

Probe of State Department Asked

Schwartz Incident Widens Breach Between White House and Liberals

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By Richard Harwood
Washington Post Staff Writer

A few hours before midnight last Sunday, President Johnson arrived at the San Antonio Airport to fly back to Washington. As he walked up the ramp to his plane, he



Associated Press

DEAN RUSK

"There is nothing personal in this, Abba"

was handed an envelope marked "Personal" that had arrived in a diplomatic pouch from the State Department.

It contained a letter from Abba P. Schwartz:

"Having learned yesterday of a proposed State Department reorganization plan which will abolish the Bureau of Security and Consular Affairs, I am herewith submitting my resignation as Administrator of this bureau, effective at your earliest convenience."

Within 48 hours, the resignation had reopened for some the dormant issue of "Mc-

Carthyism" in American public life. It had widened the breach between the Kennedys and the White House. It had produced demands for a thorough congressional investigation of the influences at work on the State Department. And it had added immeasurably to the Administration's troubles with the liberal political community arising out of the conduct of the Vietnamese war.

"You have," an influential New Yorker angrily informed the White House, "just lost the Jewish vote in New York."

Underlying the outcry were questions involving both the credibility and the purposes of the Johnson Administration. Had

See SCHWARTZ, A6, Col. 1



The Washington Post

ABBA SCHWARTZ

"I couldn't spend my life feuding with a woman"

Schwartz been railroaded out of his job by the White House and the State Department as an act of appeasement toward conservatives on Capitol Hill? Or was he merely, as the Administration insisted, the accidental victim of a desire to reduce the Federal budget by \$246,000 a year?

Abba Schwartz, a wealthy and well-connected Georgetown bachelor, was no political celebrity, even by the provincial standards of Washington where every Congressman rates a line in the Social Register. He had never met the President, except in a fast-moving receiving line, and one presidential assistant with a good memory for political names — Marvin Watson — said

blankly last week: "The only Schwartz I ever heard of in my life was a man in Galveston, Texas."

Resettled Refugees

He was claimed for wartime service soon after leaving the Harvard Law School in 1939 and after the war spent several years of anonymity in the work of resettling the homeless refugees of the world.

In this humanitarian role he had come into contact and had developed a warm friendship with the late Rep. Francis Walters of Pennsylvania, who was to figure prominently in the subsequent course of his career.

Schwartz also became, in his student days, a protege of Eleanor Roosevelt.

By 1948, his career was following the predictable pattern: partnership in a distinguished Washington law

firm, an enviable social life in Georgetown and New York, and quiet works as a samaritan for refugees.

His circle of close friends included Mrs. Roosevelt, Supreme Court Justice Felix Frankfurter and David Rockefeller of the Chase Manhattan Bank.

The public service virus got him in 1960 with the election of John F. Kennedy, although two years were to pass before he joined the Administration. In mid-1962 the opening came. The Bureau of Security and Consular Affairs was leaderless and Schwartz seemed to have been born for the job.

He was a brilliant lawyer. He had years of experience with refugees and immigrants with whom the Bureau was concerned. He was an im-

peccable liberal with the enthusiastic backing of an impeccable anti-Communist, Rep. Walter, Chairman of the House Un-American Activities Committee.

Schwartz took control of the Bureau on October 9, 1962 and very quickly discovered that he was presiding over an agency that has been described in the State Department as a bureaucratic impossibility. It had had eight Administrators in nine years, the first of whom was the celebrated anti-Communist investigator, Scott McLeod, a protégé of Sen. Joseph R. McCarthy. Its passport office was run by Frances Knight, a one-time McLeod assistant, whose venerable status in the Department is considered equivalent to the status of J. Edgar Hoover in Justice—untouchable.

The Bureau's patrons on the Hill—and the patrons of Miss Knight and other durable figures in this bureaucratic enclave—included Sen. James Eastland's Internal Security Subcommittee and the Un-American Activities Committee in the House. Jay Sourwine, chief counsel for the Eastland subcommittee, once described the Bureau as "this loyal outpost of Americans."

For Schwartz, these were not the most congenial associates. Nor were his "open door" theories on travel and immigration popular with his subordinates or with Sourwine, no matter how closely they were in accord with the policies of the Kennedy Administration.

These were among the things he could reflect on just ten days ago when, late in the afternoon, he sat sipping a farewell glass of whisky with the impassive Secretary of State, Dean Rusk, who was saying: "there is nothing personal in this, Abba."

Liberalized Rules

But that was far in the future. Schwartz turned to his job in 1962 with the zest of any new administrator secure in the presidential favor. In accordance with Supreme Court rulings and the desires of the White House, he liberalized passport and visa policies over the objections of the vocal Miss Knight. He began working on a new immigration concept and just a week

before Mr. Kennedy's assassination drafted for the President an immigration message and an immigration bill which abolished the national origin quotas and which has since become law. He was the author of one of the legal documents used in managing the Cuban blockade during the missile crisis.

All this endeared him to

the White House and to Attorney General Robert Kennedy but it did nothing for his relationships with Miss Knight and her congressional sponsors.

In her dealings with Schwartz, she was defiant. On one occasion a minor change in the format of the American passport was made without her knowledge. She fired off a memorandum to Deputy Secretary William Crockett, Schwartz' immediate superior, declaring that "the surreptitious handling of this (Schwartz) 'project' is a disgraceful, calculated, gratuitous degradation of the Passport Office . . . The only conclusion reached by the Passport Office at this time is that the recently delivered passports are a misprint and will be returned to the Government Printing Office for correction."

