

TRUE STORIES FROM THE FILES OF THE FBI

TRUE STORIES

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W. Cleon Skousen

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Foreword

With the end of World War II, FBI Director J. Edgar Hoover saw that another war was just beginning. This one would be tougher, more political, harder to handle, and would require the best his Bureau could offer.

With FBI agents already scattered coast to coast in 1945, tracing down infiltrators and espionage spies from foreign enemies, Hoover had been tracking the development of a new threat to America—an enemy that rode in on the heels of “dumbing down” the American public and presenting itself as the new benign, fair, and friendly road to change.

It was called communism, a movement to overthrow the Constitution and the American way of life. Hoover saw these ideas beginning to infiltrate America’s most respected institutions. It was the worst kind of enemy because this one was home-grown.

When World War II ended, Hoover’s secret files were already overflowing with damning evidence of personal moral corruption and ulterior motives by names and faces familiar to most post-war Americans—people already respected as heroes or friends to the war’s great cause. But Hoover knew better. He had the proof.

He knew by holding tight to those records, the worst elements in the inner circles of American power politics would be kept back.

He also knew that one skipped heart beat or “accidental” car

crash on the way to work was all it would take for his office to be emptied out and those files to quickly disappear.

Hoover loved America. He was married to his job and hung on to it through political pressures and assassination attempts for many years beyond his normal retirement age. Even after his death, his reputation and personal character were of such high esteem and influence that his many enemies sought to bury even the memory of the man. They tried to assassinate his reputation with scurrilous lies and innuendo.

But at the end of World War II, those events were still in the future, and Hoover saw the critical need to alert the rising generation about the coming plague. He took several steps to educate the baby-boomers and their parents about the dangers of malaise and detachment from their sentry duty over America's heart and soul.

One of Hoover's early projects was a descriptive report on what the FBI was, what it could do, why it existed, and its role in the safety and security of America. He wanted to teach the youth in particular that it was their job "to clean up America."

Tasked to write that report was 32-year-old FBI agent W. Cleon Skousen.

By this time Skousen had proven himself to be one of the Bureau's promising public speakers and writers. He was already a published author, and was giving 100-200 speeches a year.

Skousen was given access to the FBI files for his research. His finished product was called "The Story of the Federal Bureau of Investigation," published in 1945. It was subsequently reprinted millions of times and distributed over a period of several years.

Those true stories related in this publication are as close to reenactments of actual events as mere words can create. It was a time in America's history when roving gangs with machine guns mowed down rival gangs and innocent bystanders to control territories and illicit activities. Many bragged of the carved notches in the wooden stock of their weapons, tally marks of another life taken. The biggest prize of all was gunning down a police officer or even better, an agent from the FBI.

From a time that lives on for most people in old black-and-white “shoot ‘em up” Hollywood movies, and the more dramatic portrayals by special effects teams using full-color digitization, the era of the gangster still reverberates through American culture with an almost romantic affixation to those bloody, gun-smoke days of old.

“True Stories from the Files of the FBI” is not pulp fiction or dramatized back alley stick-ups. It’s the real thing, presented for a generation of Americans who today have the mandate on their shoulders to “clean up America.”

PAUL B. SKOUSEN

June 10, 2014

Salt Lake City, Utah

INTRODUCTION TO THE FBI



“Wanted by the FBI!”

Those words caught the attention of a Midwestern schoolboy waiting for his father to complete some business in the Sheriff’s Office of their home county. The youngster noticed something familiar about the fugitive whose picture appeared under those striking words. Then he realized suddenly that the man described by the Federal Bureau of Investigation as an armed robber had worked on his own father’s farm until a short time before.

Special Agents of the FBI were advised. They quickly traced the fugitive and, with the help of local officers, took him into custody. The wanted man, who had been in hiding for a year, was tried, convicted, and sentenced to serve 25 years in prison.

That was democracy's answer to a man who would not follow the rules. The FBI acted for the people of the United States, who are firm in their determination to preserve law and order. The alert youngster is typical of thousands of Americans who respect the law and furnish invaluable information to Special Agents of the FBI every day.

The Federal Bureau of Investigation is the investigative arm of the United States Department of Justice, headed by the Attorney General, who is the chief legal officer of the United States.

The functions of the FBI are two-fold. As a fact-finding agency, it investigates violations of federal laws and presents its findings to the Attorney General, his assistants and the United States Attorneys who decide whether the people involved are to be brought to trial. As a service agency, it assists law enforcement in identification and technical matters.

To do the work, the FBI has Special Agents assigned to 56 field divisions throughout the United States and in Puerto Rico, Alaska and Hawaii. Each of these divisions is under a Special Agent in Charge (SAC) who reports to the Director in Washington, D.C. Within an hour a Special Agent can arrive at practically any point in the country where his services may be needed.

To tell the story of the FBI is to recite the history of men and women seeking to make America more secure. It is the story of a long line of Presidents, Attorneys General, members of Congress, and millions of honest, loyal citizens who form a solid front against crime.



Special Agents in a two-way radio car.

"G-MEN"

In the early morning hours of September 26, 1933, a small group of men surrounded a house in Memphis, Tennessee. In the house was George "Machine-Gun" Kelly, graduate of Leavenworth Penitentiary. He was wanted by the FBI for kidnapping. For two months FBI Agents had trailed the gangster and his wife, Kathryn Kelly. Quickly the men of the FBI, accompanied by local law enforcement officers, closed in around the house and entered.

