of this shocking incident. I ask unanimous consent that my news release of April 15, 1969 be printed in the CONGRESSIONAL RECORD following my remarks.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

A NEWS RELEASE FROM THE OFFICE OF U.S. SENATOR STROM THURMOND, REPUBLICAN OF SOUTH CAROLINA, APRIL 15, 1969

WASHINGTON, D.C.—North Korea's destruction of a U.S. Navy unarmed aircraft in the free skies over international waters is another act of dastardly aggression by the communists. The military power of the U.S. can no longer be made a mockery by North Korea. This malicious act in violation of international law cannot be accepted. It is time we use our power to protect our men and our national interests.

It is most disturbing to me that the United States did not provide fighter aircraft to protect this reconnaissance flight in such a sensitive area. Apparently, this Navy flight was a "flying Pueblo." I would think by this time that we would have learned a tragic lesson in dealing with North Korea which has been committing provocative acts of aggression for years against our forces and South Korea. I would like to know why this "flying Pueblo" was not protected.

I am hopeful that current search and rescue operations for the crew of 31 are successful. However, it is most distressing to learn that the U.S. is sending only one search aircraft and two destroyers for the search. The U.S. Navy and Air Force should move in appropriate strength to the Sea of Japan in search of the crew. It should be an all-out search with maximum combat forces. If North Korea attacks this rescue force, then our forces should be under orders to destroy all attackers.

THE DUBCEK OUSTER

Mr. THURMOND. Mr. President, 2 weeks ago I stood in the streets of Prague and watched the expressions on the faces of the Czechoslovak people, hungry for freedom. I said then that it was my hope that the Czechoslovak people would enjoy the same freedoms which we enjoy in the United States.

At that time, those of us in the delegation did not know that First Party Secretary Alexander Dubcek had already been designated to be removed from his office. That very day, Marshal of the Soviet Union, A. A. Gretchko, was in conference with Dubcek, giving him his orders from Moscow.

Dubcek was out, Gustav Husak was in. Stalinism was once more triumphant in Czechoslovakia, as it must be triumphant wherever communism exerts its rule. We did not know then nor did the world until the following week that Dubcek was being removed by Soviet orders, but it was obvious that Dubcek would remain in office only as long as the Soviets thought it necessary to exterminate all their opposition.

Mr. President, the State newspaper has ably summed up the contrast between Dubcek and Tito in their editorial "Goodbye to Dubcek." The State says:

Free inquiry must of necessity lead to rejection of Communism as a system of economics and it is this system on which the state is built. Tito, for all his corruption of Communist economics, has never been so foolish as to suggest that dangerous ideas should not be suppressed and their proponents punished.

This, in essence, sums up the meaning of communism and Soviet rule.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial entitled "Goodbye to Dubcek," published in The State for April 20, 1969.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOODBYE TO DUBCEK

The Czech reformer, Mr. Alexander Dubcek, has been relieved of his public duties and now will have time, if he lives, to reflect on the error of his ways. Chief among his missteps, as Dubcek must recognize better than anyone else, was the attempt to mix oil and water—that is to say, Communism and freedom.

This is a nearly impossible task under the best conditions, and it was Dubcek's miscalculation to attempt it under the worst. Even had he been able to reconcile the contradictions at home, the Russians would have prevented it. They understand what Dubcek allowed himself to forget: To cure the disease of Communist totalitarianism is to kill the doctor.

Economists—even Communist economists—long have recognized the fallacy of Marxism and its Labor Theory of Value. Pure Marxism, which dismisses the function of profit, is incapable of assigning priorities to investment and disinvestment and consequently cannot work. But the pretense is maintained. It has to be maintained, for without the excuse of Marxist economics the need for state management ceases to exist.

This is fundamental to an understanding of why the most permissive Communist governments require rigid censorship. They may fudge on the economics of Communism—slyly instituting the profit motive by some other name, as in Yugoslavia, Romania and even the Soviet Union. But they cannot allow the unfettered freedom of speech and scholarship that free nations accept as a matter of course.

Add to this the danger that nationalism represents to Moscow's military complex in Eastern Europe and it is easy to see why Dubcek failed. He was doomed from the start. As long as the Western nations keep hands off the satellites—which is likely to be a good, long while—the Russians always will snuff out such rebellions as jeopardize the purity of fictive Communism among the Soviet dependents.

Optimism was sustained in Dubcek's case only because of the failure in the West to understand or accept the necessarily repressive nature of Communism. It was thought that Czech Communism could be liberalized, the press unshackled, scholars cut loose from their straitjackets, critics set free to probe the Marxist superstition. This appears to have been Dubcek's misapprehension, too, although in the early stages of reform he was moved to warn against any attempt to challenge the Communist theology.

This very warning underscores the Dubcek error. Free inquiry must of necessity lead to rejection of Communism as a system of economics, and it is this system on which the state is built. Tito, for all his corruption of Communist economics, has never been so foolish as to suggest that dangerous ideas should not be suppressed and their proponents punished.

Tito has survived. Dubeck has not. And free men will contemplate this lesson in survival without enjoyment.

THE OTEPKA APPOINTMENT

Mr. THURMOND. Mr. President, in recent weeks, the New York Times has published three articles and editorial attacking the judgment of President Nixon in appointing Otto Otepka to the Subversives Activities Control Board.

While everyone has a right to an opinion on this topic, the New York Times has been less than candid in acknowledging its own conflict of interest in this affair. Readers who read the recent editorial attacking Mr. Otepka's integrity would have found no clue indicating that one of the principal names in the Otepka case was printed at the top of the newspaper masthead. I am referring, of course, to Mr. Harding F. Bancroft, executive vice president of the New York Times.

Mr. Bancroft's name was one of six individuals submitted to Mr. Otepka for evaluation from a security and suitability standpoint. His name was among those who were judged to require further investigation under law and regulations before the appointment could be made. In other words, because of certain material of a security nature which Mr. Otepka found in their files, the regulations of the State Department under Executive Order No. 10450 required that a full investigation would be necessary. This is not to say that Mr. Otepka labeled Mr. Bancroft as a security risk or made any allegations whatsoever about his character. He merely said that the same regulations should apply to Mr. Bancroft as would apply to any other citizen of the United States under such circumstances.

Instead of accepting Mr. Otepka's recommendation, the State Department chose to appoint Mr. Bancroft on a waiver, thereby taking the case out of Mr. Otepka's hands. This action later became a central issue in Mr. Otepka's testimony before the Senate Internal Security Subcommittee when he cited it as an example of declining respect for security regulations. When his superiors denied that this action had been taken, Mr. Otepka furnished for the subcommittee his memorandum protesting the waivers as evidence that his superiors had lied.

Today we find, then, that Mr. Bancroft is now the executive vice president of the newspaper which is leading the attack against Mr. Otepka. I repeat that Mr. Otepka never attacked Mr. Bancroft but merely said he should be subject to the same security regulations as any other U.S. citizen. Now, 8 years later, Mr. Bancroft's newspaper is leading the vendetta against Mr. Otepka. It is hard to believe that there is not some element of retaliation in this instance.

It is also interesting that Mr. Bancroft's expressed views on security were contrary to the security policies under which Mr. Otepka was operating. After Mr. Bancroft was hired on the basis of a security waiver, he participated in a report for the State Department, recommending that U.S. citizens employed by the United Nations should not be made the subject of regular security precautions. The report of this Commission also became one of the cases investigated by the Senate Internal Security Subcommittee as evidence of the degenerating security system at the State Department.

Mr. President, I ask unanimous consent that pertinent excerpts from the published testimony before the Senate

Internal Security Subcommittee be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that two columns by Paul Scott reporting on Mr. Bancroft and the New York Times campaign be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1, 2, 3, 4, 5, 6, 7, 8, and 9.)

EXHIBIT 1

STATE DEPARTMENT INTERNAL CORRESPONDENCE LEADING UP TO ISSUANCE OF SECURITY WAIVERS FOR HARDING BANCROFT, ET AL.

DEPARTMENT OF STATE, REFERENCE SLIP, FEBRUARY 4, 1963

Office of the Deputy Assistant Secretary for Security

Routing: Mr. Otepka.

Subject: Loyalty Investigation of U.S. Citizens Employed by International Organizations.

Would you look into this please and may I have your views by February 8?

Attachment: Copy of MEMO FOR OIA—Mr. Hefner re subj dtd 1-27-63.

From: John F. Reilly.

JANUARY 27, 1963.

Memorandum for: OIA—Mr. Hefner.

Subject: Loyalty Investigations of U.S. Citizens Employed by International Organizations.

It seem to me the subcommittee has made a sufficiently strong case for changing the policy on loyalty investigations, to justify our pushing right ahead with a recommendation for the change.

I take it that the essential change (to provide that non-professional employees, employees in P-1 slots, and persons employed for less than two years, should be cleared on the basis of a check without full field investigation) could be accomplished through a change in the Executive Order without a change in basic legislation involved. This would also be true of the other recommendation, that professional employees be cleared, with a full field investigation *after* they have been hired, could also be done by Executive Order, but I doubt if we would want to do this without full consultation on the Hill, notably with Senator Stennis.

You already have the original of a memorandum from the Legal Adviser. Would you please work with L in developing a recommendation to the Secretary, which should also be cleared with Mr. Orrick and Mr. Dutton?

IO—HARLAN CLEVELAND.

CC: Mr. Wallner
Mr. Gardner
Mr. Chayes
Mr. Orrick
Mr. Dutton

FEBRUARY 8, 1963.

Mr. REILLY: As requested by you, I have looked into this matter fully and have obtained significant information which I am ready to discuss with you today at your convenience. (I wil be at an ICIS meeting in Justice from approximately 1:45 p.m. to 4:00 p.m.)

OTTO F. OTEPKA.

Attachments:

1. Copy of Memorandum for OIA—Mr. Hefner re Loyalty Investigations by International Organizations, dated January 27, 1963

2. Mr. Reilly's chit to Mr. Otepka of Feb. 4, 1963

[Confidential]

SEPTEMBER 17, 1962.

IO—Mr. George M. Czayo

O/SY—John F. Reilly [initialed J.F.R. in ink].

Processing of Appointments of Members of the Advisory Committee on International Organization Staffing.

Reference your memorandum of July 6, 1962 which furnished a copy of Mr. Harlan Cleveland's memorandum dated July 3, 1962 to Under Secretary Ball describing a proposal to establish an advisory committee that would undertake a study with respect to fiscal policy and staffing of international organizations. Mr. Cleveland's memorandum expressed his concern that posts available to the United States and to other non-Communist countries in the UN agencies be properly staffed in order to effectively combat Soviet subversive designs on those agencies.

In a memorandum dated August 7, 1962 addressed to PER-EMD—Mr. Simpson (copy to SY) you requested that the proposed members of the Committee be entered on duty as employees by a security waiver and indicated that each proposed member would comply with the Department's regulations by supplying completed processing forms.

As of this date full security clearances have been issued for Arthur Larson and Francis O. Wilcox. Mr. Sol Linowitz's will also be issued shortly. As to the others, forms have been received for all except Harding Bancroft, Joseph Pois and Karney Brasfield which, it is understood, are forthcoming.

Mr. William H. Orrick, Jr., Deputy Under Secretary for Administration, has issued a memorandum expressing his reluctance to recommend to the Secretary that he sign any further waiver unless there was a genuine urgency and an ample justification for the person's services.

In view of the fact that the full Committee shall not meet again until sometime in November and that five of the individuals proposed for membership on the committee have data in their files developed by prior investigation that is not entirely favorable, I am not recommending that waivers be granted.

O/SY: DIBelisle [initialed in ink]: mc Dist.:
Orig & 1 addressee
cc subjectfile
cc chron cc OFO chron

EXHIBIT No. 1-a

[Handwritten note at top of memo: "Sent to Reilly for signature, 9/13/62."]

IO—Mr. George M. Czayo

O/SY—John F. Reilly

Processing of Appointments of Members of the Advisory Committee on International Organization Staffing

Reference is made to your initial memorandum of July 6, 1962, addressed to SY—Mr. Otepka with which you furnished a copy of Mr. Harlan Cleveland's memorandum dated July 3, 1962, to Under Secretary Ball describing a proposal to establish an advisory committee that would undertake a study extending over a period of about six months with respect to fiscal policy and staffing of international organizations. I have particularly noted in Mr. Cleveland's memorandum his concern that posts available to the United States and to other non-Communist countries in the U.N. agencies be properly staffed in order to effectively combat Soviet subversive designs on those agencies.

