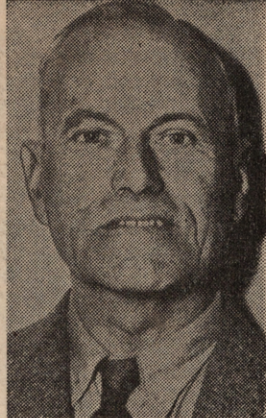
## DIED IN 1943

"An American vice-consul, Tycho L. Lilliestrom," the report says, allowed Gloemberg-Ott to use two rooms of his residence, and it was there that Klausen set up his illegal radio set. There is some reason to believe that Lilliestrom also supplied information to his guest."

The state department register says T. Leonard Lilliestrom was at Harbin starting in 1922, became vice-consul in 1928, moved to Scotland in 1935, to Mexico in 1938 and died on duty Feb. 18, 1943.

In Tokyo, Sorge was under orders to find out about Japan's military force, Japanese-German relations, policy toward China, relations with this country and Britain, the role of the army in political affairs, industrial developments and, above all, whether Japan intended to attack Russia.

## SORGE BIGWIG



MAJ.-GEN. EUGEN OTT  
Friendly with Soviet spy...

passing along news from patients, a seamstress picking up gossip.

Sorge dealt only with the higher strata of the spy ring. Ozaki and Miyagi ran minor rings that fed the top circle.

There are some parallels to the testimony obtained by the U. S. congressional spy probers — rings within rings, infiltration into high places in government, couriers, microfilms, furtive meetings.

Some of the little people in the Tokyo ring, the army says, didn't even know for whom they were working. They knew only that they were helping "The Cause." They committed "treason without hesitation."

And the results were things like these:

In 1939, Sorge reported the Japanese had decided they must mechanize all their forces and develop armored divisions.

Early in 1940 he passed along a reliable account of Japanese output of munitions, aircraft and motor cars, along with a report on the factories making these materials as well as iron and steel.

In August, 1941, he reported Japan had enough oil in storage to last the navy two years. And the army and nation in general enough for half a year.

## TIP ON SOVIET ATTACK

Back on May 20, 1941, he "flashed the urgent warning that the Reichswehr would concentrate from 170 to 190 divisions on the Soviet border, and on 20 June would attack along the whole frontier. The main direction of the drive would be toward Moscow." The attack actually came June 22.

On July 2, 1941, immediately after an imperial council meeting, Sorge rushed word to Moscow that the Japanese government "had decided to push southward into French Indo-China and seize various bases."

In late July and early August he estimated the Japanese had mobilized a million new men and most had been sent to China or farther south—only a few to Manchuria.

As August closed, the master spy learned the German embassy had lost hope Japan would go to war against Russia that year.

Since Ozaki was so close to Konoe, the key man in the negotiations, Sorge got "full and accurate" information on U. S.-Japanese diplomatic sparring.

## WANTED TO MOVE

Let out of prison by the Americans, Nakanishi ran in last April's elections and became one of the Communist members of the Japanese Parliament.

## PUZZLING BETRAYAL

And Ito Ritsu is a member of the central committee of the party — one of the four or five top Reds in Japan.

"Can it be," the report asks, "that the Japan Communist party and the Soviets do not know who really betrayed the ring and so killed Richard Sorge and Ozaki Huzumi?"

# Smedley

(Continued from First Page)

better than to demand satisfaction in the highest court of my country."

Rogge wrote Secretary of the Army Royall demanding "an immediate retraction of the irresponsible and false charges" against Miss Smedley and issuance of an apology to her.

Guenther Stein, German-born writer, mentioned in the Army report as a "top-level member" of the spy ring, said the story is "ridiculous."

Miss Smedley, who now lives in Palsades, N. Y., just north of New York city, has published four books on China and is writing a fifth. Stein, a resident of New York city, has written two books on China. Both were newspaper correspondents in China before they war.

