

CONFIDENTIALSpecial Report No. 29
Supplement No. 17

July 22, 1946

PRESS ANALYSIS SECTION

C.I.S. - CANADIAN EMBASSY

WASHINGTON, D. C.

CANADA'S 'SPY RING' STORY

(July 15 to 18, 1946)

NEWS TREATMENT

The release of the final Report of the Royal Commission received widespread coverage in U.S. papers under headlines such as "Red Spies in Canada Sought U.S. Postwar Defense Plans" (Washington Post); "Canada Says Red Spies Got Top Secrets" (Phila. Inquirer); "Top Soviet Agent in U.S. Now" (Indianapolis Star); "Canada Says Red Spy Got Uranium 235" (Detroit Free Press); "Red Spy Rings Still Active Canada Hints" (Chicago Tribune). The story was handled almost exclusively by AP, UP and INS and on the first day was confined to excerpts from the Report with no comment. The excerpts chosen, however, concentrated on the transmission of Uranium 235 to Moscow through Dr. May; on the fact that information had been obtained on radar and other material and on research developments for postwar defense; on the undercover systems used and on the "super spy" thought to be in the U.S. Another featured item was the use of the "communist party as a 'base' for recruiting and 'developing' Canadians for espionage work" (N.Y. Times). Gouzonko's statement that the comintern still existed was widely quoted. Subsequent reports carried the supposition that Canada, the U.S. and Britain would confer as a result of the findings. "The report would seem to indicate that, whatever the United States and Britain might do about the matter domestically, the United States and Canada would have to discuss it in the course of joint defense talks" (AP). Los Angeles Examiner reported that "The United States and Canada were in consultation (July 16) discussing new methods of protecting their military and political secrets."

UP in reporting the departure of Soviet officials commented "The commission's mention of their names in connection with Russian undercover activities was considered tantamount to Canada's stating that their presence was unacceptable." However an AP dispatch in N.Y. Times said "It is not clear whether Pavlov and Krotov were called home or whether they were requested to leave by the Canadian Government," and P.J. Philip in the same paper reported that "Moscow has made a clean sweep of all seventeen members of the Russian Embassy here named in the report." A Chicago Tribune special was a story on the jealousies existing between the various branches of the Soviet spy system. An INS dispatch carried in Hearst's N.Y. Journal-American and Los Angeles Examiner and bannerlined by "Russian Spy Chiefs Fleeing As Canada Opens Red Purge" (L.A. Examiner) and "Canada Purges Aides of Soviet Atom Spy Ring" (N.Y. Journal-American) reported "Canada threw all its law enforcement agencies today into a purge of civil servants with a 'first loyalty' to Russia and other subversive elements to halt the flow of top secret information to the Soviet." P.J. Philip (N.Y. TIMES) had reported that no further arrests had yet been made though warrants were prepared and those involved kept under police supervision. An AP story in the St. Louis Post Dispatch referred to Mr. King's statement to the effect that "A big part of Canada's effort to combat this threat to 'the safety and interests of the state' is to be a program of 'publicity, education and full understanding' regarding the evidence laid before the commission."

EDITORIAL COMMENT

The small amount of editorial comment on the Report generally concurred in decrying Soviet methods. N.Y. Times stated "More important, however, than any concrete information obtained by these officials is the revelation of their operating methods... This political system... aimed to and did develop in Canada an effective Fifth Column composed of Communist party members, 'fellow-travelers' and foreign groups... they were taught to betray their country and serve a foreign government... In this country it is reassuring to have Attorney General Tom Clark inform us that the United States is 'entirely on top of the espionage situation.'" Sacramento Bee

was of the opinion that "It is not a happy or reassuring report. It bristles with disclosures which the average American would prefer to believe are untrue" and quoting Gouzenko's statement on the Russian propaganda for another war said "The thought of a supposedly friendly nation conditioning the minds of her people to another world conflict will strike the average American as almost a nightmare...the commissioners' report throws a drab light upon the world outlook and indicates the way to lasting peace will be a hard road, with or without another war." Washington Times Herald using the disclosures of the Report to support the creation of a U.S. spy system stated: "Thanks to the report of our Canadian friends, we now have a pretty good line on the operations of Russian spies in North America...The well-established Russian network in Canada had and has branches in this country, Ottawa warns us, and this country has a lot more things to be ferreted out than has Canada. Also, we have more numerous willing contacts for the spies to work on, in the widespread Communist organizations and their related groups...We think that the United States should call back some of Wild Bill's boys and let them start rooting around under the no-holds-barred OSS procedure to see what they can turn up. What we need to meet the Russian competition is TWO SPIES for ONE." Hartford Times maintained "The Canadian Royal Commission's report...is a damning document if one views Russia as a friendly ally, but it discloses operations that might be expected for a war power that gave nothing and received nothing from its allies in the way of secret war information...Resentment over the Russian activity in Canada is the expression of disappointment that the other fellow has gained an advantage in a highly surreptitious operation. That a British scientist aided the Russian spies does not diminish western resentment over Red success." And Phila. Inquirer said "Soviet Russia has made a miserable record for itself in Canada."