In your initial memorandum you indicated that the members of the committee would need to be appointed to the Department as Consultants and each would require a security clearance predicated on a full field investigation. Also, you requested a security clearance to allow the proposed members to participate in the first meeting of the committee to be held on July 25, 1962 in which classified data would be discussed. With the understanding that the participants (except those who were already State Department employees) would have controlled access to classified data through Secret as necessary for the meeting and with the further understanding that the services they contributed would not then constitute employment by the Department, SY granted an "access" clearance to these participants. Subsequently, these and other proposed members of the committee were granted the same level of clearance by SY for a second meeting in the terms of the same understanding as for the first meeting. Such clearances are permitted by Section 7, E. O. 10501 for persons not actually employed by the Federal Government who may need to be consulted occasionally in some specialized field.

In a second memorandum dated August 7, 1962 addressed by you to PER/EMD—Mr. Simpson (copy to SY) you requested that the proposed members of the committee be entered on duty as employees by a security waiver (i.e. an emergency clearance signed by the Secretary pursuant to 3 FAM 1914.2). You indicated that each proposed member would comply with the Department's regulations by supplying completed processing forms (applications for employment, security questionnaires, fingerprint charts, etc.).

In résumé, as of this date full security clearances under E. O. 10450 for employment in sensitive positions have been issued by SY to PER/EMD for Arthur Larson and Francis O. Wilcox. Their security history satisfied the requirements of E. O. 10450 without the necessity of either person furnishing any processing forms for SY use and without resorting to a waiver. As to the others, forms have been received for all except Harding Bancraft, Joseph Pois and Karney Brasfield which, it is understood, are forthcoming.

I have been informed that the full committee shall not meet again until some time in November. I share Mr. Cleveland's concern with regard to one objective to be achieved from the committee's study, namely, the defeat or minimising of Soviet subversive tactics. For these and the following reasons I would like to urge you to withdraw your request for a security waiver:

1. An emergency clearance does not allow SY to take the maximum precautions prescribed by regulations for the security of the Department's operations. When a person is permitted to occupy a sensitive position before he is adequately investigated and where he must have access to highly classified information in the course of his duties, post appointment investigations may develop derogatory information thereby creating a question as to whether the Department's security interests have been damaged by disclosing vital data to a potentially undesirable person.

2. The frequent, and perhaps excessive use in the recent past of emergency clearances for officer personnel caused Mr. Orrick to issue a memorandum clearly expressing his reluctance to recommend to the Secretary that he sign any further waiver unless there was a genuine urgency and an ample justification for the person's services.

3. Five of the individuals proposed for membership on the committee have data in their files developed by prior investigations, that is not entirely favorable. These investigations are either not current or are incomplete, or both. On the basis of the provisions in E. O. 10450, some, if not all of this information must be carefully reconsidered under a broad security standard which can best be done if a supplementary and current

investigation is completed before those persons enter on duty as employees.

4. SY believes that if the meetings of the committee are not to be resumed until November we can provide the necessary investigation of each case that should fully resolve any presently existing question. We cannot, of course, predict the final outcome, but we believe it is not in the Department's best interest to "invite" any derogatory case into the Department before a full investigation has been completed and an impartial and thorough assessment has been made based on all of the facts.

5. SY is prepared soon to add the full clearance of Sol Linowitz to those granted to Mr. Larson and Mr. Wilcox.

Distribution:
Orig and 1 addressee
cc—chron file
cc—subject file
cc—chron file (Mr. Reilly's)
O/SY/E:OFOtepka:ebp, 9–13–62.

EXHIBIT No. I-b

DEPARTMENT OF STATE REFERENCE SLIP, SEPTEMBER 13, 1962

To: Mr. Belisle [initial in ink].
Mr. Reilly.
[for] (X) Approval. (X) Signature.
Remarks or additional routing:

Dave, re your note appended to my memorandum of September 10, 1962 as result of my conversation with Czayo who said committee would not meet again until November, I prepared a memorandum from JFR to Czayo which I think will dispense with the necessity of taking this up with Orrick along the lines you suggested.

Attachment: Suggested memorandum to Mr. Czayo drftd. by Mr. Otepka.

OTTO F. OTEPKA.

EXHIBIT No. I–c

Handwritten memo to Mr. Otepka:

OTTO: Pls. prepare a memo for Mr. Orrick relating the reasons for our recommendations that we not grant the waiver.

You will have to summarize the info rather than referring to the Tabs.

Suggest you follow this procedure rather than the memo from SY/E to SY. This will eliminate unnecessary typing and work on your part.

/s/ BELISLE.

9–11–62.

Handwritten marginal note: "Not necessary. See subsequent memo to IO. Czayo. OFO 9/13/62"

EXHIBIT No. I–d

Handwritten memo on margin of copy sheet.

3x5 "chit," handwritten, from Belisle to Reilly re Otepka's draft of 9/13/62.

JACK: I agree with the conclusions—however, we sure go thru a h—l of a lot of words. If you concur, I'm going to start knocking these down—short and concise.

/s/ D.

Handwritten memo on bottom of copy sheet: "Reilly's note said 'I agree. Let's start with this one'."

EXHIBIT No. I–e

Department of State, Washington.
Interdepartmental Reference.
Referred to: Otto, Office of Security, Division of Evaluations, September 20, 1964.
Comments: I am returning your orig along with copy sent to rewrite.

Please make memos short—concise and to the point. Your orig was too verbose and contained too much detail.

/s/ BELISLE.

EXHIBIT No. I–f

[Confidential]

SEPTEMBER 10, 1962.

O/SY—Mr. John F. Reilly.
SY/E—Otto F. Otepka—F [initialed in ink]

Francis O. Wilcox, Arthur Larson, Lawrence Finkelstein, Marshall D. Shulman, Andrew Cordier, Ernest Gross, Harding Bancroft, Sol Linowitz.

On August 7, 1962, IO—Mr. Czayo submitted a request to PER/EMD concerning emergency clearance for each of the above individuals pursuant to 3 FAM 1914.2 indicating therein that immediate interim clearance be processed for Shulman and Finkelstein and that subsequent requests for emergency clearance would follow for the others. PER/EMD forwarded Mr. Czayo's memorandum to SY on August 8, 1962 accompanied by a specific request for an immediate "waiver" on Shulman and Finkelstein.

Acting on the basis of information provided by IO that it was necessary for Assistant Secretary Cleveland urgently to utilize Wilcox, Larson, Finkelstein, Shulman, Cordier, and Gross on the Advisory Committee on International Organization Staffing with the understanding that they (a) would have only limited and controlled access to certain data relating to these operations (b) would not enter into any formal employment relationship and (c) would not be compensated for their services, SY granted those six persons *clearances for access* to classified data through Secret (as permitted by Section 7, E. O. 10501) to enable them to participate in two initial meetings of the Committee. It was stated by IO that formal employment of these persons would take place at a later date.

In the meantime SY continued to process the usual preliminary inquiries which are conducted on proposed emergency appointees. While these were in process Mr. Orrick issued his memorandum of August 21, 1962 expressing his reluctance to further recommend any emergency clearance to the Secretary unless amply justified and also indicating that he would insist on full field investigations, including completion of processing forms and personal interviews, before a clearance would be granted for employment in a sensitive position.

I have examined the SY files and other records on all of the eight individuals. I found that the investigative and clearance data in the cases of Wilcox and Larson is adequate to issue a full security clearance without further investigation and without these persons having to submit SF–86 and SF–87. I am concerned, however, with the others on whom I submit the following résumé:

LAWRENCE FINKELSTEIN

There was no pertinent derogatory information developed in the preliminary checks. However, it was revealed Finkelstein was a research employee of the Institute of Pacific Relations (1949–51) and a contributor to its publications. At that time the IPR was under active investigation by the Senate Internal Security Subcommittee. Though not a Communist organization, subject's activities on behalf of the IPR should bear scrutiny before (not *after*) appointment to determine if subject was under the influence of the inner core directorate of IPR whom the Internal Security Subcommittee found to be Communist or pro-Communist. [One sentence deleted: reference to medical record.]

There is only meager investigative history regarding Finkelstein.

MARSHALL D. SHULMAN

Shulman was considered for an emergency appointment in January 1958. Pertinent information regarding this proposal is set forth in the underlying Tab A. Other significant information appears as Tab B. SY was informed by SCA in February 1958 that Mr. Shulman "was not available for appointment." In November 1961 S/S reviewed Shulman's SY file following a request that an inquiry be initiated by SY with respect to the proposed appointment of Shulman as a Consultant to Under Secretary Ball. On November 13, 1961 S/S informed SY it would have no immediate use for Shulman's services.

I do not recommend the emergency clearance of Shulman. It is my view he should be thoroughly investigated prior to appointment for the reasons indicated in Tab A.

ANDREW CORDIER

Cordier was employed by the UN from 1946 to 1961. He was Executive Assistant to Secretary General of the UN, Dag Hammarskjold, from 1957 until the latter's death in 1961. Cordier then retired from the UN. Cordier was cleared by the Civil Service Commission under E. O. 10422 in 1953 after appropriate investigation conducted under the provisions of that Executive Order. A summary of the investigative data developed appears in underlying Tab C. Following that investigation Povl Bang-Jensen, a Danish employee of the UN, accused Cordier of pro-Soviet views and charged that Cordier brought about his (Bang-Jensen's) dismissal by the UN because Bang Jensen refused to turn over the names of Hungarian Freedom Fighters to the UN where the Soviets would have access to them. Bang-Jensen later was found dead under mysterious circumstances in Central Park, New York City. In 1960 the Senate Internal Security Subcommittee published a report on the Bang-Jensen case which prominently mentioned Cordier. Detailed information about Cordier is in the Bang-Jensen file and this data needs to be fully coordinated with the SY file on Cordier.

I do not recommend the emergency clearance of Cordier. His SY file together with the findings of the Internal Security Subcommittee reflects far too many unresolved matters which in the best interests of the Department should be clarified before his appointment.

ERNEST GROSS

Gross is a former Presidential appointee having served as a U.S. Delegate to UNGA, successively in 1950–53. He served the Department in other high capacities from 1946 to 1949. He was cleared for those appointments under the then existing standards. He has not been investigated since 1953. In 1958 Gross became employed as a legal adviser to Secretary General Dag Hammarskjold of the UN and reportedly represented the Secretary General in the Bang-Jensen matter. In 1958 Bang-Jensen asserted Gross was friendly with Alger Hiss. There is no pertinent data in SY files explaining the significance of this information.

I recommend that the foregoing matters reagrding Gross be clarified by investigation before he re-enters on duty in the Department of State in a sensitive position.

HARDING BANCROFT

Bancroft is a former employee of the Department. He left in 1953 when he accepted an appointment in Geneva with the International Labor Organization. He was considered for reappointment to the Department in 1955 at which time his case came up for readjudication under the standard of E. O. 10450 in connection with his re-employment rights. The case was closed without decision when Bancroft failed to exercise his re-employment rights. A rough draft summary

prepared at that time (Tab D) covers the substantive data in his file. He has not been investigated since 1954.

On the basis of the above information I recommend a supplementary investigation under E. O. 10450 before Bancroft is reemployed by the Department.

SOL LINOWITZ

There is no previous investigative data on Linowitz in SY files. Preliminary record checks in files of other agencies are pending.

Unless IO submits a justification indicating that Linowitz's services are essential to the immediate needs of the Committee I would feel that he should be investigated before appointment and according to the terms specified in Mr. Orrick's memorandum of August 21, 1962.

I discussed with Mr. Czayo on September 6, 1962 the provisions in Mr. Orrick's memorandum of August 21, 1962 and also pointed out to him generally the difficulty for SY in rendering judgment for an interim security clearance in the cases of Finkelstein, Shulman, Cordier, Bancroft, and Gross where there is unresolved derogatory information. I said that in such cases there are far more problems generated in attempting to clarify the information after appointment than there would occur if the Department carried out the requirements prescribed by its regulations, i.e., assuring the maximum security of its operations and personnel by obtaining current and satisfactory full field investigations before appointment.

I told Mr. Czayo that the substantive data in the five cases (Finkelstein, Shulman, Cordier, Gross and Bancroft) would be brought to Mr. Orrick's attention and suggested that perhaps Mr. Cleveland might wish to discuss them with Mr. Orrick to determine whether the investigations should proceed on a preappointment or post appointment basis in the light of the urgency of the needs of the Department in regard to the functions of the Advisory Committee on International Organization Staffing.

You may wish, therefore, to bring this matter to Mr. Orrick's attention orally. If more written staffing data is desired please let me know.

Attachments: A, B, C, and D.

(EDITOR'S NOTE.—Attachments not printed because they were not furnished.)

AUGUST 7, 1962.