Miss Smedley took particular exception to a statement in the Army report that she still is "at large."

The Missouri-born writer said she was repeatedly denounced by Japanese newspapers and officials as a Soviet agent because she was a correspondent with Chinese armies resisting Japanese aggression.

Miss Smedley said: "There is no doubt whatever in my mind that this MacArthur 'spy' report is published at this time and blown up as something new and dangerous to the United States because of the defeats of the Chang Kai-shek government which have undermined plans of American military authorities."

"Because of the intransigence of the new China, MacArthur is re-

ported to seek new American troops for Japan and more money to rebuild that country into a mighty military base.

Miss Smedley said she knew Dr. Richard Sorge and Ozaki Hozumi who are described in the army report as top men in the spy ring. The report said she was the go-between who first brought the two men together.

Miss Smedley also was described in the army report as an early perpetrator "of the hoax that the Chinese Communists were really not Communists at all, but only local agrarian revolutionists innocent of Soviet connections."

Asked about this, she asserted, "I

## Spy Ring

(Continued from First Page)

radio might now be busy in some other country.

The army snipped out parts of a 32,000-word report on the ring that Gen. Douglas MacArthur sent over from Tokyo. It gave "security reasons."

Some members of the house un-American activities committee are interested.

### LEADERS NAMED

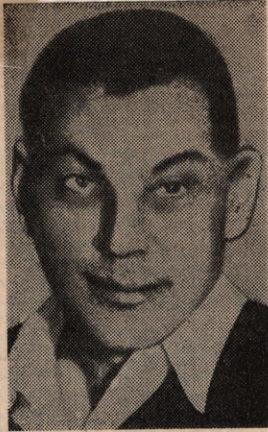
The now-it-can-be-told parts of the report unfold an amazing tale centering around:

**RICHARD SORGE**, a German Communist and master spy.

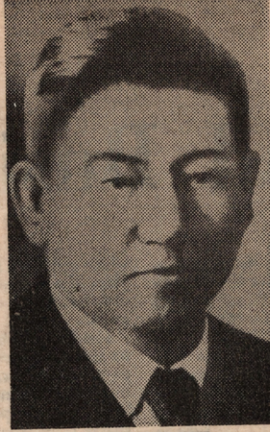
**OZAKI HOZUMI**, his second in command and a Japanese traitor.

**AGNES SMEDLEY**, American author, accused of still being a Soviet spy. She denies it.

Sorge was on intimate terms with German Ambassador Ott, Ozaki with Japanese Premier Konoe. And from these "perfect," unsuspecting



(AP Wirephoto)  
**DR. RICHARD SORGE**



**OZAKI HOZUMI**  
...Jap traitor...

sources they extracted information of "incalculable" value:

A month ahead of time, the ring sounded an alarm that Germany would attack Russia.

### IMPORTANT TIP FOR REDS

It supplied the vital assurance that Japan would not pounce on Russia. So the Soviets felt safe in pulling troops from Siberia and rushing them across a continent to beat back the Nazi onslaught on Moscow.

That assurance was the prime target of the spy ring. And it got it just three days before the Japanese smashed the network in 1941, just before Pearl Harbor.

Strangely, a man who is one of the top Communists in Japan today unwittingly betrayed the ring.

Sorge and Ozaki were hanged. The report says they were spies in China before shifting to Tokyo. It says Miss Smedley brought them together in Shanghai in 1930.

### WOMEN DENIES CHARGE

It says she "is a spy and agent of the Soviet government."

In New York, Miss Smedley said this is a "despicable lie." She said, "I am not and never have been a Soviet spy or an agent for any country."

She said she would sue Gen. MacArthur if she could find legal grounds for doing so.

Her attorney demanded a retraction and apology in a letter to Secretary of the Army Royal.