"We are Federal officers.... Come out with your hands up...."

"Machine-Gun" Kelly stood cowering in a corner. His heavy face twitched as he gazed at the men before him. Reaching trembling hands up towards the ceiling he whimpered, "Don't shoot, G-Men, don't shoot!"

That was the beginning of a new name for FBI Agents. By the time Kelly had been convicted and had received his sentence of life imprisonment, the new nickname, an abbreviation of "Government Men," had taken hold throughout the underworld. Along the grapevine of the powerful empire of crime passed whispered words of warning about the "G-Men."



G-men handcuffing a fugitive.

WAR AGAINST THE UNDERWORLD

“Machine-Gun” Kelly was a product of the wave of lawlessness which swept over the nation in the early ‘30s. Kidnapping, murder, bank robbery and many other crimes of violence occurred daily. Dangerous outlaws enlisted the petty thief, the small-fry hoodlum, and the ex-convict to form powerful gangs. Professional killers were hired to eliminate honest law enforcement officers, civic-minded citizens and members of rival gangs. Shady characters willing to provide temporary shelter for gangsters in the larger cities joined up. Bullet-proof vests, stolen sub-machine guns and high-powered “getaway cars” were rated as necessary equipment.

To check this wave of lawlessness and bring security to the nation, Congress swiftly passed many new laws to increase the authority of the Federal Bureau of Investigation. In 1932, the Federal Kidnapping Statute making it a crime to take kidnapped persons from one state to another was passed. During the following year, the FBI solved every kidnapping case referred to it. Among these were the Cannon, Ottley, Urschel, Boettcher, Luer, McElroy, Hart, Bremer and Hamm kidnappings in which ransom demands totaled \$782,000.

Next came the Federal Extortion Act by which the writer of a threatening letter could be put in prison for as long as 20 years and fined \$5,000.

Bank robberies by notorious gangsters on a nationwide basis were met with the Federal Bank Robbery Act, which now extends its protection to National banks, Federal Reserve banks and banks whose deposits are insured by the government.

In 1934, Congress had finished the task of building the FBI into the general investigative agency of the Federal Government. In the same year additional duties were assigned. The Federal Reward Bill authorized payment of as much as \$25,000 to persons helping to capture dangerous criminals or giving information leading to their arrests. The National Stolen Property Act made it a crime to take forged and counterfeit securities or stolen property valued at \$5,000 or more from one state to another. The Federal Anti-Racketeering Statute made it unlawful to interfere with trade between states by force or violence. The Unlawful Flight to Avoid Prosecution Statute made it a Federal offense for persons to flee from one state to another to avoid prosecution for certain serious crimes or to avoid testifying in court in important criminal cases. In the years that have followed, other laws have been passed designed to better protect the citizens of the United States. Now the FBI is responsible for the investigation of violations of more than 100 Federal statutes ranging from bankruptcy to treason.

ORIGIN OF THE FBI

Although the FBI did not become well known until after the great crime wave of the '30s, the organization was in existence many years before.

The FBI dates back to 1908, when Attorney General Charles Bonaparte directed that Department of Justice investigations be handled by a small group of special investigators. In the following year the name "Bureau of Investigation" was assigned to this group.

The small organization gradually grew during the succeeding years. The Selective Service Act of World War I and espionage laws to block the work of spies brought new duties. Then the National Motor Vehicle Theft Act was passed in 1919 to curb the increasing transportation of stolen automobiles from state to state.

In 1924, Attorney General Harlan F. Stone, who later became Chief Justice of the Supreme Court of the United States, appointed J. Edgar Hoover, then 29 years of age, as Director of the Bureau. He accepted with the understanding that henceforth this organization was to be a career service in which ability and good character were to be the requirements for appointment with performance and achievement the only grounds for promotion.

YOUTH AND SCIENCE TAKE OVER

The new Director knew it would take years to build the FBI into a streamlined, investigative machine to fight crime. New requirements for appointment as a Special Agent were set up, providing for college men trained in law and accounting. To be eligible the applicant had to be between the ages of 23 and 35 and physically fit. Each applicant was thoroughly investigated before appointment. His school record and every activity were searched for flaws in his honesty or ability.

Gradually the new organization began to take form. Congress approved the transfer of fingerprints at Leavenworth Penitentiary and the criminal records maintained by the International Association of Chiefs of Police to the FBI. Thus began what is now known as the Integrated Automated Fingerprint Identification System. Thanks to the cooperation of national and international law enforcement organizations the original collection of 810,188 fingerprints has multiplied to 70 million prints in the criminal master file along with an additional 250 million civil prints.

Training schools for Special Agents and Accountants were started in Washington to equip future G-Men with modern crime-

detection methods. These offer courses in federal law, accounting, fingerprint science, crime scene searches, interviews, photography, firearms and jujitsu.

A crime-detection laboratory was established to make examinations for the FBI and to serve as a scientific clearing house for evidence and crime problems submitted by police and sheriffs throughout the country.

CRIME MEETS ITS MATCH

By 1934 the gangs had discovered that the rich days of the underworld empire were passing. One by one the gangland bosses were being given new forwarding addresses: prisons at Alcatraz, Atlanta and Leavenworth. Backed by cooperating local officers and an aroused public, the FBI was sweeping the alleys of the underworld.