Memorandum: EMD—Mr. Simpson.
(Attention: Mrs. Selvig).
Subject: Request for Waiver, Advisory Committee on International Organization Staffing: Ernest A. Gross, Marshall D. Shulman, Andrew W. Cordier, Harding Bancroft, Lawrence Finkelstein, Francis O. Wilcox, Arthur Larson.

Assistant Secretary Harlan Cleveland, with the concurrence of Mr. Ball and after general discussion with the Bureau of the Budget has initiated a management study on the strengthening U.S. influence in the financial management and staffing policies of international organizations. A survey staff, composed of AID, Bureau of the Budget, and State employees, headquartered in the New State Building, are responsible for fact-finding, analysis and preparation of recommendations. An advisory group of private citizens will come in from time to time for consultations and meetings relative to United States strategy in the United Nations.

The first meeting of the advisory group took place on July 25, 1962, and access clearance was granted for this meeting. It is Mr. Cleveland's desire to employ the individuals who comprise the advisory group as either WOC or WAE consultants, depending on the amount of the allocation the Department of State will receive from the Management Improvement Appropriation. This will be determined when the position descriptions are prepared and formal request for employment made on DS-1031.

Mr. Otepka's memorandum of August 1, 1962, a copy of which was sent to your office, indicates that no investigation is required of two of the members—Francis O. Wilcox and Arthur Larson.

I understand that security clearance is in process on Marshall D. Shulman at the request of INR, who intend to appoint Mr. Shulman as Consultant. Completed employment forms are attached herewith for Lawrence Finkelstein. I request that a security waiver be processed for these two in order that they may be cleared for a series of meetings which are planned for early September.

We have sent employment forms to Ernest Gross, Andrew Cordier and Harding Bancroft and will forward them to you as soon as they are received with a similar request for security waiver. Access clearance for the July meeting was not granted Harding Bancroft because he was in Europe and was not available for that meeting.

IO—GEORGE M. CZAYO.

EXHIBIT 2

EXCERPTS FROM REPORT PREPARED BY HARDING BANCROFT, ET AL., RECOMMENDING REDUCED SECURITY REQUIREMENTS FOR U.S. CITIZENS EMPLOYED AT U.N.

Senator DIRKSEN. Then without objection and by agreement, this copy which has been authenticated by Mr. Reilly will be made a part of the record, as previously ordered.

Mr. SOURWINE. Thank you, Senator.

(Editor's note: The document referred to above is a report (with a foreword) of the Advisory Committee on Management Improvement, dated March 1963, on the subject of "Staffing of International Organizations," which bears the date of February 19, 1963. At the beginning of this report is a short "Foreword" apparently signed by 12 members of the Advisory Committee. The cover page bears the date of March 1963. On top of this were three pages captioned "Staffing International Organizations Summary of Recommendations," and bearing the date of February 25, 1963. All portions of the document, in the order in which they were stapled together when received by the subcommittee, are reproduced here.)

STAFFING INTERNATIONAL ORGANIZATIONS

Summary of recommendations

1. The United States should alter its attitude toward the staffing of international organizations which has been, during a period of time, somewhat laissez faire to one of objective alertness. It has an obligation under the U.N. Charter to seek to improve the quality of personnel and of personnel administration in the international agencies.

2. The President should announce a policy in respect to staffing of international organizations which envisions much fuller use of all U.S. Government departments and private organizations in this effort. The policy statement should be accompanied by a move to set up a U.S. Government Advisory Council composed of representatives of private agencies in the fields of international relations, education, business, labor, and agriculture to support Government efforts to nominate highly qualified personnel for this purpose.

3. It is recommended that the position of Special Assistant to the Assistant Secretary for International Organization Affairs be set up with the function of developing and directing the execution of a single U.S. recruiting policy utilizing all appropriate Government resources and available private resources. The incumbent of this position would serve as a central information and record point, would evaluate the effectiveness of U.S. recruiting efforts, and would coordinate the efforts of U.S. missions abroad. Actual recruitment would be decentralized to U.S. Government agencies which are counterparts of the U.N. agencies. In those cases where counterpart U.S. agencies do not exist, responsibility for recruitment should rest with an international recruiting service within the State Department. A U.S. Government coordinating committee for international recruitment should be formed to facilitate access to the total personnel operations of the Government, as needed.

4. To serve total U.S. purposes, arrangements should be made to facilitate the cooperative use of AID and State of the U.S. AID recruiting and placement mechanisms for bilateral aid and the counterpart U.S. mechanisms for multilateral aid. The needs of both organizations can be met more expeditiously by full cooperation and there should be a definite U.S. policy that promotes the idea the service in either multilateral or bilateral aid organizations is a part of the career ladder for all U.S. technical assistance personnel.

5. It is recommended that Executive Order 10422 be amended to eliminate the requirement for a full field investigation for U.S. citizens recommended for employment through the P-1 grade and for all persons of any grade being considered for employment for a period of 2 years or less and that only a national agency check be used for those people. A full field investigation after employment is recommended for those above the P-1 level being considered for extended employment. The national agency checks would be completed, however, before U.S. citizens are recommended for employment by international agencies. No clearance procedure should be required for U.S. Federal Government employees who have been cleared and are in good standing in their agencies. Funds for all such checks and investigations should be appropriated to the Department of State and it should be permitted to use any investigative agency it chooses.

6. The United States should sponsor a study of emoluments for U.S. and U.N. personnel serving in headquarters overseas and in technical assistance positions in order to establish comparability of information for employment purposes. In addition, the United States should sponsor a coordinated policy for emoluments for all U.N. agency personnel, including the International Monetary Fund and the World Bank.

7. In order to perform the job of staffing international organizations more expeditiously, the United States needs regular and nearly uniform information on the vacancy situation. The obtaining of vacancy information should be incorporated in the reporting instructions to be issued to U.S. missions to international agency headquarters.

8. It is recommended that a current directory of U.S. personnel serving in international organizations be maintained by the International Recruitment Service in the Department of State. The maintenance of such a directory will serve a variety of useful purposes.

9. In its general recruitment procedure the U.S. Government should pay particular attention to the recruitment of junior officers to the extent that career opportunities for them in international service are known to exist.

10. It is recommended that amendment to Public Law 85-795 be sought to permit secondment of Foreign Service officers to international organizations when appropriate, and that the necessary administrative steps be taken to facilitate assignments.

11. The United States should adopt a program of orientation for U.S. personnel selected for service in international organizations. This program should deal with the importance which the United States attaches to their assignments and with the favorable influence which effective international service can have on the U.S. posture in the international scene.

12. It is both desirable and proper that U.S. missions overseas and in New York accord appropriate recognition to American nationals who are contributing to international amity through service in international organizations.

13. There is need for all U.S. agencies concerned with the activities of international organizations to contribute to the identification of major posts. Those are not necessarily the highest ranking positions but include those posts which are concerned with the development of policy and program, which require superior technical capacity and initiative, and which require ability to contribute to the solution of complex problems of general administration. A special responsibility devolves upon U.S. missions to headquarters of the U.N. agencies to give this advice on a continuing basis.

14. It is recommended that the Department revise standing instructions to missions to international organizations to include an assignment of responsibility in the area of staffing and personnel administration and to provide that the responsibility be placed with a single top level officer in the mission. In connection with this role, the U.S. mission should be given the responsibility for identifying well-qualified foreign nationals for service in international organizations.

15. Appropriate efforts should be made from time to time to inform the American public of the importance the U.S. Government attaches to service in international organizations.

A REPORT OF THE ADVISORY COMMITTEE ON MANAGEMENT IMPROVEMENT TO THE ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL ORGANIZATION AFFAIRS, MARCH 1963

FOREWORD

In his report of June 25, 1962, to the 87th Congress on U.S. contributions to international organizations, estimated at about $312 million for the 1962 fiscal year, the Acting Secretary of State pointed out that:

"The United Nations and the other organizations and programs to which the United States contributes carry out activities which support one or both of the basic aims of U.S. foreign policy: First, the promotion of peace and security; second, the promotion of economic and social growth, which may well be one of the best ways to achieve peace and security in the long run.

"The concept of multilateral cooperation and action has been actively supported by the United States as one of several means of achieving a better world in which to live. These international organizations, most of which were established after World War II, are emerging from their infancy and are gradually gaining the capability to handle international tasks of greater dimensions. Their capacity to act benefits both the United States and the rest of the world."

It is against this background of the traditional and whole-hearted U.S. support of international organizations and of the potentiality of these organizations that the Advisory Committee on Management improvement makes this report on staffing.

As the responsibilities of the international organizations increase in quantity, complexity, and significance, the greater becomes the need for an active concern about improving the human resources which the organizations require to carry out their tasks. How can the best qualified and best trained persons be obtained? How can the most effective personnel management be accomplished? Such a concern, motivated by a genuine desire for effective multilateral machinery, must be worldwide, and those member states which are committed in fact to making it possible for international organizations to meet the challenge they face, should lead the way. The Advisory Committee, therefore, believes that the United States must extend its historic policy of political and financial support to include support for improving the quality and management of the staffs of international organizations. It believes, also, that this country can and should do more to discharge its own responsibility to make available highly qualified candidates as they may be required and to encourage specific improvements in personnel administration. The following report is directed toward these ends.

Harding F. Bancroft, Karney Brasfield, Andrew Cordier, Lawrence S. Finkelstein, Ernest A. Gross, Arthur Larson, Sol M. Linowitz, Joseph Pois, Marshall D. Shulman, Francis O. Wilcox, John W. Macy, Jr., Robert Amory.

STAFFING INTERNATIONAL ORGANIZATIONS

* * * * *

6. GOVERNMENT CLEARANCE OF CANDIDATES FOR INTERNATIONAL ORGANIZATION EMPLOYMENT

Under Executive orders a loyalty clearance on the basis of a full field investigation is required for all U.S. citizens considered for employment by international organizations. Investigations are made by the Civil Service Commission with referral to the FBI when loyalty information is uncovered. Findings are reviewed by a loyalty board in the Commission and advisory opinions are furnished the international organizations through the State Department. Started in 1953 the program has cost $5.2 million. It has resulted in the denial of employment to 5 persons and in the termination of 11 persons employed at the outset of the program because of adverse loyalty findings. In addition, suitability information secured during investigations which might affect employment is called to the attention of the organizations, although this is not provided for by the Executive order. The number of candidates not selected for suitability reasons is unknown.

The Committe has taken note of the fact that this domestic clearance requirement is operating to prevent the selection of well-qualified Americans for international organization posts. Time is the most important factor. Faced with a choice, for example, an international organization is likely to select an immediately available foreigner in preference to an American who perhaps will be given a clearance by his Government after an investigation of several months. Many Americans, moreover, cannot remain candidates for an indefinite period while the clearance process takes place. The Committee believes a screening program should be continued, but that it should be put on a par with that now in effect for Government employees. It must be recognized, moreover, that the sensitivity aspects of U.S. agencies are not present in the case of international organizations, that international organizations generally require a probationary period of service for extended appointments and that employment may be terminated for cause.

The Committee recommends that the Executive order be amended to require a national agency check only (not a full field investigation) for persons considered for nonprofessional employment, for the P–1 grade, and for persons at any grade being considered for employment for a period of 2 years or less.

There would be a full investigation for those in the professional categories above the P–1 level being considered for extended employment, but it could be made after employment. The record checks, however, would be completed before the persons were recommended for employment. No clearance procedure should be required in the case of a Federal Government employee who has been investigated and cleared and is in good standing in his agency.

The substantial savings that will result from these modifications of the clearance process should be used to permit advance national agency and reference checks of potential candidates.

The Committee also believes that it should be possible to use whatever Federal investigative agency can most expeditiously make a full field investigation at a particular time, rather than relying solely on the Civil Service Commission, and that the method of funding should be changed so that the State Department obtains funds and reimburses the investigative agency.

EXHIBIT 3

TESTIMONY OF JOHN F. REILLY, APRIL 30, 1963, RELATING TO PROPOSALS OF HARDING BANCROFT, ET AL., TO REDUCE SECURITY REQUIREMENTS FOR U.S. CITIZENS EMPLOYED AT U.N.

Mr. SOURWINE. Are you familiar with the demand for elimination of the United Nations clearance procedure that was made by Leonard Boudin in his capacity as counsel for the Emergency Civil Liberties Committee?

Mr. REILLY. I have seen the—I believe there was a letter to the New York Times.

Mr. SOURWINE, Yes.

Mr. REILLY. Yes, I have seen this letter.

Mr. SOURWINE. Mr. Chairman, I do not have that letter with me but may I ask that a copy of it go in the record at this point?

Senator DODD. Yes, without objection, so ordered.