While there are no details to build up a spy scare now in Washington or other capitals, the MacArthur report says right at the start:

"Probably never in history has there been a ring more bold or more successful. Although most of the principals are dead, some are still at large. They can be expected to be secretly busy with their trade at this very moment in the capitals of the world."

### "RIDICULOUS," SAYS STEIN

It says Missouri-born Miss Smedley still is "at large" and so is Guenther Stein, a German. Each has written extensively on China.

Stein, the report says, "is a man about whom too little is known." It lists him as a "top-level member" of the Tokyo ring from 1936 to 1938.

Now living in New York, Stein's only comment was "Ridiculous." He is not a naturalized American.

The only other living person described as one of the higher-ups in the ring is Max Klausen, radio expert. The report leaves open the possibility that he is in Russia or in "some other country" where "his skill and experience in secret telegraphy will be useful to the Soviets."

Japanese might later work against the United States."

### WARNING NOTE

Apparently the Army report was intended to warn this country to be on the lookout for spying here.

Beware, it says, of United States employes who even show sympathy with the Communist party. It says that "party sympathy is enough to develop a high class agent and spy."

Sorge was a professional German Communist posing as a swaggering Nazi. He used a newspaper assignment as a cover, and the German embassy in Tokyo as if he owned it.

### NO RUSSIANS IN RING

Hozumi was another newspaperman and writer. He became adviser to the cabinet and confidante of the "brain trust" of Prince-Premier Konoe. He was consulted on the highest secrets, and sent them on to Moscow.

There were no Russians in the ring. That was a rule. Mostly there were Japanese and a few Germans.

Three of the Japanese lived in Los Angeles for years. The report goes on:

(Continued on Page Nine)

### PROBERS INTERESTED

So the army leaves unanswered the question of what ringleaders may be working today in what world capitals.

But the un-American activities committee expects to toss questions about that at army and navy intelligence chiefs. They have been asked to sit in on a committee meeting tomorrow.

Committee members are interested, too. In any more information the army might have about Miss Smedley.

Tokyo dispatches gave additional evidence today of just how to well the Sorge ring operated. Two former officials who helped handle the spy case said the wartime premier, Hideki Tojo, was so certain Sorge was a loyal Nazi he tried to get him turned loose.

But Tojo changed his mind when he saw some proof.

And German sources still in Japan said Sorge operated so secretly that the Soviet embassy for a time feared he might have been spying on it.

The report says that:

Three Japanese who used to live in America were in the ring, one at the top level.

The ring knew the trend of Japanese-American negotiations in the critical summer and fall of 1941. It had an "in" with Japan's Premier Konoe.

But there is no hint it got a tip on the Pearl Harbor raid.

Some second-hand information leaked from the American embassy in Tokyo. An American diplomat at Harbin, Manchuria, Vice-Consul Tycho L. Lillestrom, let two Soviet agents stay at his home and one set up an illegal radio station, the report says. That was in 1929.

At that time, an earlier and probably bigger ring was at work in China. But it was far less spectacular.

### NOT LINKED TO U. S.

There is nothing in the report about any tie-in with Soviet espionage in this country. But one name in the report appears rather obscurely in still-secret testimony taken last year at the spy hearings of the house un-American activities committee.

Japan released only the barest details about the ring and the trials and convictions of 17 people at the time. The United States Army found out about them after occupation forces moved in.

Many of the minor figures in the ring were released as political prisoners. The Army report indicates that maybe that wouldn't happen if the Americans had it to do over again. At that time, it said, few people had the idea that "a Soviet spy who had worked against the

## American Woman Blamed for Hoax

WASHINGTON, Feb. 10 (AP)—The Army, reporting today on a Soviet spy ring which operated in wartime Japan, said one of the ring's leaders may have started the story that the Chinese Communists "were really not Communists at all."

What's more, the report said, there are "high American officials" who have heard that story repeated so often they "find it difficult to believe any other."