Newspapers headlined the violent deaths of “public enemies” who chose to fight it out rather than surrender:

On July 22, 1934, John Dillinger was killed on a Chicago street while resisting arrest. On October 22, 1934, “Pretty Boy” Floyd met death on an Ohio farm while resisting Federal arrest. On November 27, 1934, “Baby Face” Nelson, murderer of three FBI Agents, was mortally wounded in a gun battle on an Illinois highway while resisting arrest. On January 8, 1935, Russell Gibson, member of the powerful Barker-Karpis Gang, fell under a hail of lead in a Chicago alley after he had fired at a Special Agent who demanded his surrender. On January 16, 1935, “Ma” and Fred Barker, leaders of the Barker-Karpis Gang who were hiding out in a Florida cottage, answered Agents’ demand for surrender with bursts from Thompson sub-machine guns. The Barkers were killed in the gun battle.

On October 12, 1937, G-Men were fired upon by members of the Brady Gang at Bangor, Maine. An FBI Agent was wounded but Alfred Brady and Clarence Shaffer were killed and the gang smashed. On October 7, 1938, Adam Richetti was executed in

connection with the slaying of four law enforcement officers, including an FBI Agent, in the “Kansas City Massacre.” Vernon Miller, also wanted for the same crime, was clubbed and shot to death by underworld “pals” who by that time considered a Federal fugitive of his type too dangerous to have around.

In the desperate war with the gang trigger men, several FBI Agents lost their lives. But the fearlessness of the Agents in gun battles and their straight shooting soon caused the word to be passed in underworld circles that it didn’t pay to “shoot it out” with G-Men.

Within three years after the FBI received general investigative jurisdiction over Federal crimes, 11,153 persons had been arrested and the Bund (a pro-Nazi organization in the 1930s) prepared to go underground. The Japanese spies who laced their network of intrigue back and forth across the West Coast from Shinto Temples to dock dives, became less bold in their prowling around military and naval bases.

Important information had come to light. There was a fantastic Nazi plot to grab the secret plans for the defense of the East Coast of the United States by luring a high-ranking American Army officer to a New York hotel room, overpowering him and seizing the papers. There was a plot to get confidential codes and maps of the United States Army Air Corps and complete blueprints of the newest aircraft carriers, the Enterprise and the Yorktown. And then on Valentine’s Day, 1939, a spy made an attempt to secure 35 blank American passports by impersonating an official in the Department of State. That spy was Guenther Gustav Maria Rumrich, and his arrest followed immediately after. When brought to trial, Rumrich, Hoffman, Voss and Glaser were convicted. But the penalties were light. This was “peacetime” espionage, and the sentences for all four spies totaled 14 years.

It was soon apparent that the most effective way to counter-spy was to check the movements of prying enemy agents. Little was accomplished by arresting spies after their damaging work had been done. As later developments proved, it was necessary to know the innermost workings of enemy espionage—the extent of their networks, their plans for causing damage in our country through

sabotage, their interest in certain highly confidential military information. Enemy espionage not only required detection, it had to be prevented.

Franklin D. Roosevelt, recognizing the dangers ahead, undertook in the early summer of 1939 to prevent the confusion of World War I, when more than 20 agencies investigated the activities of spies and saboteurs. He designated the FBI as the clearing house and coordinating agency for all matters bearing on our internal security.

FBI Agents received instructions to survey over 2,500 industrial plants which were beginning to pour out the implements of war. Other Agents gathered and wove the threads of enemy espionage together—the German spies were making a last desperate effort to entrench themselves before the shooting war began.

Then on Sunday morning, September 1, 1939, the powder keg exploded. Germany smashed into Poland with planes, tanks, mobile artillery and thousands of highly trained troops. The whole world was startled.

A General Intelligence Conference was created with the heads of Military and Naval Intelligence Divisions and the FBI empowered to establish procedures on how best to protect America. Weekly conferences were held by executives of the three intelligence agencies. Police Conferences were held throughout the nation to unite the entire law enforcement front for the showdown. The survey of war plants sped up. Specialized training in counter-spying and counter-sabotage was ordered for all FBI Agents. More FBI men and more equipment were authorized by Congress. The public was urged to cooperate in every possible way.



Hidden camera shooting through a two-way mirror photographing spy ring members.

BREAKING OF THE LARGEST SPY RING IN U.S. HISTORY

Previously, the Nazis had thrown their largest American spy ring into action. The Nazis sneered at the “weakness” of democracy and boasted of the security they had built up around their own spy network; they were ready for anything.

The paymaster for this ring was “Harry Sawyer,” a naturalized American who went to Germany to visit his mother. Major Nicholaus Adolf Fritz Ritter of the German Espionage Service forced him to become a German spy. He was trained in the espionage school in Hamburg. He studied photography, secret writing and the Nazi technique of collecting data. Last of all, he was given a thousand dollars, numerous addresses, the blessings of the Nazis and a ticket to New York.

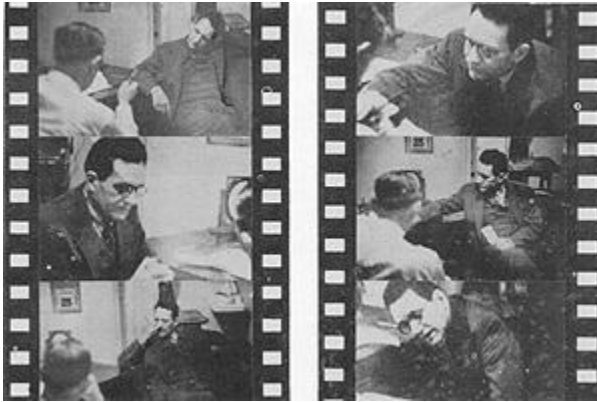
As he embarked for America, “Harry Sawyer” carried in his watch a quantity of stamp-sized microphotographs bearing secret operating orders. He was to use a small camera for taking pictures, build a short-wave radio station to communicate with Hamburg and join the National Guard to secure military information.