(The letter referred to follows:)

"[From the New York Times, July 30, 1962, p. 22]

"SCREENING U.N. EMPLOYEES

"McCarran committee's authority over Americans challenged

"To the EDITOR OF THE NEW YORK TIMES:

"In an otherwise excellent story published July 15, 'U.N.'s Fiscal Plight,' Thomas J. Hamilton seriously errs in referring to '11 American members of the United Nations who had been dismissed on charges of disloyalty to the United States.'

"These staff officials, some of whom I represented as counsel had been dismissed as a result of U.S. governmental pressure when they declined, under the first and fifth amendments, to answer questions put by the McCarran Internal Security Subcommittee.

"Both the validity and propriety of the committee's authority were most doubtful in view of the independence of the international Secretariat and the total lack of legislative purpose. Nevertheless, yielding to manifest political discretion, the first Secretary General dismissed these staff officials and the second preferred to pay damages rather than comply with the U.N.'s administrative tribunal's decision that the staff had been unlawfully discharged.

"Loss of services

"I write for two additional reasons:

"First, the public is not aware that the careers of many devoted and brilliant international civil servants were destroyed in the hysteria of the 1950's. The loss of their services was also a grievous blow to the United Nations.

"Second, your recent thoughtful editorial on Andrew Cordier's resignation should remind us that the U.S. Government is still enforcing President Truman's and President Eisenhower's Executive orders which screen, on political grounds, American employees of the United Nations and other itnernational organizations.

"The expressed criteria include membership on the Attorney General's list; the sources include derogatory information in congressional committee files; the procedures are based upon undisclosed evidence.

"Such screening is inconsistent with the charter's principle in article 100 of the independence of the organization. An International Organizations' Employees Loyalty Board in our Civil Service Commission makes no sense. There is no security problem in employment by the United Nations. Hence, the Association of the Bar's Special Committee on the Federal Loyalty-Security Program recommended in its 1956 report that this Board and the program be terminated.

"The U.S. Government to its credit has sought in other respects to strengthen the United Nations. The present administration would now score a major achievement if it were to adopt, although belatedly, the committee's advice to eliminate its so-called loyalty program in the international field.

"LEONARD B. BOUDIN.

"NEW YORK, *July 24, 1962.*"

Mr. SOURWINE. Do you know who drafted the draft report or how it come to be drafted, who had responsibility for its drafting, the February draft report, which was along the lines of Mr. Boudin's recommendation?

Mr. REILLY. No; I do not, sir. I have no knowledge on that.

Senator DODD. Off the record.

(Discussion off the record.)

Mr. SOURWINE. Did you recognize this recommendation of the report with respect to the elimination of the United Nations clearance procedure for American nationals, when you saw it in the report, as coinciding with the demands which had been made by Boudin?

Mr. REILLY. That was one of the things Mr. Otepka brought to my attention.

Mr. SOURWINE. Oh, you had not seen the Boudin article before that time?

Mr. REILLY. No, I had not, I was not—we were not at that time—I was not personally involved in the International Organizations' Employees Loyalty Board, since that is outside the Department of State.

Senator DODD. Did I understand that you did not know anything about Boudin? Did Otepka call his name to your attention?

Mr. REILLY. Oh, I had known about Boudin——

Senator DODD. You have known about him before?

Mr. REILLY. For a long period of time; yes, sir.

Senator DODD. And you had read the draft of the report before Otepka called your attention to the Boudin recomendation?

Mr. REILLY. Yes; I read the draft report before I handed it to Mr. Otepka; yes, sir.

Senator DODD. My point is, did you notice it yourself or didn't you notice it until Otepka called it to your attention?

Mr. REILLY. Well, I was not familiar with the position taken by Mr. Boudin in the New York Times letter until Hr. Otepka brought that article to my attention.

EXHIBIT 4

TESTIMONY OF OTTO OTEPKA WITH REGARD TO MISSTATEMENTS OF JOHN F. REILLY CONCERNING OTEPKA'S HANDLING OF CASES OF HARDING BANCROFT, ET AL.

TESTIMONY OF OTTO F. OTEPKA, CHIEF DIVISION OF EVALUATIONS, OFFICE OF SECRETARY, DEPARTMENT OF STATE, MONDAY, AUGUST 12, 1963

Senator Hugh Scott presiding.

Also present: J. G. Sourwine, chief counsel, and Frank W. Schroeder, chief investigator.

(Mr. Otepka was previously sworn.)

* * * * *

Mr. SOURWINE. Mr. Otepka, are you aware that Mr. John Reilly, in his testimony before this committee, controverted many statements previously made by you when you testified?

Mr. OTEPKA. Yes; I was given to understand that he did.

Mr. SOURWINE. Did you have an opportunity to examine Mr. Reilly's testimony, the transcript of his testimony?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Did I furnish you with a copy of this testimony and ask you to prepare a memorandum of reply covering point by point all of those instances in which you felt Mr. Reilly's testimony was inaccurate or untrue?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Did you prepare such a memorandum?

Mr. OTEPKA. I did, sir.

Mr. SOURWINE. You prepared it yourself?

Mr. OTEPKA. Yes, sir; I did.

Mr. SOURWINE. Is this it?

Mr. OTEPKA. That is the memorandum I prepared.

Mr. SOURWINE. That memorandum is accompanied by certain exhibits, Nos. 1 through 13?

Mr. OTEPKA. Yes, sir; which were intended to be used by me.

Mr. SOURWINE. The exhibits were furnished by you in connection with the memorandum for the records of this committee?

Mr. OTEPKA. The exhibits were intended to be used to refresh my recollection in connection with my forthcoming testimony before this committee of which I have previously been apprised.

Mr. SOURWINE. Mr. Otepka, are any of these exhibits classified?

Mr. OTEPKA. There is one exhibit which is—which bears a classification, but the classification was assigned to it only because it was—there was an accompanying document that was classified. However, that particular exhibit which I have there does not have the classified memorandum.

Mr. SOURWINE. Are you referring specifically to the exhibit No. I–f which deals—which consists of a memorandum to Mr. Reilly from you respecting emergency clearance of eight named individuals?

Mr. OTEPKA. Could you give me the date of that memorandum, sir?

Mr. SOURWINE. This one?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. And you say that, although this memorandum has what appears to be a "secret" classification, it also has a marking that upon removal of the attachments it will be considered "confidential" only.

Mr. OTEPKA. The marking on that document was placed there by me as a classifying officer. I am authorized to classify documents.

Mr. SOURWINE. Did you classify this document initially as "secret" with the attachments on it?

Mr. OTEPKA. That document is "secret" only with the attachments.

Mr. SOURWINE. But this was your classification?

Mr. OTEPKA. That was my classification.

Mr. SOURWINE. And with the attachments off it was no longer "secret"?

Mr. OTEPKA. That is correct.

Mr. SOURWINE. And you did not supply the attachments to the committee?

Mr. OTEPKA. No, sir.

Mr. SOURWINE. There is no reason why, then, all these exhibits should not go in our record along with this memorandum, is there?

Mr. OTEPKA. Based on my knowledge of the contradictions of Mr. Reilly in his testimony, I feel that I am entitled to submit that material for the record.

Mr. SOURWINE. Mr. Chairman, I ask that all of this material may be ordered into the record at this point.

Senator SCOTT. Without objection it may be so received.

Mr. SOURWINE. And I ask permission to retain it temporarily in the counsel's files, because I propose to ask questions about some of the points that are raised there.

Senator SCOTT. Very well.

COMMENTS REGARDING TESTIMONY OF JOHN REILLY ON MAY 21, 22, AND 23, 1963

TESTIMONY OF MAY 21, 1963

Pages 584–585 pencil mark 1 (ending with line 13)*

Otepka received from Reilly a note dated February 4, 1963,[1] with enclosure consisting *only* of a copy of a memorandum dated January 27, 1963, from IO[2] Harlan Cleveland addressed to OIA[3] Mr. Hefner.[1] Reilly's note to Otepka included *no report* of the Advisory Committee on International Organization Staffing. Since Otepka realized immediately that he did not have all the facts available on which he could prepare an intelligent appraisal of the proposal in the Cleveland memorandum of January 27, 1963, Otepka called Paul Byrnes in IO and asked him what additional information was available. Byrnes advised Otepka that a report was being drafted on which he, Byrnes, had already prepared comments. Otepka asked for and received from Byrnes the latter's own comments which, in general, coincided with Otepka's initial views. Otepka's views were based then only on the meager data available. Otepka sent a note February 8, 1963,[1] to Reilly and advised Reilly orally that SY[4] should opposed any attempt to eliminate full field investigation of UN personnel. Reilly did not, on this occasion nor thereafter, indicate to Otepka that he had known of or received a copy of the February 19, 1963, report of the Advisory Committee. The fact is that Otepka himself, after his discussion of February 8, 1963, with Reilly, obtained copies of the February 19, 1963, report from Byrnes. Otepka sent a copy of the February 19, 1963, report to Reilly under cover of Otepka's written comments prepared on March 18, 1963, for Reilly's signature.[5]

On several occasions after March 18, 1963, Otepka inquired orally of Reilly as to whether Reilly had had an opportunity to examine these comments and whether he would approve them. On such occasions Reilly gave Otepka the same answer: that he had not had the opportunity to review Otepka's draft comments. To this date, Reilly has not indicated to Otepka his approval or disapproval of Otepka's draft of March 18, 1963.

On May 14, 1963, Otepka answered Belisle's note of May 13, 1963, whereby Belisle had attached a new report of the Advisory Committee (copies of pertinent correspondence are attached and are self-explanatory[6]).

The statement by Reilly (page 585) that the February 19, 1963, report came down to *him* from Orrick's office apparently is not true.

Questions for Reilly

When did he receive the report of February 19, 1963, from Orrick's office? Did he see it before Otepka sent it to him on March 18, 1963? Why did he not say he got it from Otepka, who had not obtained it from Orrick's office but was furnished it directly by a member of Cleveland's staff?

(Page 585—pencil mark 2, see also pencil mark 3, page 586 which is a contradictory statement by Reilly)

Reilly's statement (2) is not correct. The consultants were granted a clearance for access to classified data by Otepka. This clearance was limited only to each specific meeting of the Committee. The clearances were renewed upon requests made by IO for every successive meeting of the Committee. The clearances were predicated upon the express written statement of IO that the Committee members would see only a limited number of documents as necessary for the meeting attended. Also IO specifically advised SY that the information would be carefully controlled and the consultants were not in any sense employees of the Federal Government. They were merely contributing their special talents and their time without compensation on an *ad hoc* basis to study international organization staffing problems. Their clearances in his [this] sense would not extend beyond the stated purposes of the meeting. IO was informed *they would be given regular clearances permitting them more levity* (sic) *only after they had been fully investigated, fingerprinted and had completed all required processing forms.* None of the con-

Footnotes at end of article.

sultants was given building passes until after they had been fully cleared.

Page 586–587—pencil mark 4 and 5

Reilly's statement is not true. Otepka furnished Reilly with a comprehensive sketch of the derogatory background data at the very outset of the initial request received from IO. Moreover, Otepka prepared a memorandum addressed to the Executive Director, IO, in which Otepka detailed both the procedural problems involved as well as the substantive questions. Belisle returned the memorandum to Otepka with a terse note saying Otepka's draft was verbose and that Otepka used "a hell of a lot of words." Belisle eliminated that part of Otepka's memorandum containing statements about the background of the individuals, and prepared his own memorandum to IO about the procedural problem, showing only himself (Belisle) as the drafting officer but using Otepka's almost identical words.[1]

Further, on the above point, after the full field investigations had been completed for the purpose of formally appointing the individuals to the employment rolls and determining at the same time if their clearance for access to classified data could be extended, Otepka forwarded to Reilly *before the clearance notifications were sent to the Employment Division* the cases of Ernest Gross, Harding Bancroft and Andrew Cordier. In the case of Gross, Otepka said he would not object on *security* grounds to Gross' employment by the Department but he (Otepka) felt the contents of the investigative reports should be examined by the Employment Division under suitability standards. Reilly approved the security clearance but declined to send the reports to the Employment Division. In the case of Bancroft, Otepka wrote a memorandum to Reilly expressing Otepka's concern about the fact that Loy Henderson had described Bancroft as pro-Soviet and also Otepka's concern that Bancroft long defended Alger Hiss and Bancroft relented (but not fully) only after Hiss had been sent to jail. Otepka indicated that he was clearing Bancroft with reservations, saying that the clearance was being granted based on Otepka's understanding from IO that these consultants dealt only with a limited number of classified documents which were described to Otepka as having no significant impact on the national security.