This and a long list of other grievances were communicated to Sourwine and the Eastland Subcommittee who summoned Schwartz to an executive session on June 20, 1963, to explain if he was "out to get" Miss Knight.

Long Series of Sessions

That was the first of a long series of sessions behind closed doors with Sourwine and Senators.

They stretched over a period of 18 months and involved thousands of questions relating to the issuance of passports to Communists, the handling of refugees, and, above all, his treatment of Miss Knight and other subordinates.

Sourwine had a seemingly inexhaustible supply of rumors and information that had come to him through the Subcommittee's intelligence network within the State Department.

"Did you," he asked

Schwartz on Aug. 13, 1964, "describe (this) committee or its proceedings in derogatory terms? Did you make a point of telling these officials that (Sourwine) was highly nervous while questioning you, and did you support this judgment by stating (Sourwine) took some pills and drank a great deal of water? What were you trying to convey to your superiors in that connection?"

[Sourwine later explained that they were reducing pills and had nothing to do with "nervousness."]

Throughout this two-year investigation of Schwartz's administration of the Bureau's affairs, the transcript shows that the same questions came up time and again. Had Schwartz spent \$15,000 to remodel his office, only to be dissatisfied with the baby-blue walls? Had he harassed Miss Knight by delaying payment of Passport Office bills and by delaying his approval of a trip she wished to make to New York? Had he said that Rep. John Rooney (D-N.Y.), "hates Miss Knight"? Finally, had Schwartz tried to fire her?

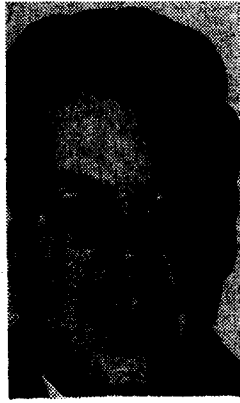
The Answer Was Yes

The answer to that one was that Schwartz had tried many times to fire her and, as an alternative, had discussed with Under Secretary George Ball the possibility of transferring her to any number of other jobs. Nothing came of any of it and Schwartz later said, "The only thing to do was forget it. I couldn't spend my life feuding with a woman."

His last long seminar with Sourwine was on Aug. 15, 1964, and when it was over it was obvious that he had not won any admirers. Sen. Thomas Dodd (D-Conn.) was repeatedly irritated by Schwartz, and Sourwine who remarked that the best solution to the problem might be to abolish Schwartz's office.

That was a prophetic remark. For while Schwartz was commuting between the State Department and Capitol Hill, Deputy Under Secretary Crockett was taking a careful look at that very possibility.

Crockett at this time had troubles of his own with the Eastland Subcommittee because of Otto Otepka, the security investigator in Crockett's shop, who had been suspended from his



Associated Press

JULIAN G. SOURWINE
The pills were for reducing



Harris & Ewing

FRANCES G. KNIGHT
She balked at baby blue walls.

job for leaking information to Sourwine. Schwartz' bureau had nothing to do with that affair but Crockett and Rusk, too, were interested in its operation.

Rusk brought out of retirement former Ambassador Wilson Flake to make a study of the bureau. Crockett put his own man on the same job, Col. George French. Their reports have never been made public, although Flake is said to have recommended that the Bureau not be abolished, but that Miss Knight should be replaced. Rusk has refused to comment on the Flake report and the contents of the French report have not even been rumored.

In any event, these studies were under way at the same time in 1964 that President Johnson asked all departments to find ways to save money. In State economy was the responsibility of Crockett and he began exploring the possibilities of administrative reorganization in a department with 25,000 employees and an annual budget of \$400 million.

Some changes were made in early 1965 and by autumn Crockett had submitted to Rusk his final economy plan. It consisted of one item: abolish the Schwartz bureau, at an annual saving of \$246,000.

Rusk was agreeable and, on Sept. 20, 1965, sent the plan along to the Budget Bureau with the recommendation that it be approved.

Schwartz, busy with refugee problems in Vietnam and the added problem of trying to work out a prisoner exchange formula ac-

ceptable to the Vietcong, was unaware that he was piloting a sinking ship.

Budget Bureau approval of the Crockett reorganization plan coincided with Schwartz's departure for Geneva on a refugee mission. And the plan was cleared with Congress just before he returned to Washington (without disclosure, according to one House member, that Schwartz was to be eliminated.)

On the night of March 3, just back from Geneva, Schwartz was awakened at 11 p.m. by a telephone call from a newspaperman who told him of the reorganization plan.

The next morning he headed for Ball's office. A friend stopped him in the corridor and said: "You ought to know that George has been a sterling character through all this."

Ball confirmed that Schwartz's job would be abolished and suggested that Schwartz might become a special assistant to Rusk—with the same rank and with continued responsibility for refugee and immigrant affairs.

The next stop was Rusk's office, late that afternoon, where the drinks were served, where Schwartz's letter of resignation was discussed, and where no further mention was made of a new job offer.

That was the last meeting between Rusk and Schwartz. The next morning was Saturday and Schwartz went into his office to polish up the letter of resignation. During the day, friends came by to urge him to reconsider and to wait for further word from Rusk.

The afternoon passed, with the resignation still unsubmitted. A little before 6 o'clock the phone rang. It was the Secretary: "Abba, cannot discourage you from submitting your resignation tonight."

Within six hours, the resignation was in a diplomatic pouch, headed for Texas where the President received it 24 hours later, while boarding the plane at San Antonio.

The next day Mr. Johnson replied with an impersonal letter of praise that began: "Dear Mr. Schwartz . . ." and ended with an acceptance of the resignation.

Then the storm broke.