“Sawyer” landed in New York and was met at the docks by

two men who drove him to a hotel for a brief conference. Later, he cabled Hamburg: "Arrived safe. Had pleasant trip." This prearranged message meant he was safely settled and prepared to go to work.

He neglected to mention that he was now working for the FBI, that he had never intended to "sell out" the United States, and that he had reported fully on his contacts with the Germans.

"Sawyer" carried out the instructions of his Nazi masters, made the requested contacts, paid out the money. Slowly the network of the spy ring unfolded. New agents and various "contacts" were revealed. A shortwave transmitting station was built and was operated continuously by undercover Agents of the FBI. More than 500 messages passed back and forth across the Atlantic, but important details were cut out by the Army and Navy, which worked closely with the FBI.



Frederick Joubert Duquesne, master German spy, in actual photographs taken by a concealed FBI camera.

Frederick Joubert Duquesne, a professional German spy for forty years, boasted to "Sawyer" of his ability to fool the FBI. From his sock he pulled out blueprints on the new M-1 rifle, torpedo boats, secret plane plans. Hidden FBI motion picture cameras photographed him as he did so. He waved his arms jubilantly as

he gloated over the success of his large espionage ring.

In Europe the war of nerves had changed to a “shooting” war. Germany and her allies had begun their conquests. FBI officials considered it a good time to smash the Duquesne ring, the backbone of the Nazi Espionage Service in the United States.

On the weekend of June 28, 1941, the FBI arrested the spies whose every move had been followed for nearly two years. Thirty-three German agents, including Duquesne, were brought in. Several were American-born.

Nineteen members of the ring pleaded guilty. The other fourteen stood trial and were found guilty by a jury on December 15, 1941. On January 2, 1942, the group received total sentences exceeding 520 years in prison and fines amounting to \$18,000.

But this was still “peacetime espionage.”

The full force of war had not yet hit America. But the collapse of the Duquesne ring caused all other Nazi agents to work feverishly, as though American planes were already bombarding the Reich. From Germany came the order: “Under no circumstances attract the attention of the FBI!”

THE KURT LUDWIG CASE

Back in March, 1941, a tall, middle-aged man wearing horn-rimmed glasses and carrying a brown brief case was knocked down and killed by a New York taxicab. Amazed spectators saw his companion reach down quickly, grab a brief case and disappear in the crowd.

The traffic victim was “Julio Lopez Lido,” apparently a Spanish subject. His unclaimed body was buried by the Spanish Consulate.

FBI Agents were keenly interested in “Julio Lopez Lido.” He was not a Spanish subject. He was a German—Captain Ulrich von der Osten, Nazi army officer who entered the United States via Japan to direct one of the cells of Nazi espionage. The companion who had been so anxious to get away from the accident turned

out to be Kurt Frederick Ludwig, an Ohio-born, German-reared, leather goods merchant.

Working in the background, the FBI found that Ludwig was extremely active in the United States as a German espionage agent. In fact, he stepped into the shoes of Captain von der Osten and took over control of the latter's spy ring. Friends of Ludwig said he once stood in high favor with Adolf Hitler; that he had been with Hitler in the Munich Beer Hall Putsch before the Nazi rise to power.

Ludwig purchased expensive radio equipment and took a course at a radio school. He sent numerous packages to Germany. He kept in constant contact with the Bund and recruited his agents from the Bundist "Youth Movement."

Accompanied by his 18-year-old secretary, Ludwig made a tour of the East Coast, visiting almost every Army camp and airfield from New York City to Key West, Florida. He prepared reports for the Germans by using a secret ink, code, and an 1834 system of shorthand which he thought no one but the Germans could read—but the FBI solved the riddle.

On June 28, 1941, when the Duquesne spy ring was arrested, Ludwig wrote to his superiors, "I had quite a fright." He was in a store where two of the spies were caught, but arresting Agents pretended not to notice him and allowed him to continue his activities. At the first opportunity, Ludwig cabled Germany: "I missed a serious accident only by inches."

Ludwig fled to a mountain resort in Pennsylvania, and then left alone by automobile for the West Coast. FBI Agents followed close behind. They saw him question soldiers at Selfridge Field in Michigan and change a tire at Wright Field, Ohio, where he could watch activities closely. He was arrested just as he prepared to embark for Japan from the West Coast.

Ludwig made a last desperate attempt to bribe his way to freedom by promising a guard \$50,000. The trick failed. He was convicted of espionage and sentenced to twenty years in prison. All other members of his ring were also arrested.

THE PLANNED INVASION OF THE AMERICAS

The Nazi-Fascist teaching of “Divide and Conquer” followed the same pattern in every territory marked for conquest. While Quislings tore down Norway’s defenses and the Lavals were hard at work undermining France, the same “softening-up” process was under way in America. The Americas, however, awoke in time and they were the only continents of the world where Axis bombs did not fall or Axis boots did not tread. But the enemy planned it otherwise.