EXHIBIT 5

STATEMENT OF OTTO OTEPKA TO FBI DURING INTERROGATION ORDERED BY STATE DEPARTMENT, WITH EXCERPTS FROM DESCRIPTION OF DOCUMENTS FURNISHED TO SENATE INTERNAL SECURITY SUBCOMMITTEE

WASHINGTON, D.C., *August 15, 1963.*

I, Otto F. Otepka, make the following voluntary statement to Carl E. Graham and Robert C. Byrnes, who have identified themselves as Special Agents of the Federal Bureau of Investigation. No threats or promises of any kind have been made to me to make this statement and I know it can be used against me in a court of law. I have been advised of my right to have legal counsel before making any statement whatsoever.

Mr. Byrnes informed me in general that the FBI was conducting an investigation with respect to myself concerning an allegation that had been received that I had furnished classified information to an unauthorized person. In the course of our discussion it was made known to me specifically that the alleged unauthorized person was the Chief Counsel of the United States Senate Committee on the Judiciary. His name is Julien G. Sourwine. I shall hereinafter for the purposes of this inquiry identify such documents which were furnished by me to the Chief Counsel of this Committee. It is important to me at the outset that it be known for the record that I am a member of he classified or competitive Civil Service and that I am now and have been a career member of that service for over 27 years.

The circumstances in regard to which I am alleged to have furnished documents or information to the said Chief Counsel relate to an investigation which was being conducted by the Internal Security Subcommittee of the Committee of the Judiciary beginning in November, 1961. I first appeared before that Committee at its request and with the express permission of the Department of State together with two other members of the Bureau of Security and Consular Affairs, and I responded to the questions of its Chief Counsel frankly and truthfully to the best of my knowledge and ability. Subsequently I reappeared before that Subcommittee once in April, 1962, also at the Committee's request and with the permission of my superiors. Also appearing at or about that time were my superiors. In November, 1962, the Committee publicly released the transcripts of my testimony and that of other Department of State personnel together with a report of the Committee containing the Committee's conclusions and recommendations with respect to the security practices and procedures of the Department of State.

Beginning in March 1963, and during April 1963, I appeared before the same subcommittee in accordance with its request and with the knowledge of my superiors, for a total of four times. I was given to understand that the Committee was seeking to ascertain from the Department of State whether or not the Department of State had implemented the Committee's recommendations to improve certain security practices found by the Committee to be deficient. During May, 1963, my immediate superior, Mr. John F. Reilly, also testified before the Committee on three separate days. Prior to his appearances and at his own personal request I obtained from the Chief Counsel of the Committee, Mr. Sourwine, the stenographic transcripts of my testimony of March and April, 1963, and furnished those transcripts to Mr. Reilly. Mr. Reilly indicated to me he had not read my transcripts before. I do not know the reason why.

Following the first appearance of Mr. Reilly, which I believe was on May 21, Mr. Reilly personally came to my office and informed me that Senator Thomas J. Dodd, the presiding chairman of the Subcommittee, had given him, Mr. Reilly, "a bad time" on that day. Mr. Reilly related to me that he had told the Subcommittee that I had voluntarily disqualified myself from the evaluation of the case of William A. Wieland. Mr. Reilly asked if I could "straighten out" Mr. Dodd on this matter. I said I did not know Mr. Dodd but were I to be again questioned by the Subcommittee I would be very happy to state for the record what had transpired between myself and Mr. Reilly when on a prior occasion he discussed with me at his request my future role in the re-evaluation of the Wieland case. I prepared for the record and have in my possession a memorandum indicating the exact nature of my discussions with Mr. Reilly on any prior occasion concerning what function I should play as Chief of the Division of Evaluations in the Wieland case.

Following the conclusion of Mr. Reilly's testimony, Mr. Julien Sourwine, the Chief Counsel of the Subcommittee, requested that I come to see him, which I did, after working hours on the day of his request. To the best of my recollection this was on May 23. Mr. Sourwine voluntarily informed me that there were contradictions in my testimony and the testimony of Mr. Reilly. He offered to let me read the stenographic transcripts of Mr. Reilly's testimony and upon doing so he said I should give him a memorandum that would answer point by point all of the instances in which I felt Mr. Reilly's testimony was inaccurate or untrue. After carefully reading the transcripts of Mr. Reilly's testimony I was both shocked and amazed. I therefore prepared a memorandum consisting of 39 double-spaced pages annotated by exhibits which I shall identify below, and I furnished a copy of this memorandum to Mr. Sourwine together with copies of the exhibits mentioned therein. This memorandum was intended to serve as my reference in rebuttal, explanation, or clarification of statements made by Mr. Reilly in my future appearance before the Committee which had already been made known to me.

At this point I would like to state for the record that what particularly concerned me in regard to Mr. Reilly's testimony was that he made statements to the Subcommittee concerning my personal character and performance. As a knowledgeable and experienced career civil servant, I know that one's superior owes one primary duty especially to his subordinate. That is: if the subordinate's performance is or has been deficient that subordinate should first be so told by the superior. The superior should not derogate the employe's performance before a legislative body or any organization outside the employee's place of employment without fulfilling his first duty to his subordinate. Mr. Reilly never expressed to me his dissatisfaction with my performance nor did he ever let me know that he had anything but a favorable opinion concerning my character. However, neither Mr. Reilly nor his predecessor has given me an annual efficiency report as required by the Department's regulations since October, 1960, almost three years. Not only did I request such efficiency reports from Mr. Reilly but I succinctly informed his Executive Officer on several occasions that these reports were long overdue. Mr. Reilly, of course, is entitled to his explanations for this delinquency. The fact is I still do not have any efficiency reports for those three years. Furthermore, I wish this record to bear out that my whole history of performance in the Department of State reflects not only the most satisfactory comment by those officers who have rated me but that prior to my entering on duty in the Department of State in June, 1953, I was the recipient for six successive years preceding my appointment to the Department of State of "Excellent" efficiency ratings. Such an adjective rating was the highest attainable.

In considering the request made to me by Mr. Sourwine to identify inaccuracies or untrue statements by Mr. Reilly, I was already cognizant of the following provision in Section 652, Title 5, of the United States Code. This is a law enacted by the United States Congress. It reads as follows:

"The right of persons employed in the Civil Service of the United States, either individually or collectively, to petition Congress or any member thereof or to furnish information to either house of Congress or to any Committee or member thereof shall not be denied or interfered with."

It was my honest belief and conviction in the light of contradictions in the record of the Senate Internal Security Subcommittee that I should support my refutation of Mr. Reilly's statements concerning me with such necessary information as would establish that my own statements were truthful and accurate. I carefully observed in the transcript of Mr. Reilly's testimony that he had entered selected documents into the record relating to me.

The documents herein involved which were furnished by me to the Chief Counsel of the Senate Committee on the Judiciary as an appendage to my prepared written comments are as follows:

EXHIBIT 1

(1) This included a memorandum dated January 27, 1963, for Mr. Hefner, OIA, from

Footnotes at end of article.

Harland Cleveland, IO, on the subject of "Loyalty Investigations of United States Citizens Employed by International Organizations."

(2) Routing slip dated February 4, 1963, of Department of State to Mr. Otepka from Mr. John F. Reilly on the subject of "Loyalty Investigations of United States Citizens Employed by International Organizations" with the notation "Would you look into this please and may I have your views by Feb. 8?"

(3) One page memorandum to Mr. Reilly from Mr. Otepka dated February 8, 1963.

EXHIBIT 2

(1) Thirty-two page document entitled "staffing International Organizations, A Report of the Advisory Committee on Management Improvement to the Assistant Secretary of State for International Organization Affairs" dated March, 1963. A three page cover memorandum to this document is also attached and which bears the title of "Staffing International Organizations, Summary of Recommendations."

(2) Five page memorandum dated September 10, 1962, from Mr. Otepka to Mr. Reilly on the subject of "Francis O. Wilcox; Arthur Larson; Lawrence Finkelstein; Marshall D. Shulman; Andrew Cordier; Ernest Gross; Harding Bancroft; Sol Linowitz." This document bears a classification of "Secret" but with a stamped notation at the bottom stating that the document would be considered "Confidential" upon removal of attachment. At the conclusion of the fifth page there is a notation that the attachments were "tabs A, B, C and D." These attachments were *not* furnished to Sourwine. Attached to this document at the conclusion is a one page memorandum dated September 17, 1962, from Mr. Reilly to Mr. Czayo on the subject "Processing of Appointments of Members of the Advisory Committee on International Organization Staffing" classified "Confidential."

EXHIBIT 3

(1) Thirty-six page document entitled "Staffing International Organizations, A Report of the Advisory Committee on International Organizations", published by the Department of State, Washington, D.C., April 22, 1963 (a public document). Attached to this document are Appendices I and II consisting of six pages.

(2) Routing slip from Mr. Belisle to Otepka dated May 13, 1963. Attached to this routing slip is a one page memorandum dated May 6, 1963, to Mr. Reilly from Gladys P. Rogers on the subject "Staffing International Organizations—A Report of the Advisory Committee on International Organizations."

(3) ?Undated routing slip from Belisle to Otepka. Attached to this routing slip is a three page memorandum from Mr. John F. Reilly to Mr. George M. Czayo on the subject "Processing of Appointments of Members of Advisory Committee on International Organization Staffing." This three page memorandum bears a stamped security classification of "Confidential".

(4) One page memorandum dated August 7, 1962, to Mr. Simpson, EMD, to attention of Mrs. Solvig with copy for Mr. Otepka, captioned "Request for Waiver, Advisory Committee on International Staffing: Ernest A. Gross, Marshall D. Shulman, Andrew W. Cordier, Harding Bancroft, Lawrence Finkelstein, Francis O. Wilcox, Arthur Larson". This was a nonclassified memorandum with two attached routing slips; one dated September 13, 1962, from Otepka to Mr. Belisle and to Mr. Reilly. The other routing slip was from Belisle to Otepka, addressed to "Otto", dated September 11, 1962.

(5) One page memorandum dated May 14, 1963, to Mr. Belisle from Mr. Otepka. The memorandum indicates there is an attachment of "Report of the Advisory Committee on International Organizations."

EXHIBIT 6

EXCERPT FROM NOTICE OF PROPOSED ADVERSE ACTION SENT TO OTTO OTEPKA BY STATE DEPARTMENT, INCLUDING CHARGES THAT HE HAD TRANSMITTED INFORMATION CONCERNING HARDING BANCROFT, ET AL., TO SENATE INTERNAL SECURITY SUBCOMMITTEE

DEPARTMENT OF STATE,
Washington, September 23, 1963.

Mr. OTTO F. OTEPKA,
Office of Security,
Department of State.

DEAR MR. OTEPKA: This is a notice of proposed adverse action in accordance with the regulations of the Civil Service Commission.

You are hereby notified that it is proposed to remove you from your appointment with the Department of State, as Supervisory Personnel Security Specialist, GS–15, in the Office of the Deputy Assistant Secretary for Security, thirty (30) days from the date of this letter.

On August 16, 1963, at Washington, D.C., you executed a voluntary sworn statement, dated August 15, 1963, before Carl E. Graham and Robert C. Byrnes, Special Agents of the Federal Bureau of Investigation. A copy of this statement is attached as Exhibit A. Information contained therein will be referred to specifically in some of the charges listed below.

Furthermore, during the period March 13, 1963, to June 18, 1963, Mr. John F. Reilly, Deputy Assistant Secretary for Security, caused the following procedures to be instituted:

(*a*) Mrs. Joyce M. Schmelzer, Secretary to Mr. Frederick W. Traband, Supervisory Personnel Security Specialist, periodically observed your classified trash bag (hereinafter referred to as "burn bag") which was in the possession of your secretary, Mrs. Eunice Powers. Mrs. Schmelzer and Mrs. Powers were located in the same room and across from one another.

(*b*) When Mrs. Schmelzer saw that your burn bag was full, she would ask Mrs. Powers if she wanted her (Mrs. Schmelzer) to take your burn bag to a Department Mail Room with Mr. Traband's.

(*c*) When Mrs. Powers accepted Mrs. Schmelzer's offer, Mrs. Schmelzer would inform Mr. Traband of this fact. Mr. Traband would then call Mr. Rosetti, Supervisory Security Specialist, or Mr. Shea, Supervisory General Investigator, if Mr. Rosetti was not available, and inform him that your burn bag was being delivered to the Mail Room.

(*d*) While carrying your burn bag and Mr. Traband's to the Mail Room, Mrs. Schmelzer would mark your burn bag with a red "X" (with a crayon or pencil mark) and deposit both burn bags in the Mail Room, Room 3437.

