

VI - 73 - D - 2. "U.S. Army Bares Amazing Red Spy Ring; Agnes Smedley Accused  
As Soviet Agent"

"Author Brands Charge A Lie"

"Miss Smedley Widely-Known In Saratoga Area As Yaddo Visitor"

"Report Warns Some Escaped Noose In Japan"

The Saratogian, Saratoga Springs, New York, Thursday,  
February 10, 1949.

# THE SARATOGIAN

*Paging the News*

Harness Tracks Protest Proposed Increase in Tax, Page 3. Mechanicville to Continue Skating Rink, Page 9.

Partly cloudy; colder.

(Weather Bureau Forecast)

TEMPERATURE: (Saratoga Spa Weather Bureau)

24 Hours to 9 a.m. today

High 43 at 1 p.m. today

Low 33 at 7 a.m. today

SARATOGA SPRINGS, N.Y., THURSDAY, FEB. 10, 1949.

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FIVE CENTS

## U. S. Army Bares Amazing Red Spy Ring; Agnes Smedley Accused as Soviet Agent

FOURTEEN PAGES

# Dewey Picks Taylor for GOP State Chairman

Washington (GNS) — Governor Dewey has placed his stamp of approval on Rep. Dean F. Taylor as the new public relations chairman for New York State.

Dewey singled out Taylor to succeed Glenn Bodenkapp of Niagara Falls in the state chairmanship at a breakfast meeting here

# Poultrymen Discuss New Practices

Some of the newer methods in poultry rearing and brooding were discussed at the first poultry meeting of the Saratoga County Poultrymen's Association, held at the Extension Service office, I. H. Weaver, professor at Cornell, was the speaker.

A number of the poultrymen taking part in the program reported on various practices they had adopted as labor-saving devices in their operations.

Arthur Record, Willon, Melvin Thomas and Spencer Baker, Saratoga, and George Heedman, Malta, took part in the discussion. Mr. Thomas, chairman of the county

# County Group Discusses Cattle Health

The status of dairy cattle health in the county was the theme of a meeting of the Extension Service County Dairy Committee called Tuesday afternoon at the Extension Service office.

Robert D. Gazewich, assistant county agent, presided over the meeting. Dr. J. H. Hinkle, county agricultural agent, reported on the educational program carried on by the Extension Service during the last year on dairy cattle health programs.

Richard Haxman and Bill Pritchard, members of the dairy cattle health committee of the

# Hardware Stock Sold

Schenectady—Miss Mildred McAnnounced this morning that she has purchased the stock and fixtures of the James F. Tully Hardware Store, formerly Knight's Hardware. Mr. Tully will vacate the store Mar. 1.

Plans for disposal of the building have been discussed with Mr. Tully, Mr. George L. Green, president of the Saratoga Hardware Club, and Mrs. H. H. Miller and Miss Alice Clancy. The club will be entertained by Mrs. Frank Hughes Wednesday morning at the Saratoga Hotel.

The first degree at the meeting in Masonic Temple last night. Refreshments were served

Sensational February Bedding

# CLEARANCE

MATTRESSES! BEDS!



# Author Brands Charge A Lie

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

She denounced as "a despicable lie" a statement in a U.S. Army report that she "is 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.

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

Miss Smedley told a news conference that "if there is any legal ground on which General MacArthur can be held personally responsible for this attempt at assassination of my character, I should like nothing better than to demand satisfaction in the highest court of my country."

#### Demands Retraction

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

The letter said "it is a shocking thing that high Army officials, with all the power and prestige of their office behind them, have seen fit irresponsibly to attempt to destroy the reputation and livelihood of an American citizen."

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

Miss Smedley, who now lives in Palisades, 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 the war.

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

"The suggestion is that I have been in hiding or trying to evade some kind of action," she said in a statement released at the news conference. "The truth is that my professional work has kept me in continuous contact with both official circles and the general public."

#### On Death List

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.

"Five or six different death lists of American and other correspondents and radio commentators in China were also drawn up by the Japanese police," she said.

"My name was on one of those lists. I regarded that as a decoration."