There was never a time in modern history when the entire Western Hemisphere stood in greater danger from foreign invasion than during the critical period of 1941 and 1942. It is only 1,685 miles from Natal, Brazil, to Dakar, North Africa—no further than a railroad trip from Boston, Massachusetts, to Omaha, Nebraska. At one time in those long, anxious months when America was unprepared, German troops were ready at Dakar, waiting the right moment to drive the Nazi knife into Brazil.

The Reich considered a direct attack on American defenses in the Caribbean. German and Japanese planes were to attack the Panama Canal, Colombian seaports and exposed overland pipelines. A fleet of 1,000 huge submarines was to carry Nazi troops into Colombia and Venezuela. A boat was to be sunk in a narrow channel in Suriname—thereby cutting off 60 percent of a mineral necessary to United States industries. Brazil had over 200,000 Japanese. They were reported to be arming. Germans laid plans to smash transportation if Chile broke with the Axis.

The strike in the Bolivian tin mines was traced to a German consul. Slowdowns, fires, and destructive devices slowed the workers on United States bases in Brazil.

The situation had all the elements known in the Axis code of warfare as the preparation for a surprise attack.

"PEARL HARBOR!"

At 1:25 P.M., Sunday, December 7, 1941, the Honolulu office of the FBI called headquarters at Washington, D.C. It was 7:55 A.M. in Hawaii. Japanese bombers were blasting Pearl Harbor!

The first call sparked into action the nation-wide war plans of the FBI. While bombs were still falling on the main United States Pacific fleet, every FBI office from Juneau, Alaska, to San Juan, Puerto Rico, was alerted. Within one hour every FBI employee in each of the field offices was stationed at his post of duty and knew his job. FBI manpower combined with more than 150,000 law enforcement officers to crack down at the slightest sabotage gesture or attempted uprisings of enemy fifth columns.

In the communications center of the FBI, two officials, following FBI war plans worked out in advance, dictated directly to operators the vital messages going out at the same time to all continental field offices over the Bureau's teletype network. Nineteen different messages flashed out in rapid succession and each Special Agent in Charge passed on to cooperating police the latest security orders.

All Japanese known to be dangerous were immediately apprehended. Japanese were taken off planes. Communications in and out of the United States were stopped. Press services to occupied China and Japan were cut off. Protective guards were established at the Japanese, German and Italian Embassies in Washington and at their consulates throughout the country. Their mail and telephone services were discontinued, their funds were frozen.

On the day following Pearl Harbor 1,771 dangerous enemy aliens had been arrested and delivered to the U.S. Immigration and Naturalization Service for detention. As formal declarations of war were announced, large-scale arrests of German and Italian aliens—all known or suspected to be dangerous—were made. The whole operation moved along according to plan. In all, over 16,000 arrests were made by the FBI.

Since the aliens considered "dangerous" were apprehended in a calm and orderly manner, the fears of honest, patriotic aliens

were quieted. They saw that there would be none of the so-called "witch hunting" remembered from the last war.

Vicious rumors which flew thick and fast over Hawaii and later spread to the mainland were also quashed by prompt investigations. Official FBI announcements that the "latest stories" were "pure rumor and not real" did much to calm jittery nerves. Public fear was further prevented by a vigorous "Tell it to the FBI" campaign.

Thus, the Axis fifth column was smashed before it could go into action. The panicky fear of it that gripped many Americans in the black days following Pearl Harbor soon disappeared.

EFFECT OF "PEARL HARBOR" IN SOUTH AMERICA

The shock of the Japanese sneak-attack on Pearl Harbor was registered immediately in South American countries. It made them suddenly alert to the prospects of similar attacks.

For more than two years the FBI had found that enemy spying in the United States tied in closely with Axis activities among sister republics to the south. When advised of the information revealed by FBI investigations in the United States, South American countries enthusiastically agreed to cooperate. Many republics asked for FBI liaison agents to work with their own police and intelligence forces. Others sent intelligence officers to train at FBI schools.

The FBI and the law enforcement agencies of the South American countries exchanged information on all matters of mutual interest. In this way an effective Pan-American intelligence force was successfully raised up against the destructive fifth column activities of the Axis spy and sabotage rings in South America.

Altogether, more than 7,000 Axis operators and sympathizers in South America have been expelled or removed far inland where they are harmless. More than 250 spies and saboteurs have been exposed and neutralized. Twenty-nine secret short-wave radio stations used principally to transmit information about the United

States to Germany have been eliminated. Potentially dangerous Axis nationals have been brought under observation.

Such victories have played a major role in the defense of the Western Hemisphere. The massing of German troops at Dakar, the Japanese plans to attack Alaska, to smash through to the West Coast, to bomb the Panama Canal and spread destruction in American war plants—all these were dreams of the enemy. But they failed because the enemies' spy network in the Americas was smashed.

WORLD WAR II BRINGS THE SHOWDOWN

“Pearl Harbor” aroused American spirit to the boiling point and sent the nation’s war-production sky-rocketing. But the hour was late. America had the resources, but months were necessary to change the mountains of raw material into enough guns, planes, tanks and ships to defeat the Axis with its seven-year head start. As the race against time began, industrial leaders expressed a universal hope—that there would be no sabotage. Given time, manpower and unmolested machinery, they could do the job. But wartime sabotage in certain key plants producing scarce materials might bottleneck the entire arsenal of Democracy. Plant managers reexamined FBI recommendations for plant security—reflected on the wisdom of the plant survey program begun two years before. But the memory of World War I, when enemy agents blew up American arsenals, railroad yards, ships and factories led some industrialists to wonder. Could sabotage be prevented?