(*e*) Mr. Rosetti or Mr. Shea, and on one occasion Mr. Robert McCarthy, Supervisory Security Specialist, would obtain your burn bag from the Mail Room within five to ten minutes after Mrs. Schmelzer left it there and would turn it over to Mr. Reilly or Mr. Belisle (Special Assistant to the Deputy Assistant Secretary for Security), in their office, Room 3811. (On one occasion when Mrs. Powers herself took your burn bag to the Mail Room, Messrs. Rosetti and Shea picked it up from the Mail Room immediately after Mrs. Powers deposited it there.) Your burn bag was then transferred to Mr. Reilly's brief case.

(*f*) Mr. Reilly's brief case was then taken by Mr. Shea to Room 1410, 2612A or 3811 for examination of its contents. Your burn bag was inspected by Mr. Shea either alone or with Mr. Belisle and/or Mr. Rosetti.

(*g*) The contents of your burn bags were carefully examined. All carbon paper or copies were read by turning the carbon side toward the light thus allowing the paper to be read from the back. Torn pieces of paper were grouped together and then pieced together to make readable documents. One-time typewriter ribbons were also read on occasion.

During the course of inspecting the contents of your burn bag on May 29, 1963, a typewriter ribbon was retrieved. This ribbon has been read and the contents are reproduced as Exhibit B. Information contained therein will be referred to specifically in some of the charges listed below.

(1) *You have conducted yourself in a manner unbecoming an officer of the Department of State.*

Specifically: You furnished a copy of a classified memorandum concerning the processing of appointments of members of the Advisory Committee on International Organization Staffing to a person outside of the Department without authority and in violation of the Presidential Directive of March 13, 1948 (13 Fed. Reg. 1359). This Directive provides:

"* * * all reports, records, and files relative to the loyalty of employees or prospective employees (including reports of such investigative agencies), shall be maintained in confidence, and shall not be transmitted or disclosed except as required in the efficient conduct of business."

You were reminded of the prohibition contained in this Directive on March 22, 1963, when you received and noted a copy of a letter from Mr. Dutton, Assistant Secretary of State, to Senator Eastland, Chairman of the Senate Committee on the Judiciary, dated March 20, 1963. A copy of this letter, indicating that you "noted" it, is enclosed as Exhibit C.

In your sworn statement, referred to above and enclosed as Exhibit A, you stated on pages 7 and 8 that you gave a copy of a classified memorandum entitled "Francis O. Wilcox, Arthur Larson, Lawrence Finkelstein, Marshall D. Shulman, Andrew Cordier, Ernest Gross, Harding Bancroft, Sol Linowitz", to Mr. J. G. Sourwine, Chief Counsel, United States Senate Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws, of the Committee on the Judiciary. This memorandum concerns "the loyalty of employees or prospective employees" of the Department within the meaning of the Presidential Directive of March 13, 1948.

This is a breach of the standard of conduct expected of an officer of the Department of State.

(2) *You have conducted yourself in a manner unbecoming an officer of the Department of State.*

Specifically: You furnished a copy of a classified memorandum concerning the processing of appointments of members of the Advisory Committee on International Organizations Staffing to a person outside of the Department without authority and in violation of the Presidential Directive of March 13, 1948 (13 Fed. Reg. 1359). This Directive provides:

"* * * all reports, records, and files relative to the loyalty of employees or prospective employees (including reports of such investigative agencies), shall be maintained in confidence, and shall not be transmitted or disclosed except as required in the efficient conduct of business."

You were reminded of the prohibition contained in this Directive on March 22, 1963, when you received and noted a copy of a letter from Mr. Dutton, to Senator Eastland, dated March 20, 1963. A copy of this letter, indicating that you "noted" it, is enclosed as Exhibit C.

In your sworn statement, referred to above and enclosed as Exhibit A, you stated on page 9 that you gave a copy of a classified memorandum entitled "Processing of Appointments of Members of the Advisory Committee on International Organizations Staffing" to Mr. J. G. Sourwine. This memo-

randum concerns "the loyalty of employees or prospective employees" of the Department within the meaning of the Presidential Directive of March 13, 1948.

This is a breach of the standard of conduct expected of an officer of the Department of State.

EXHIBIT 7

EXCERPTS FROM RESPONSE OF OTTO OTEPKA TO CHARGES OF STATE DEPARTMENT THAT HIS CONDUCT WAS UNBECOMING OF A STATE DEPARTMENT OFFICER

(EDITOR'S NOTE.—Mr. Otepka's answer to the charges preferred by the Department was ordered into the record at this point and reads as follows:)

WHEATON, MD., *October 14, 1963.*

Hon. JOHN ORDWAY,
Chief, Personnel Operations Division,
Department of State,
Washington, D.C.

DEAR MR. ORDWAY: This is my answer to the charges preferred against me by your letter of September 23, 1963.

CHARGE 1 AND CHARGE 2

Before turning to the specific charges, a general statement of the background of this entire matter is in order.

I have been an employee of the U.S. Government for 27 years. From 1936 until 1942 I occupied minor positions in the Farm Credit Administration and the Bureau of Internal Revenue, and for 3 years during that period attended law school. In 1942 I was appointed an investigator and security officer with the U.S. Civil Service Commission. I served in that capacity until 1943, when I entered the U.S. Navy as an apprentice seaman. I served in the Navy from 1943 until 1946, being discharged with the grade of petty officer first class. Returning to the Civil Service Commission in 1946, I served there as an investigator and security officer until 1953 when I came to the Department of State as a security officer. I have been with the Department ever since 1953.

My efficiency ratings at the Civil Service Commission for the years 1948–53 were all "excellent," the highest ratings attainable under the system then in effect. During my service in the Department of State, all of my efficiency reports have been highly favorable. For example, for the year 1959–60, when I served as Deputy Director of the Office of Security, my efficiency report contained the following comment by the Director of that office, Mr. Boswell:

"He has had long experience with and has acquired an extremely broad knowledge of laws, regulations, rules, criteria, and procedures in the field of personnel security. He is knowledgeable of communism and of its subversive efforts in the United States. To this, he adds perspective, balance, and good judgment, presenting his recommendations and decisions in clear, well reasoned, and meticulously drafted documents. He has brought these attributes to bear during periods totaling almost 4 months when he has been Acting Director in my absence and throughout the rating period as the State Department representative on an intragovernmental committee concerned with security matters."

In April 1958 I received a Meritorious Service Award signed by Secretary of State John Foster Dulles for sustained meritorious accomplishment in the discharge of my assigned duties. The justification for this award included the following statement: "He has shown himself consistently to be capable of sound independent judgment, creative work, and the acceptance of unusual responsibility."

It may be noted that I have received no efficiency report since September 1960, although the regulations require that each employee receive such a report annually, and I have on several occasions requested my superiors to give me my efficiency reports. However, until recently none of my superiors ever complained to me about my performance of duty.

Beginning in November 1961 an investigation into certain security practices of the Department of State was conducted by the Internal Security Subcommittee of the Committee on the Judiciary of the U.S. Senate. I first appeared before that committee at its request and with the express permission of the Department of State, together with two other members of the Bureau of Security and Consular Affairs. I responded to the questions of Mr. J. G. Sourwine, the subcommittee's chief counsel, frankly and truthfully to the best of my knowledge and ability. Subsequently, in April 1962 I reappeared before the subcommittee also at the committee's request and with the permission of my superiors. Also appearing at or about that time were my superiors. In October 1962 the committee publicly released the transcripts of my testimony and that of other Department of State personnel, together with a report of the committee containing the committee's conclusions and recommendations with respect to the security practices and procedures of the Department of State.

Beginning in February 1963, and during March 1963, I appeared on four occasions before the same subcommittee in accordance with its request and with the knowledge of my superiors. I was given to understand that the committee was seeking to ascertain from the Department of State whether or not the Department had implemented the committee's recommendations to improve certain security practices found by the committee to be deficient. During April and May 1963 my immediate superior, Mr. John F. Reilly, testified before the committee on five occasions. Prior to his first appearance, and at his request, I obtained from Mr. Sourwine the stenographic transcripts of my testimony of February and March 1963 and I furnished those transcripts to Mr. Reilly. Mr. Reilly indicated to me he had not read my transcripts before. I do not know the reason why, as the transcripts had been available to him through regular Department channels.

Following the appearance of Mr. Reilly, he came to my office and informed me that Senator Thomas J. Dodd, the presiding chairman of the subcommittee, had given him, Mr. Reilly, "a bad time" on that day. Mr. Reilly related to me that he had told the subcommittee that I had voluntarily disqualified myself from the evaluation of the case of William A. Wieland. Mr. Reilly asked if I could "straighten out" Mr. Dodd on this matter. I said I did not know Mr. Dodd but were I to be again questioned by the subcommittee I would be very happy to state for the record what had transpired between me and Mr. Reilly when on a prior occasion he discussed with me, at his request, my future role in the reevaluation of the Wieland case.

Following the conclusion of Mr. Reilly's testimony, Mr. J. G. Sourwine, the chief counsel of the subcommittee, requested that I come to see him, which I did, after working hours on the day of his request. To the best of my recollection this was on May 23, 1963. Mr. Sourwine voluntarily informed me that there were conflicts between my testimony and the testimony of Mr. Reilly. He offered to let me read the stenographic transcripts of Mr. Reilly's testimony and said that when I had done so, I should give him a memorandum that would answer point by point all of those portions of Mr. Reilly's testimony which conflicted with my testimony or which I found inaccurate or untrue. After carefully reading the transcripts of Mr. Reilly's testimony I was both shocked and amazed. I therefore prepared a memorandum consisting of 39 double-spaced pages annotated by exhibits, and I furnished a copy of this memorandum to Mr. Sourwine together with copies of the exhibits mentioned therein. This memorandum was furnished to Mr. Sourwine as the chief counsel, and authorized representatives of the subcommittee. It was intended to serve as my reference in rebuttal, explanation, or clarification of statements made by Mr. Reilly, in any future appearance I made before the committee. I was told that I would be recalled to testify again before the committee.

I was especially disturbed by two statements made by Mr. Reilly in his testimony which was shown to me by Mr. Sourwine. First, Mr. Reilly testified, concerning eight prospective appointees to the Advisory Committee on International Organizations, that there wer no substantial derogatory information respecting any of the prospective appointees, and that the case of only one of them had even been brought to his attention prior to their appointment. This testimony I knew to be incorrect, for on September 10, 1962, before the appointments were made I had submitted to him a memorandum with respect to each of the individuals in question. This memorandum strongly recommended that certain of the prospective appointees not be cleared without further investigation. On September 17, 1962, Mr. Reilly himself directed a memorandum to Mr. George M. Czayo in the office of Mr. Harlan Cleveland with respect to these cases, and this document reflected that Mr. Reilly was familiar with my memorandum of September 10.

I gave to Mr. Sourwine a copy of my memorandum of September 10, 1962 and a copy of Mr. Reilly's memorandum of September 17, 1962. While these documents were classified "Confidential"—the one of September 10 having been classified by me—they contained no investigative data. The only substantive data contained in my memorandum of September 10 consisted of references to certain matters which had been mentioned in published reports or hearings of the Senate Internal Security Subcommittee or which were otherwise in the public domain. The Reilly memorandum of September 17 contained no substantive data whatever with respect to the prospective appointees, but related for the most part to the procedural steps involved in their clearance.

Charge 1 in your letter is based upon my action in giving a copy of my memorandum of September 10, 1962, to Mr. Sourwine. Charge 2 relates to my action in giving Mr. Sourwine a copy of Mr. Reilly's memorandum of September 17, 1962. You allege that my actions were in violation of the Presidential directive of March 13, 1948 (12 Fed. Reg. 1359) which forbids the disclosure, except as required in the efficient conduct of business, of "reports, records, and files relative to the loyalty of employees or prospective employees."

It is a familiar rule that regulations, like statutes, must be interpreted with commonsense, that a thing may be within the letter of a regulation and yet not within the regulation, because not within its spirit, nor within the intention of its makers. This has been the law for centuries. Poffendof mentions the judgment that the Bolognian law which enacted "that whosever drew blood in the streets should be punished with the utmost severity," did not extend to the surgeon who opened the vein of a person that fell down in a street in a fit. Plowden cites the ruling that the statute of 1st Edward II, which enacts "that a prisoner who breaks prison shall be guilty of a felony," does not extend to a prisoner who breaks out of prison when the prison is on fire "for he is not to be hanged because he would not stay to be burnt." See *Church of the Holy Trinity* v. *United States* (143 U.S. 457).

