

CONFIDENTIAL.

May 17, 1940.

Hon. Harry S. Truman, United States Senate, Washington, D. C.

My dear Harry:

Last Monday, Colonel Earl H. Shackelford had lunch with me and in the course of our conversation he related that Stark has a system whereby he receives from each county in the state a weekly report of the current political situation in each county.

He says that Stark's latest report shows that you are making substantial gains in every county in the state and that Milligan's campaign hasn't even started; that Milligan is making no impression outstate at all.

This is in line with reports which I get from other sources and a few days ago General Stayton informed me that he had had a talk with Bill Southern who had attended some meetings of the press associations and that Southern had reported that he never saw a campaign flop, or fail to start rather, like the campaign of Milligan; that Milligan is nothing more than an x-United States attorney and he is not clicking at all. It seems conceded by everybody that the race is between you and Stark and it seems that the concentrations of the forces who want to beat Stark are going to get behind you. That is the way I see the picture at the present time.

Shackelford further told me that the SEC investigation of the Union Electric is likely to come to a head at time; that he has been informed by Stark that investigation would reveal that two elected state officials and a United States Senator would be involved as having been a beneficiary of a part of the Union Electric slush fund. Shackelford didn't say who the United States Senator was but, of course, it can only be either you or Bennett. I don't know, of course, whether this information is correct or not, but I am merely reporting what was told to me.

On the 3rd of May, at Indianapolis, I had a long talk with Jess Barrett and he told me he had had considerable contact with the SEC boys and that he would not be surprised if the SEC report shows that some of the Union Electric Company money found its way into his 1936 campaign. He says that he knows nothing about it if it did, but he seems apprehensive that that might be the situation. I am giving you this in strict confidence and will ask that you treat it as such.

I have been informed by a source that I consider reliable that the \$500. that Andy Murphy said he received from the Union Electric, for the purpose of carrying Pike County in the 1936 election was probably considerably more than that amount. The truth is a package was registered to Andy Murphy and this package was insured for \$500.00. No one knows the exact amount that the package contained but I am informed that it was of such a size that it undoubtedly contained more than \$500. in currency. The supposition is that the package was merely insured for this nominal amount for the purpose of insuring delivery of the package. There are some estimates that the package probably contained something like \$5000.00. The S E C boys have a record of all such registered packages that were mailed to various parties throughout the state.

I am further informed that prior to the time when Al Long pleaded guilty before Judge Davis, he decided that he'd better try to help himself and he made an additional statement to the S E C investigators which materially changed the complexion of that investigation. He revealed facts which the investigators had not even touched or had any idea existed; that following Long's revelations the investigators began digging in on Stark and held some private hearings in the Governor's office at which the Governor was placed under oath. Of course, what transpired nobody knows.

In exchange for this information at the time Long pleaded guilty the Chief Investigator for the SEC told Judge Davis that Long had been of considerable help to them in their investigation and that they felt that the ends of justice would be better served if he were not sent to prison but paroled. Barry Blanton opposed the parole, whereupon Judge Davis imposed a sentence of a year and a day and a fine of something like \$4500.00.

This about covers everything that I know of the date and I am going to ask that you please handle this matter in a very confidential way.

With personal regards and best wishes, I remain

Very cordially yours,

WAK:C W A Kitchen