FBI agents remove explosives and equipment buried on a Florida beach by Nazi saboteurs.

LANDING OF THE EIGHT SABOTEURS

In June 1942, two Nazi U-boats stole into American waters and each landed four German saboteurs on the Eastern coast of the United States. With \$174,588 in U.S. bills and enough explosives to last for two years, these saboteurs hastened to New York and Chicago to make plans for their campaign of destruction and terrorism.

Orders from their Nazi superiors had been plain: Dynamite the Hell Gate Bridge in New York. Destroy critically needed aluminum plants. Place time bombs in lockers of railroad stations. Use incendiary pencils. Start fires in large department stores. Spread terror. Make it appear as though an army of saboteurs was at work.

All eight were carefully selected for their jobs. Though born in Germany, each saboteur had spent several years in the United States and knew the country, the customs, and the language. Their instructor at the sabotage school near Berlin had been Walter Kappe, key organizer of the German-American Bund in the old days, who had returned to Germany just before the war. Rated as a “valuable” member of the Nazi Party, Kappe took over the

recruiting and training of saboteurs. These eight saboteurs were his first “graduates.” Their forged Selective Service and Social Security cards, their technical training, their timing devices for bombs, and their possession of money in large denominations—all these disclosed how important was their mission to the German High Command.

But the mission failed. In less than two weeks after landing, members of the sabotage ring were in FBI custody. Agents trailed them to determine their contacts. But there were no secret armies of the fatherland to welcome them.

By Presidential order they were turned over to a military commission for trial, and on August 8, 1942, six were sentenced to death, one to life imprisonment and one to thirty years.

THE ENEMY WITHIN

In quick succession during this same period, the FBI disclosed operations of numerous other enemy agents.

In New York, a woman doll dealer was arrested for sending information on West Coast naval secrets to the Japanese. A naturalized German-American in Detroit helped speed the flight of an escaped Nazi prisoner and both were caught. In the same city a little group of traitors worked with a “Countess” who had been caught by the FBI shortly after her arrival from Europe. She agreed to work with the FBI and seven from the ring were convicted. A New York “bus boy” tried to hide his identity by using names and addresses of persons selected at random from a telephone directory for return addresses on his secret ink letters. But he was found among New York’s millions and was sent to prison.

There were others. They, too, were found by the FBI and felt the hand of American justice.

CRIME ATTEMPTS A COMEBACK

Although busy keeping ahead of world-wide enemy espionage, FBI Agents kept a sharp watch on the forces of the underworld. Just as had been feared, the same murderous, gangster-ridden interests who threatened the security of American life in the crime wave of the '30s promptly took advantage of the first chance to make a comeback.

Considering the nation too busy with the war to bother with criminal activities, these gangsters again proved that few criminals who betray their country in peacetime are changed by the threatened destruction of the nation by war. War simply added to their "opportunities." But this time, as the underworld empire began gathering its forces for action along the home front, it found a situation which its criminal cunning had not foreseen.

American law enforcement was better equipped, better trained, stronger and more determined than ever before in the history of the nation.

In New York, an old-time member of the "Dutch" Schultz Gang led four of his henchmen on a hijacking raid involving \$100,000 worth of merchandise. FBI Agents came up as they bound and gagged two truck drivers, before making off with the loot. Stopping the hijackers in their tracks, the Agents released the truck drivers, recovered the merchandise and packed the surprised hoodlums off to be tried and convicted. Their sentences totaled 68 years.

In Pennsylvania and New Jersey, a \$450,000 nylon hosiery black market was smashed as several racketeers tried to convert nylon intended for parachutes into nylon for 42,000 pairs of stockings. In Chicago, Roger Touhy, Basil Banghart and members of their gang were captured after escaping from the Illinois State Penitentiary. Two members of the gang, McInerney and O'Connor, tried to shoot it out. Both were killed.

Several thousand fugitives have been captured by the FBI since the outbreak of the war. These have included such dangerous characters as Jacob Drucker, member of "Murder, Inc.;" Irving Carl Chapman, gunman, bank robber and kidnapper who fired on

Special Agents and was killed in the gun battle; Jack K. Meredith, widely known confidence man with more than a hundred different names; Kinnie Wagner, hill-billy gunman and murderer who shot and killed five police officers. A few hours after his arrest, Wagner squinted through the bars of a prison cell at Lynchburg, Virginia, and remarked to a fellow prisoner: "It's a mistake to break a federal law. They will hunt you down for a thousand years."

In his pocket Wagner carried a frayed cartoon. It showed a woman looking through the bars at a convict. She was asking, "Do any of your friends come here to see you?" The convict replied, "No, lady. They're all in here with me."

STRENGTH THROUGH UNITY

During the 1930s and 1940s the FBI has received widespread cooperation and support from police agencies throughout the country. Without it, the work of the FBI would be greatly handicapped. But the FBI has opposed any national police system and has maintained that the answer to effective law enforcement is not nationwide consolidation but scientific training, careful selection of personnel and wholehearted cooperation between agencies in all matters of mutual interest. The real test was proving the accuracy of this law enforcement blueprint.

FBI HEADQUARTERS—WASHINGTON, D.C.