Applying this doctrine to the present case, and assuming without conceding that the memoranda of September 10 and September 17, 1962, fell within the letter of the

Presidential directive of March 13, 1948, I submit that those memorandums were not within the spirit of the directive, nor within the intention of its author. As President Truman stated in his letter to the Secretary of State, dated April 2, 1952, the purpose of the directive was "to preserve the confidential character and sources of information, to protect Government personnel against the dissemination of unfounded or disproved allegations, and to insure the fair and just disposition of loyalty cases." The memorandums of September 10 and September 17, 1962, referred to no confidential information, disclosed no confidential sources, and made no allegations. My memorandum of September 10, 1962, merely referred to matters of public record and recommended that these matters should be investigated. There was no loyalty case, pending, or contemplated, involving any of the individuals mentioned. In short, in the context of the Presidential directive of March 13, 1948, the two memorandums were completely innocuous and clearly not the kind of papers that the directive was designed to protect.

My interpretation of the Presidential directive of March 13, 1948, is apparently in harmony with the interpretation placed upon the directive by Secretary of State Rusk. Thus, the statement of Senator Thomas J. Dodd, appended to the report of the Senate Subcommittee on Internal Security in the matter of State Department security, published in 1962, contains the following:

"Subsequent to the preparation of this report, I had occasion to discuss the Wieland case with Secretary Rusk and to *examine certain documents which he showed me in confidence.*

"On the basis of these conversations, I am satisfied that, prior to September 15, 1961, Secretary of State Rusk had examined the material pertaining to the Wieland case in considerable detail, including reports of the Federal Bureau of Investigation * * *" [Italic supplied.]

See Senate report, State Department security, the case of William Wieland, etc., 87th Congress 2d session—page 197. The intendment of Senator Dodd's statement is that Secretary Rusk disclosed to him documents from the security file of Mr. Wieland, in order to establish that the Secretary did examine this material prior to September 15, 1961. It seems obvious that, in the judgment of Secretary Rusk, a reasonable and commonsense interpretation of the Presidential directive did not prevent the disclosure of the security material to Senator Dodd. If it was proper for Secretary Rusk to show such material to a member of the Internal Security Subcommittee, then it was proper for me to disclose the innocuous memorandums of September 10 and September 17, 1962, to an authorized agent of that subcommittee in order that the committee might know the truth and to refute unwarranted and scandalous charges against me and my record.

Mr. Reilly's testimony that the cases of the prospective appointees had not been brought to his attention seriously disparaged my performance of duty and impugned my integrity. In other words, had I failed to bring such matters to his attention. I would have been guilty of a dereliction of duty. In this context, I submit that I had not only the right but the duty to defend myself, to correct the committee's record, and to support my oral testimony by the memorandums of September 10 and September 17, 1962.

The provisions of the United States Code, title 5, section 652(d) plainly gave me the right to respond to the request of the Senate committee and to answer Mr. Reilly's attacks upon me. That statute provides:

"(d) The right of persons employed in the civil service of the United States, either individually or collectively, to petition Congress, or any Member thereof, or to furnish information to either House of Congress or to any committee or member thereof, shall not be denied or interferred with. As amended June 10, 1948, c. 447 62 Stat. 354; 1949 Reorg. Plan No. 5, eff. Aug. 19, 1949, 14 F.R. 5227, 63 Stat. 1067".

If the provisions of the directive are construed to prohibit the disclosure by me of the memorandums here involved, under the circumstances of this case, then I submit the directive is in violation of the statute.

It must be emphasized always that I gave the memorandums in question to Mr. Sourwine, not as an individual, but as the authorized agent of a committee of the U.S. Senate; and I gave them to him only to be used as exhibits in connection with my forthcoming testimony before that committee in executive session.

EXHIBIT 8

THE SCOTT REPORT

(By Paul Scott)

WASHINGTON, April 4.—A dramatic new chapter, with far-reaching implications for the future security of the U.S., is developing in the Otto Otepka case.

Opponents of the former Deputy Chief of Security at the State Department are preparing an all out campaign to block a Senate vote on his nomination to the Subversive Activities Control Board (SACB), an independent government security agency.

Otepka, after five years of persecution and vilification by the State Department, was nominated last month to the SACB by President Nixon.

The nomination, now pending before the Senate Judiciary Committee, was a partial victory for Otepka who had been stripped of security duties and demoted by Dean Rusk, former Secretary of State, for cooperating with a Senate Committee exposing security lapses in the State Department.

The nerve center for the new onslaught against Otepka, scheduled to begin after the Easter congressional recess, is the prestigious New York Times Washington Bureau.

Neil Sheehan, the newspaper's controversial Defense Department correspondent, has been given the assignment to write a series of articles designed to indirectly link the veteran security officer with right-wing groups—none of which Otepka had ever been a member or actively supported.

Significantly, Sheehan is the former bureau chief for the United Press International in Saigon who openly worked during the early '60s for the downfall of South Vietnam's anti-communist President Diem.

Pierre Salinger, press secretary for both Presidents Kennedy and Johnson, assailed Sheehan as one of a trio of American newsmen that "announced to one and all in Saigon that one of the aims of their stories . . . was to bring down the Diem government."

More recently in a panel discussion in New York on "The Peace in Asia," Sheehan presented the following view on communism:

"We might abandon the idea that communism is our enemy in Asia. We must be willing to tolerate their enmity. I am suggesting that in some countries a communist government may be the best government."

CASTING THE SHADOW

Insiders at the New York Times say Sheehan's anti-Otepka series was scheduled to begin earlier this week but the death of President Eisenhower and his state funeral temporarily delayed their appearance.

Several of the persons involved in the volunteer raising of funds for Otepka's costly and long-drawn out legal battle for vindication report that they have already been badgered by Sheehan about their political affiliations.

In one case, Sheehan spent more than 45 minutes on long distance phone grilling James Stewart, of Palatine, Ill., Director of American Defense Fund which raised money for Otepka's legal defense, on whether he was ever a member of the John Birch Society.

When Stewart argued the question was irrelevant and offered to discuss the issues of the Otepka case with Sheehan, the correspondent changed the subject, asking for the names of all the contributors to Otepka's defense fund.

On being told that more than 4,000 persons had contributed, Sheehan said he wanted "only the names of the big contributors." This Stewart refused on the grounds he needed approval of the individuals to give out their names.

THE BOSTON RALLY

Sheehan also quizzed Stewart at length about his group's fund-raising stand for Otepka at the New England Rally for God, Family, and Country, held in Boston in July, 1968, and attended by more than 1,000 persons.

"I have reports that Otepka manned a fund-raising booth at the Boston rally and solicited funds for his case," stated Sheehan. "Is not this true?"

"No, and you know it," replied Stewart. "Otepka had nothing to do with that stand."

What Sheehan didn't mention to Stewart was that another New York Times reporter had turned in the same negative report earlier. After spotting Otepka and his wife among the spectators at the Boston meeting, the reporter kept a watch on Otepka only to learn that he had nothing to do with the fund-raising stand.

Other persons involved in the fund raising for Otepka's legal defense, which cost the veteran security officer nearly $30,000, have also been intensely questioned by Sheehan.

Sheehan has been in contact with aides of several Senators, including William Proxmire (D., Wis.) and Jacob Javits (R., N.Y.), who plan to use his forthcoming stories to try to block Otepka's nomination.

Several State Department officials, who helped influence Secretary of State William Rogers to bar Otepka's return to that Agency, also have been in contact with Sheehan.

THE BIGGER ISSUE

While Otepka will be the central target of the coming attack, many congressional security experts see the campaign as having a much broader objective.

One memorandum being circulated among these experts, warns:

"The coming campaign against Otepka is designed to prevent, by smear and attack, efforts to strengthen the Subversive Activities Control Board, through the appointment to it of strong, conscientious securities specialists, and so bring about its destruction.

"The campaign will follow the pattern of the highly succeseful one by which the Eisenhower-Nixon program to train Americans in red tactics through civilian-military seminars was destroyed, through using General Walker as the target.

"Now, Otto Otepka is the target, and the objective is the nipping in the bud of the restoration of a strong security staff and operation within the government."

Thus, the battle lines are being drawn for a historic security showdown that could rattle a lot of windows in the national capital.

EXHIBIT 9

THE SCOTT REPORT

(By Paul Scott)

WASHINGTON, April 11.— * * *

THE OTEPKA CASE

The New York Times campaign to block Senate confirmation of Otto Otepka as a member of the Subversive Activities Control Board is being sparked by a former State Department employee.

The anti-Otepka strategist is Harding A. Bancroft, the Times' executive Vice President who once was under investigation by Otepka for his close association with Alger Hiss, the former high-ranking State Department official convicted of perjury.

State Department insiders report that Bancroft has actively opposed Otepka's return to government security work since the veteran security officer was suspended in 1963. At that time, Otepka provided to documents to the Senate Internal Security Subcommitte to support his testimony about lax security in the handling of clearances for several persons, including Bancroft, for important State Department posts.

Bancroft was being sponsored for a key State Department position by Harlan Cleveland, then assistant Secretary of State for International Organization, and former Secretary of State Dean Rusk.

Otepka, the State Department's top authority on government security regulations, insisted that before Bancroft was given a sentsitive State Department assignment that "several matters" in his security file be resolved by a full-scale FBI investigation.

Instead, Bancroft's friends who were Otepka's superiors in the State Department waived the investigation. The Senate Internal Security Subcommittee, which was conducting an inquiry into the Department's lax security practices, quizzed Otepka about the Bancroft matter.

OTEPKA'S TROUBLE BEGINS

As a result of Otepka's cooperation with the Senate Subcommittee, the veteran security official was suspended and charged by the Department with giving classified information to the Senate probers.

Otepka, after five years of fighting the charge, was nominated last month by President Nixon to the Subversive Activities Control Board, an independent government security agency.

Hearing on Otepka's nomination is now scheduled for Tuesday, April 15 before a Senate Judiciary Subcommittee. Since the Otepka nomination was submitted to the Senate, the New York Times under Bancroft's direction has blasted the nomination editorially.

Also, Neil Sheehan, the newspaper's controversial Defense Department correspondent, was given the assignment to try to link the veteran security officer with extremist groups—none of which Otepka had ever been a member or actively supported. One of Sheehan's articles already has appeared.

FROM THE RECORD

Testimony and documents gathered by the Internal Security Subcommittee provide an insight into Bancroft's opposition to Otepka.

These records show that Bancroft was first employed in the State Department in 1946 on the recommendation of Alger Hiss in the office of Special Political Affairs (later renamed the Office of United Nations Affairs), which Hiss headed.

While in the Department, Bancroft became involved in a bitter dispute with Loy Henderson, Director of the Office of Near Eastern and African Affairs, a veteran diplomat and staunch anticommunist.

Bancroft insisted that the Soviets be permitted to retain units of the Red Army in Iran (Persia) beyond March 2, 1946, despite the fact that this would be in violation of a Treaty of Alliance to respect Iran's territorial integrity. Great Britain and the U.S. already had withdrawn their forces after the end of World War II.

In one of his great decisions, former President Truman disregarded the Bancroft recommendation, and decided to force the Soviets to withdraw their troops immediately. He did this by threatening strong U.S. action if there was no Russian pullout. The Russians withdrew.

Bancroft also tried to get Robert Alexander, a highly respected and knowledgeable official in the State Department's Visa division, fired. He recommended his ouster after Alexander told a Congressional Committee that the United Nations headquarters in New York was a haven for alien communists and espionage agents.

Although Alexander's testimony later was confirmed publicly by statements of FBI Director J. Edgar Hoover, his career was ruined by Department officials who entered into his records a stiff reprimand for telling the truth.

In the case of Cordier, Otepka recommended to Reilly that additional investigation be conducted before further consideration was given to the granting or denial of a clearance. Belisle *overruled* Otepka and Reilly concurred with Belisle. As the result, Cordier was granted a full clearance for appointment to the Department.

FOOTNOTES

*"Pages" cited throughout this document refer to typed transcripts of Reilly testimony before the Senate Internal Security Subcommittee.

[1] See Exhibit I at p. 1721.

[2] IO: Assistant Secretary for International Organization Affairs.

[3] OIA: Office of International Administration.

[4] SY: Office of Security.

[5] Typed note at bottom of page: "Copy given to Sourwine on May 23, 1963."

[6] A typed line at the bottom of typed page 2 reads as follows: "Given to Sourwine on May 23, 1963." (The correspondence referred to read as follows:)

MAY 14, 1963.

Mr. BELISLE: Reference is made to your handwritten note of May 13, 1963, on the subject "Staffing International Organizations," requesting my comments on the attachments by noon, May 14.

The report of the Advisory Committee on International Organizations which is dated April 22, 1963, and appended to OM—Mrs. Rogers' memorandum of May 8, 1963, was given to the press about two weeks ago. A brief account appeared in local newspapers. I did not see the actual report itself until you sent it to me yesterday.