The Army identified one of the heads of the Soviet ring as Miss Agnes Smedley, an American novelist who was one of the "early perpetrators, if not the originator, of the hoax that the Chinese Communists were really not Communists at all, but only local agrarian revolutionists innocent of Soviet connections." The report added:

"The harm has been done, but perhaps it could be mitigated if she is now exposed for what she is, a spy and agent of the Soviet government."

# Ether Attack Suspect Held

A seven-year-old Dorchester man was held for the attack on the Boston Fields Corner police station about the recent ether attacks on women in a headquarters line-up that he mobiled a seven-year-old girl yesterday on Cambridge street.

(Continued on Page Nineteen)

**THE TAX DODGERS**  
By **ELMER IREY**

(Pages 32, 33)

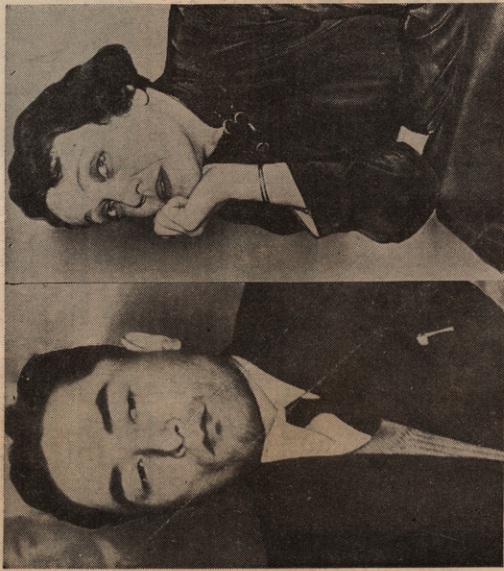
**Boston Traveler**  
Post Parade  
Racing Edition  
PAGE 28

# WAR-TIME RED SPY NET FOOLED AXES

## Police Think Girl Friend Knows Mobster's Killers

The girl friend of mobster Robert B. Holmes underwent careful questioning today by Boston detectives, who predicted her information would put them hot on the trail for the gangster's killers.

She was escorted in Revere with Holmes from the Back Bay station, where on hearing what the gunman may have told her when she visited him in his Revere hideaway shortly before he died yesterday morn-



**IN MACARTHUR'S REPORT**—American spy, above, is said to have been a spy in Shanghai for Soviet Russia, before Pearl Harbor. On the right, a top Communist in Japan, is said to have betrayed the ring to the Japanese. She denies it.

## Soviet Agents Drew Secrets From German, Jap Leaders

By **DOUGLAS B. CORNELL**

**WASHINGTON, Feb. 10 (AP)**—The army warned today that remnants of a fabulous Russian spy ring that operated in Japan with perhaps the greatest daring and success in history may be at work in world capitals "at this very moment."

**MAY BE STILL ACTIVE**  
There is that fleeing hint at a present-day espionage net, the story of an espionage network so bold it slipped from the Japanese cabinet and German embassy in Tokyo secrets that helped change the course of the war.

And there is another hint in a suggestion that the operator who tapped out coded messages on a secret SPY RING (Continued on Page Eight)

## Spy Charge Absurd, Says Miss Smedley

**NEW YORK, Feb. 10 (AP)**—Agnes Smedley, author and lecturer, asserted today "I am not and never have been a Soviet spy or an agent for any country."

**OUTRAGEOUS LIBEL!**  
She denounced as "a despicable libel" a charge that she was a spy and agent of the Soviet government.

The report, sent from Japan by Gen. Douglas MacArthur, tells of the operations of a Russian spy ring in Japan just before Pearl Harbor.

John Segee, former assistant attorney-general and Miss Smedley's lawyer, said the espionage accusation against his client is an "outrageous libel."

Miss Smedley told a news conference that she is a lawyer and a peace worker, and that she can be held personally responsible for this attempt at assassination of my character. I should like nothing

SMEDLEY

(Continued on Page Nine)

HOME EDITION

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**Traveler**

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