Miss Smedley said: "It is almost impossible to believe that General MacArthur would, on the basis of the files of the Japanese secret police, the most discredited agency of that enemy government, dare to call me 'a spy and agent of the Soviet government.'"

Her statement 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 Chiang Kai-Shek government which have undermined plans of American military authorities."

Miss Smedley said she knew 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.

#### 'Honorable Men'

She said both "were excellent sources of information," adding:

"Both of them were correspondents, and to the best of my knowledge were honorable men."

Miss Smedley also was described in the Army report as an early perpetrator "of the hoax that the Chinese Communists were really no Communists at all, but only local agrarian revolutionists innocent of Soviet connections."

Asked about this, she asserted, "I perpetrated no hoax at all. The Chinese Communists are clearly Communists."

"But they are not carrying out communism in China," she said.

"They have made landowners of the peasants by dividing the big estates among them. Their leaders say it will be 50 years before China even is ready for socialism."

"We are making a terrible historical mistake not to recognize this."

# Miss Smedley Widely-Known in Saratoga Area as Yaddo Visitor

Miss Agnes Smedley, described in an Army report today as a "spy and agent" of the Russian government — which she vehemently denies — became a widely known figure in the Saratoga Springs area during the several years in which she spent most of her time at Yaddo.

She came here first in July of 1943, shortly after her return from China, where she is reported to have spent 12 years as a Chinese Red Cross worker, both with the Communist and regular Chinese armies.

Mrs. Elizabeth Ames, executive director of Yaddo, said today that there was nothing unusual about Miss Smedley's behavior while a guest at Yaddo.

"She was here as a writer," Mrs. Ames said, "and she did as well out here as people generally do.

"Some time after she had left, a magazine article regarding her caused some discussion here. It was along the lines of this new development. If we had had any idea previously that this was true, we would have undertaken an investigation of our own."

**EVERETT V. STONEQUIST**, a director of Yaddo, said the magazine article appeared in Plain Talk, and stated that Miss Smedley had been a Communist or was working for them. He added that it stated mistakenly that she had been a faculty member at Skidmore.

"She spoke two or three times at the college," he said, "but she was not on the faculty.

"She really seemed to be much more interested in China than she was in Russia," he continued. "She said, 'If ever, spoke about Russia. She was very strongly against Chiang Kai-Shek—as a lot of other people were.

"She used to speak very admiringly of Thomas Jefferson in this country. One could easily have taken her for a left wing radical.

"I would not be able to judge, however, whether she was a Communist, or sympathetic with the Communists.

"However, she might easily have gotten tied up with them without



a mining region and experienced quite a lot of poverty and hardship. But it was never quite clear in my mind just where she belonged ideologically."

Mr. Stonequist said no investigation of a person's politics is made when he applies for residence at Yaddo.

"Anybody who has qualifications as a writer, either established or a promising beginner, might get in. The applications are sifted through a committee. Then residence is allocated according to the best judgement of those who deserve it most.

"Miss Smedley was writing a history of China. It was a big job and she stayed quite a long time.

"She was a dynamic, lively person, and received many invitations to speak before groups in this section.

"No doubt some of the persons who have been at Yaddo have been Communists. There is considerable political argument, in which they are free to participate.

"The board never knows whether it has some Communists or not. What it wants to know is: Does the person have something worthwhile to write about?"

**MISS SMEDLEY'S** book, *Battle Hymn of China*, was published shortly after she took up residence at Yaddo in 1943.

In a review of that book, Col. Evans Fordyce Carlson, USMC, wrote in the *New York Herald Tribune*:

"The story of China which Miss Smedley presents is not the story one sees in the public press or in magazine articles or in propaganda literature. It is the story of the real China, the China composed of more than four hundred millions of human beings who hope some day to govern themselves, and who strive mightily to evolve a pattern of life which will improve their economic well-being."

This article states that in 1938, when Colonel Carlson left Hankow, where Miss Smedley was working to expand China's medical relief agencies, she was preparing to join



trating, soul-searching discussion. They are hard fighting men but at the same time, visionaries and idealists. They search the skies to find out what is worth fighting and dying for. And it is not dollars and cents, nor yet power or position.

