

Monday, 21 July 1952

PRESENT: General Smith, Messrs. Wisner, Becker, Hedden, Col. White, Mr. Earman

General Smith:

a. Stated he desired to see Mr. Kirkpatrick concerning the investigation of the activities of [redacted] Mr. Earman noted that Kirkpatrick was on sick leave and undertook to have him see the DCI upon his return to duty.

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Mr. Wisner:

a. Noted that we were prepared to talk to Mr. Luce's representative any time he came to Washington and that we had sufficient material on hand which would allow TIME and/or LIFE to publish an exclusive story on the Duclos affair over and above the information already made public. In response to a query from the Director regarding the authenticity of the information in question, Mr. Wisner stated that (1) we were 90% positive that the information in question was authentic; (2) he would, however, pass this along to the TIME and/or LIFE representative; (3) we now have in our possession a photostat copy of Duclos' diary which was written in longhand; (4) he believed we were on safe ground in our "90% estimate" since the Communists had already vociferously decried publicity given so far to the Duclos papers.

b. Reported there was a possibility we were in for some publicity since [redacted] who had been employed by [redacted] was being investigated for non-payment of income tax for the past seven years and was using his employment with CIA in an attempt to cover up the amount of his income. Mr. Wisner also noted that to date [redacted] bank had not turned over his accounts to the Internal Revenue people and, in response to a query from the Director, stated that [redacted] had received a total of \$58,000. After some discussion as to who would have the full facts concerning this operation and wherein it was noted that there was a case officer knowledgeable of this affair, the DCI directed Mr. Hedden to fully investigate the facts in this matter. Mr. Hedden is informing Internal Revenue that everything is on the up & up in this case and is going to call them off. He is reporting to the DCI on the whole matter, however.

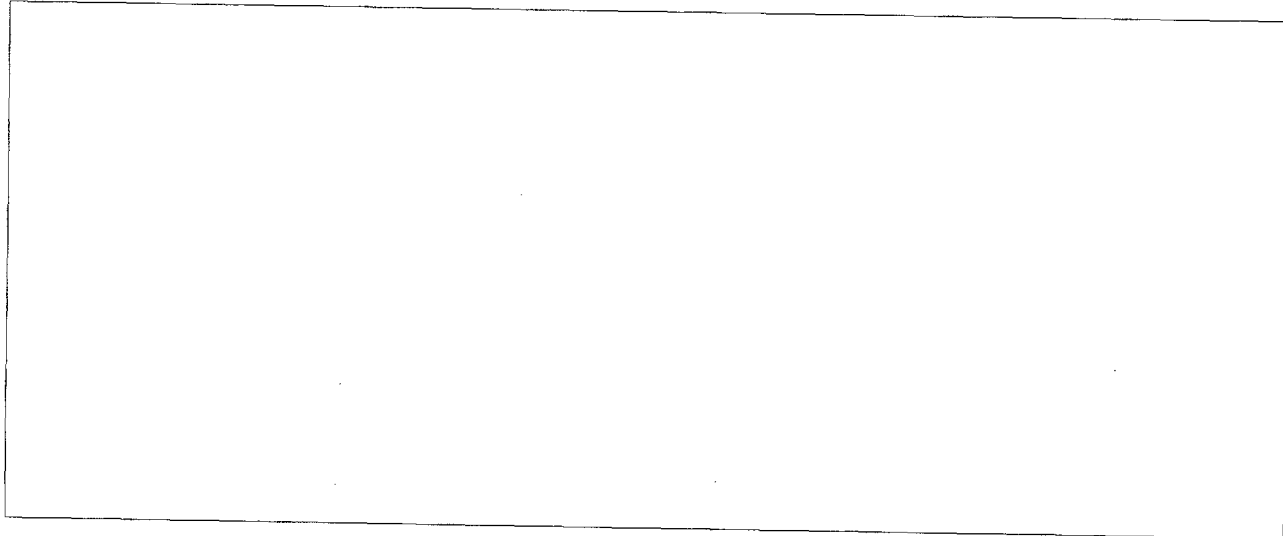
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Mr. Wisner (Cont'd.)



Mr. Becker briefly reported on the current situation in Egypt.



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