From the FBI Headquarters in Washington, D.C. is supervised the network of 56 field divisions covering the United States and her territorial possessions. Every case investigated in the field is supervised and coordinated at Washington.

Like a highly-g geared war plant, the FBI has its assembly lines, its central service pools, and its machinery to bolster the senses of sight and sound so that experts may harness the physical sciences in their war against spies, saboteurs and criminals.

The FBI has been designated by Congress to maintain a

nationwide survey on crime trends in the United States. This national crime barometer permits police throughout the country to keep in touch with the activities of the criminally inclined—to meet them forewarned and forearmed.

Watching the FBI machinery, making certain it functions effectively, is the job of the FBI Director. The morale, discipline, loyalty and efficiency of an organization are no stronger than its chief's.

The vast majority of criminals immediately confess when arrested by the FBI; and, not too strangely, many have complimented the FBI on the fair treatment given them. Law breakers have learned that FBI Agents “get the facts first.” When a man is arrested, it is because evidence has been developed pointing to his guilt. During the 1944 fiscal year, 97.28 percent of all criminals investigated by the FBI and prosecuted in Federal Court were convicted.



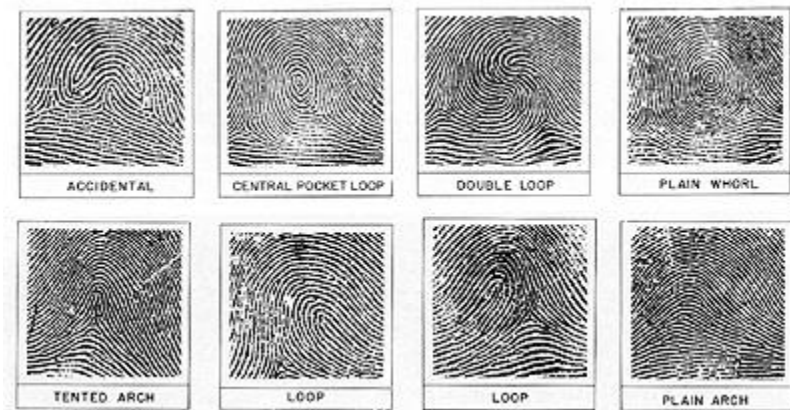
POSITIVE IDENTIFICATION

Among the Bureau's specialized services in Washington is the Integrated Automated Fingerprint Identification System, or IAFIS. IAFIS contains over 250 million sets of fingerprints—the largest collection in the world. Millions of these prints are from the

armed services. Every man and woman in the Army, Navy, Marine Corps and Coast Guard is on record with the FBI. Several million fingerprints have also been sent in by civilians for their individual protection and security.

In a section by itself are the fingerprints of lawbreakers: criminal records on more than six million persons—one out of every 22 in the United States. Hundreds of wanted criminals are identified monthly as their fingerprints are checked through the files.

This identification clearing house serves police agencies throughout the country. Incoming records arrive at the rate of 20,000 to 30,000 per day in 1945. More than 70 percent of the prints received from police agencies are identified with previous records. Criminals who a few years ago fled from state to state to escape detection now find themselves identified regardless of where they are arrested. And any police agencies listing a criminal as “wanted” are immediately notified when the fugitive is located. More than a thousand fugitives are identified in this manner each month.



Since fingerprints offer a known means of positive identification, the value of this collection to the American people is beyond calculation. It frequently is responsible for the identification of amnesia and accident victims. Its files contain many touching

stories on broken family circles which have been mended through the assistance of fingerprint records.



Not long ago the FBI received from a West Coast mother a copy of prints made of her son's fingers when he was three years old. She wrote that family troubles had forced a separation long ago, and she wanted help in locating the child she had not seen for 17 years.

The baby prints were matched quickly with those of a fine young American in the Armed Services. His name had been changed, but the pattern of the fingerprints was the same. A family reunion was made possible.

A soldier bound for overseas duty found his long-missing father within a few hours after turning to the FBI for aid. Another man had gone for years without knowing his real identity because of loss of memory. The FBI filled in the gap from its fingerprint files.



SCIENCE VS. CRIME

In 1932 the FBI Laboratory was established to provide scientific aids in criminal investigations. Experts, whose efficiency is judged by the skill of their work and not by the number of convictions in their cases, develop secret writing, identify handwriting, examine firearms, develop latent fingerprints, examine explosives, hairs, fibers, blood stains and conduct thousands of other examinations annually. From small flecks of paint or particles of shattered glass taken in a hit-and-run accident, scientists have been able to tell the make, model or type of car involved. They test the tensile strength of metals; detect inferior quality goods and workmanship in cases of fraud against the Government. They can tell whether a jimmy was used to pry open some lock, whether a certain hammer was used in breaking a safe dial, or whether a pair of pliers cut a piece of wire.

Shortly before the invasion of France the FBI checked on flaws in land-mine detectors and helped correct difficulties in the manufacture of this device.

In a criminal case submitted by local officers, a fragment of cloth on a bullet fired at a burglar was identified as having come from the suspect's clothing. In another investigation, particles of dust and tiny pieces of trash left at the scene of a crime connected a

suspect with an aggravated offense. Officers called to investigate a hit-and-run case in the MidWest sent in pieces of broken glass and small chips of automobile paint from the crime scene. These were studied by the FBI experts, who were able to tell the local officers the kind of car which the hit-and-run driver owned. An arrest and conviction followed. A thief who stole automobile tires cut off the numbers by which they could be identified. The FBI experts treated the tires and were able to read the numbers, proving that the tires had been owned by a particular person.