"They fight for a country where the men who grow rice shall have rice to eat, where the men who weave cloth shall have clothes to wear, where there shall be no rich and poor but equality of opportunity for all."

**IN FEBRUARY, 1944**, she addressed the Schenectady County League of Women Voters on the topic, *Political Training in the Chinese Armies*.

In March, 1944, she left Yaddo on a month's speaking tour, which took her to the Middle West, the South, and on her return, to Columbia, Yale and Harvard universities.

In April, 1944, she addressed the Saratoga Springs Branch of the American Association of University Women, and in October of that year, she made a two-week speaking tour of veterans' hospitals in the New York City area.

On Washington's birthday in 1945, she appeared on the Town Meeting of the Air, nationwide broadcast, when the topic was, *How Can Chinese Unity Be Achieved?* She presented the views of the Communist 8th Route and New 4th Armies.

In September, 1945, she appeared on another nationwide broadcast, the Chicago University Round Table, in which the topic was *The Internal Situation of China*.

On May 8, 1946, The Saratogian carried a story stating that Rep. Hugh Delacy (D-Wash.) had introduced into the Congressional Record an article written by Miss Smedley which stated that a \$500 million loan to China by the United States would lead to civil war in the Orient.

In the fall of 1946, she was guest speaker at a meeting of the American Veterans Committee (Amvets) at Schenectady.

**SPY KINGPIN—Richard Sorge** (above) led a Soviet spy ring in Japan which "flashed the urgent word" to Moscow in 1941 that Hitler's armies would attack Russia, the U. S. Army revealed. Sorge was hanged by the Japanese on Nov. 7, 1944.

he medical corps in the exposed areas along the lower Yangtze river. The Colonel continued:

"Nearly two years later a dispatch from Chungking announced her arrival in an emaciated condition. She had traveled with troops of the Chinese Communist and Kuomintang armies on both sides of the Yangtze, the only foreigner to witness operations in Central China from 1938-40."

On Oct. 1, 1940, Miss Smedley appeared, through the courtesy of Yaddo, at a public lecture in Skidmore College Hall.

At that time she told of her adventures with the Chinese Communist and regular armies and

I have never heard such pene-

# Report Warns Some Escaped Noose in Japan

Washington (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."

There is that fleeting hint at a present-day menace in the story of 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 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-

## Writer Called Go-Between

Sorge was on intimate terms with German Ambassador Ott, Ozaki with Japanese Premier Konoe. And from these "perfect," unsuspecting sources they extracted information of "incalculable" value.

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

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.

## Described as 'Still at Large'

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."

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

American Activities Committee are interested.

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.

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.

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."

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.

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.

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.

## Ring Included No Russians

Japan released only the barest details about the ring and the trials and convictions of 17 people at the time. The U. S. 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 Japanese might later work against the United States."

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 swagging Nazi. He used a newspaper assignment as a cover.

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

## Wrung Secrets from Germans

It was a network with "perfect sources and almost got away with the "perfect crime."

By comparison, the Army sizes up the wartime Soviet spy network in Canada as an "amateur show."

While serving the Moscow masters, Sorge cultivated the German ambassador in Tokyo and his staff so well they told him almost anything, asked his advice, and let him see secret papers.

Eventually, he joined the staff as press attache.

Sorge had come to Japan after getting a foreign correspondent's assignment from the Frankfurter Zeitung and three other papers.

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:

ring. Mostly there were Japanese and a few Germans.

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

Miyagi Yotoko was an artist and key man. Akiyama Kohi was a translator and the only member of the gang in it for money. Mrs. Kitabayashi Tomo was a dress-maker and the thread that unraveled 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 and hidden radios. It involves fake passports, microfilms passed in cigaret packs, money changing hands between shadowy figures in dark theaters.

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 capabilities and intentions from 1933 to 1941. The Red Army always knew the status of current Japanese war plans, and could make their own plans and dispositions accordingly."

"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."

Another top-notch member of the ring, Branko de Voukelitch, 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 Voukelitch was a Yugoslav who became correspondent for a French magazine and Yugoslav paper as "cover." Later he was with the French news agency, Havas.