

On 4-18-42 Morris Ernst called the NYC Field Office and advised he was engaged in work relative to John L. Lewis (subject of 62-28488) for the President with which the Director was familiar. Ernst stated an individual named Galaza, head of the Labor Division, Pan American Union, Washington, D.C. was interviewed by one whom Ernst considered reliable, and stated he (Galaza) could obtain documents which Toledano had in Mexico establishing that Lewis received money in the Mexican oil deal in which William Rhodes Davis was involved. Ernst would like to obtain information concerning Galaza if the Bureau could provide it. Ernst believed Galaza could be trusted and he, Ernst, was prepared to obtain the documents mentioned.

62-28488-82

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This reference is a Bureau memo dated 5-13-42 regarding William Rhodes Davis (subject of 65-1168) which is a lengthy account of the information which Morris L. Ernst furnished a Bureau agent when he called on Ernst on 5-11-42 in his office, NYC. Ernst had previously furnished information regarding documents located in Mexico reflecting collaboration between Davis, John L. Lewis and Vicente Lombardo Toledano in connection with effecting the expropriation of American-owned and controlled oil lands by the Mexican Government.

Ernst received information from time to time concerning the activities of Davis, Lewis and Toledano through Victor Riesel, a writer for the "NY Post."

65-1168-482 p.1-5

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In May, 1942 Morris L. Ernst telephonically advised of a naval contract which he believed to be fraudulent involving Senator David I. Walsh of Massachusetts. Ernst stated it was a \$16,000,000 contract known as the South Boston Works involving work on the docks in Boston and Walsh supposedly boosted a friend for the contract but because the friend was under indictment in an income tax case, he was not eligible for the contract. The contract was finally given to a corporation under control of the same man.

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