To help them, the FBI scientists in 1945 had the newest laboratory equipment, including microscopes, cameras, optical micrometers and ultraviolet lights. Also for their use are many reference collections such as blood sera, dynamite wrappers, headlight lenses, paper watermarks, typewriter standards, animal hairs, rope samples, automobile paints, heel prints and tire treads.

In this laboratory, the spy, saboteur, murderer, extortionist, bank robber and kidnapper are all trapped by the findings of science. Not only are these facilities used by the FBI in its work but they are also available to local law enforcement agencies without cost.

Since the FBI is a fact-finding agency, its investigations are as important in clearing the innocent as in convicting the guilty. In many instances where circumstantial evidence has pointed to innocent persons, scientific findings of the FBI have cleared them.

In the early 1940s an officer brought to the FBI Laboratory scrapings taken from the fender of a blood-stained automobile and other specimens from a bloody spot on the shoulder of a highway. He said two boys had driven the car but would not explain the presence of the blood. A hit-and-run death was suspected, but no body had been found.

An FBI technician made tests while the officer waited. In a short time he had the answer: the stains were from beef blood. While the boys may have run over a cow, no person had been killed as suspected.

In another case, a soldier was suspected of writing bad checks. An FBI handwriting examination proved the serviceman was not to blame, though circumstances had pointed strongly toward

him as the guilty person. The technicians then went one step further. They identified the real author of the bad checks from his handwriting.

TRAINING FOR SERVICE

The FBI's training facilities are maintained in Washington. At the peak of the war expansion program up to 1,000 employees were in training at the same time. At the FBI Academy in nearby Virginia, newly appointed Special Agents received their first training. Here they were given more than 1,000 hours of lecture instruction—the equivalent of two and one-half years of college work. Classes were from nine in the morning until nine at night for four months. Already qualified as lawyers or accountants, they were trained as expert investigators and they qualified as experts in firearms—the Thompson sub-machine gun, the rifle, the shotgun and the pistol. A daily class in athletic training kept them trim. Agents in service return periodically for refresher courses.

So effective has such training been that the FBI National Academy was created in 1955 to give selected police officers from all parts of the country training as police instructors. Returning home, they pass the training on to their fellow officers. Through this program more than 100,000 peace officers have been given expert instruction in the “higher learning” of their profession.

"FIDELITY, BRAVERY, INTEGRITY"

In one of the rooms of the Department of Justice Building hangs the great blue and gold seal of the FBI. Engraved on the crown of the seal are the words: “Fidelity, Bravery, Integrity.”

Beneath the seal hangs the bronze memorial plaque bearing the names of the Special Agents who have died in line of duty. Behind that list is a history of battles in the crusade against crime. From it have come the traditions of the FBI.

Connected with one of these names is a page of history which illustrates the ideals of those who serve their country through the Federal Bureau of Investigation.

A Special Agent was mortally wounded in a gun battle with two notorious bank robbers. He lived long enough to identify his murderers, who were caught and executed. After being urged to rest quietly his last words were: "Tell Mr. Hoover I did my best."

"I did my best," became a part of the FBI creed.

The FBI Investigates Hill-billy Killer Kinnie Wagner

It was a cold, frosty morning—an ideal day for Christmas Eve. Kinnie Wagner watched the coffee boiling in the tin pot on the little pot-bellied stove and whistled tunelessly. Snow had fallen during the night covering the ground with a luxurious ermine blanket and the early morning stillness was pregnant with an air of hushed expectancy.



Kinnie Wagner in 1926

ATTEMPTED ARREST ENDS IN MURDER

Kinnie glanced idly out the frosted window. As his eyes wandered across the yard and up the trail, he suddenly started. Four men were approaching on horseback. Quickly he strode across the rough-hewn floor to the door and pulled it open. He watched apprehensively as Sheriff Turner and his three deputies dismounted from their horses.

“What do you want?” Kinnie shouted and his hand stole to his revolver at his side.

“We want you, Wagner, for suspicion of robbery and jail-breaking,” Deputy Freeman shouted back.

Kinnie felt himself seized by an overwhelming impulse to run, to break for the open. His horse was across the yard and down the way a spell and with a bit of luck he might make it. Taking his chances, Kinnie bolted from the cabin. His feet encased in high knee boots, stumbled clumsily on the frozen snow.

Deputy Macintosh opened fire with a shotgun. There was a sharp report and the ensuing load hit Kinnie along the belt line, numbing a part of his body and glancing off into the side of the cabin.

Kinnie pulled out his revolver but the shots from the deputy’s gun had rendered it useless. He turned in his tracks and dashed wildly back into the cabin; his progress accompanied by the clipped shots from Macintosh.

Slamming the front door, Kinnie threw the bolt. As he leaned panting against the heavy door, he heard them running towards the cabin, shouting, “Give up, Wagner, we’ve got you cornered.” His eyes flitted anxiously around the room and fell on his shotgun. Seizing the weapon, he raised it to his shoulder, took careful aim through the window, and fired both barrels point blank at Macintosh.

The shots found their mark, for the man screamed in anguish as he slumped slowly to the ground. Kinnie waited momentarily to see if he would rise again—his gun ready—but the figure lay motionless. The Sheriff and the others were running over to their fallen comrade. They turned Macintosh over on his back and Kinnie saw the snow stained crimson.