The Advisory Committee on International Organizations Staffing previously drafted a report dated March 1963 on the staffing of international organizations. I discussed with Mr. Reilly my views on the contents of that report. Thereafter, on March 18, 1963, I submitted to Mr. Reilly for his signature a proposed memorandum drafted by me personally addressed to Mr. Orrick containing detailed written comments with respect to Section 6 regarding "Loyalty Investigations of U.S. Citizens Employed by International Organizations."

I note that the new report of the Committee has eliminated in its entirety the Committee's previous comments and recommendations that investigations of Americans employed by UN agencies be conducted on a post appointment rather than a preappointment basis. The new provisions, now designated as Section 8 and captioned "Government Clearance of Candidates for International Organization Employment" merely contains an observation that the problem clearance is a difficult one and should be given careful consideration in the immediate future. The present report advocates more simplified procedures to appoint qualified Americans when they are needed but it does not specify the types of procedures desirable.

I see no objection to the revised provision. However, any new procedures proposed in the future should take into account the matters which I discussed in detail in my comprehensive comments of March 18, 1963. I have received no indication as to the approval or disapproval of my previous observations and recommendations. I would appreciate being informed of their disposition for my future guidance.

OTTO F. OTEPKA.

[Pencilled note]

MAY 13, 1963.

Subject: Staffing Int'l Org.

To Mr. Otepka:

Please let me have any comments by noon May 14.

Thanks.

BELISLE.

DEPARTMENT OF STATE,
ASSISTANT SECRETARY,
May 6, 1963.

Subject: Staffing International Organization—A Report of the Advisory Committee on International Organizations.

To: SY—Mr. John F. Reilly.

O has asked OM (Office of Management) to staff out the attached. Could we have any SY views sonnest (by telephone—Extension 4381—if you prefer). The item you may be most interested in is marked at pages 24 and 25.

OM—GLADYS P. ROGERS.

Attachment: A Report of the Advisory Committee on International Organizations. (The April 22, 1963, draft of the Report on International Organizations staffing accompanied the above request.)

[7] Copies of pertinent memorandums supplied by Mr. Otepka were marked "Exhibit No. I" and are printed at p. 1721.

THE COURTS AND THE PUBLIC SCHOOLS

Mr. THURMOND. Mr. President, every Monday millions of Americans fearfully scan their newspapers to find the latest edicts of the Supreme Court. The Court has in recent years put its own peculiar brand of sociology on many facets of our daily lives, but there is no more blatant example than its rulings in the area of education.

Dr. Carl F. Hansen, former superintendent of schools for Washington, D.C., has written an excellent article entitled "When Courts Try To Run the Public Schools," published in U.S. News & World Report for April 21, 1969, which should be read by all of us. It may be recalled that Dr. Hansen was hailed by many throughout the Nation for his pioneer work in the city of Washington in response to the 1954 Brown decision.

Mr. President, as an educator, Dr. Hansen is well qualified to illustrate the dangers inherent in the Court's decisions affecting education; and as one who has been deeply involved in the issue, he knows better than most lawyers the effects of the Court's rulings on the public school system.

Mr. President, with the hope that this article may provide some much-needed information in an area of vital concern to all of us, I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEN COURTS TRY TO RUN THE PUBLIC SCHOOLS

(By Dr. Carl F. Hansen, former Superintendent of Schools, Washington, D.C.)

(NOTE.—Dr. Carl F. Hansen guided the integration of Washington, D.C., schools in 1954. His work in the transition drew wide praise. In subsequent years, Negro enrollment gained overwhelming predominance. A Negro filed suit, charging "inequities." A federal judge ordered changes considered dangerous by Dr. Hansen, who chose to retire rather than comply.)

If you live in a small Nevada town—or in one in Iowa or Ohio, for that matter—and your schools are mostly white, you may actually be flouting a court ruling that says that racially imbalanced schools run against the Constitution of the United States.

If your schools have all-white faculties, you may someday be ordered to hire 13 per cent black teachers to make the percentage fit in with the ratio of blacks to whites in the national population.

If you live in a city like Washington, D.C., or Chicago, you may someday have to see to it that the proportion of the poor in any school does not exceed the percentage of the poor in the entire city.

If you refuse to attempt to get a balance between the poor and the nonpoor in your schools through voluntary exchanges across school-district and even State lines, you may find yourself in contempt of court.

You may find your own child someday inexplicably "volunteering" to ride a bus out of your neighborhood for the kind of social and racial integration some of the nation's leaders think is best for everybody—except possibly for themselves.

If not already current realities, these requirements may ultimately result from the emergence of the doctrine of de jure integration.

A new and rather pervasive body of law is being generated by the courts and a limited number of school boards and State legislatures. The effect of this action is to make homogeneous schools either illegal or unconstitutional. In order to reduce homogeneity in school populations, school boards are being required by law to produce plans for increasing racial and social balance in their classrooms.

For much too long this nation lived with de jure segregation. Under this immoral and inhumane doctrine, children—and in some cases teachers—were told: "You may not enter this school or that one because of your race." The law stood guard at classroom doors, sifting out blacks from whites and sending each into prescribed educational areas.

Now comes a counterpart rule—that of de jure integration. The effect is the same as in the case of de jure segregation: The law again stands guard, admonishing the black child to enter a designated school because his dark skin will improve racial balance there, or instructing a white child to transfer into a black school for the same reason.

One of the more difficult problems about assigning pupils to schools by race is deciding who is white and who is black. For this, someone ought to devise a skin scanner capable of computing racial dominance by measuring skin shade.

In today's admonition against homogeneous schools, you have to think beyond simple race differentials; you are required to weigh the purses of schoolchildren to determine whether they belong to the poor or to the affluent segments of American society. If you are going to enforce mixing of pupils by social and income class, you must find out about the financial condition of their families.

At the base of the doctrine of *de jure* integration is the assumption that homogeneous schools are bad for children. If you want to raise a nasty question, simply ask: "What is the proof that schools with fairly similar enrollments are inferior? Why is an all-white school arbitrarily suspect, or an all-black school written off as worse than useless?"

The earliest example of *de jure* integration is found in the 1954 action of the New York City board of education when it declared that "racially homogeneous public schools are educationally undesirable," and then placed upon itself the responsibility of preventing "further development of such schools" and achieving racial balance in all of its schools.

The action was taken on the advice of social theorists who reasoned that segregation by fact—that is, resulting from the free choice of people—was as bad as segregation by law.

The action of the New York City board of education was followed up in 1960 by the New York board of regents. On the premise that homogeneous schools impair the ability to learn, the regents ordered the New York State department of education to seek solutions to the problem of racial imbalance. It declared:

"Modern psychological knowledge indicates that schools enrolling students largely of homogeneous ethnic origin may damage the personality of the minority-group children. . . . Public education in such a setting is socially unrealistic, blocks the attainment of the goals of democratic education, and is wasteful of manpower and talent, whether this situation occurs by law or fact."

Three years later, the then New York State commissioner of education, Dr. James E. Allen, Jr., now United States Commisisoner of Education, sent a memorandum to all State school officials requiring them to take steps to bring about racial balance in their schools. The commissioner defined racial imbalance as existing where a school had 50 per cent or more black children enrolled.

The legislative development of the concept of *de jure* integration has continued: California, Massachusetts, New Jersey, Wisconsin and Connecticut have declared in executive or judicial statements that racial isolation in the schools has a damaging effect on the educational opportunities of the Negro pupils.

In 1965, for example, the Massachusetts legislature enacted a Racial Imbalance Act. Schools with more than 50 per cent nonwhites were required to file with the Massachusetts State board a plan for correcting the condition.

It would be a serious mistake to overlook the role of the courts in establishing the rule that homogeneous schools must be abandoned.

The *de facto* school-segregation decision in *Hobson v. Hansen* explicitly instructed the Washington, D.C., board of education to submit plans for the reduction of imbalance in the schools.

By clear definition, Judge J. Skelly Wright included social class along with race as factors of concern. For the first time a court spoke not only on the unconstitutionality of racial imbalance but of social imbalance as well:

"Racially and socially homogeneous schools damage the minds and spirit of all children who attend them—the Negro, the white, the poor and the affluent—and block the attainment of the broader goals of democratic education, whether the segregation occurs by law or by fact."

Judge Wright overrode the conclusions of at least eight federal courts that had ruled consistently that it is not the duty of a board of educaion to eliminae *de facto* segregation, provided there is no evidence suggesting the maintenance of *de jure* segregation.

The sweeping Wright decision, however, went far beyond the more common legislative view in such States as New York and Massachusetts that blacks suffer from attendance in predominantly black schools. The jurist in *Hobson v. Hansen* added social-class homogeneity as a factor detrimental to democratic education. In addition, he enunciated the the opinion that all children are hurt by homogeneity. In all-white, predominantly affluent schools, therefore, the minds and hearts of the pupils are being damaged for about the same reasons that black children suffer in schools peopled by their own race.

If the rule requiring integration by social class prevails, every public school in the nation is subject to its effect. Even predominantly Negro school systems like the Washington, D.C., unit will be confronted with a redistribution of its pupils along social lines, if the literal meaning of the Wright opinion is observed. In the nation's capital, with about 94 per cent Negro public-school enrollment, more then 10,000 secondary-school students were reassigned in one year to bring about better social balance in the schools. Thus, *de jure* integration by class as a doctrine is already in partial effect in at least one major school system.

The conclusion that socially homogeneous schools must be destroyed rises from an increasing stress upon the theory that social class determines the quality of education. If the only way to improve achievement among lower-social-class pupils is to integrate them with higher-income pupils, a vast manipulation of school populations is in prospect. It would require a kind of despotism the world has not yet experienced, for enforcement is inevitable where the people do not volunteer.

It is difficult to believe that freedom can survive when government seeks to control the social and racial dispersement of the people—speaking, as it does so, the line: "This may hurt, but it will be good for you."

The judicial movement toward full development of the *de jure* integration doctrine was accelerated by the United States Supreme Court in three decisions issued in May, 1968. These are the Kent County, Va., the Gould, Ark., and the Jackson City, Tenn., opinions requiring the school boards in these communities to abandon their freedom-of-choice plans for desegregating their schools.

In these opinions, the Supreme Court declared that, in States where the schools were previously segregated by law, school boards must assume an affirmative responsibility to disestablish segregation.

In Jackson City, Tenn., for example, it was not enough to set up school zones on the neighborhood principle, at the same time allowing pupils to choose to attend schools outside those zones if space existed in them. Under this plan, formerly all-white schools received significant numbers of black students. Because, however, white students refused to attend or to elect to attend all-Negro schools, the Court was dissatisfied with the freedom-of-choice plan. The presence of all-Negro schools became clear evidence of intent to preserve segregation as it existed before 1954.

Not only must the Jackson City school authorities by the force of law require white children to attend formerly all-Negro schools, but they must also enforce faculty mixing by arbitrary assignment of personnel on racial lines.

The Supreme Court's disestablishment doctrine is the principle of *de jure* integration applied to those States in which segregation by law existed prior to the 1954 *Brown* decisions. This position—quite heavily burdened with patent discrimination against a group of States—is after all only one step removed from a decision requiring all States to disestablish segregation, whether this occurs by law or fact.

De jure integration, in summary, applies currently in those States and in those school districts where the local legislative bodies have enacted legislation establishing the new doctrine. It applies specifically to the District of Columbia, where the Wright opin-

are in favor of a convention like some parts of the bill, and dislike others. Those who are against the convention also favor some of the bill and oppose other sections. But increasingly public opinion recognizes that the issues cannot be ignored. As evidence of this feeling, the Washington Post of Saturday, April 12, called for Senate action on S. 632. I ask unanimous consent that the editorial be included in the RECORD at this point in my remarks.

There being no objection, the editorial referred to was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL CONVENTION BILL

The Iowa Senate did not create much of a stir the other day when it passed a proposal for a national constitutional convention, although (if the House should concur) Iowa would be the 33d state taking such action. If 34 states join in this petition, it is widely assumed that Congress would have to call such a convention. And some people fear that a convention initiated solely by the states might abolish the Bill of Rights, create an elected Supreme Court and critically curb the powers of the Federal Government.

This venture aroused a great deal of alarm two years ago when the 32d state resolution was passed. Since then much of the steam has gone out of both the drive for a constitutional convention and the opposition to it. One reason for this is the careful work done by Sen. Sam J. Ervin Jr., which makes it evident that Congress would not need to call a wide-open convention even if two-thirds of the states should seek constitutional changes under the unused portion of Article V.

Another factor is the passage of time. The first petitions to Congress to call a constitutional convention came from 12 states in 1963. The purpose behind them was to deny the Federal courts jurisdiction over state legislative apportionment cases. Most of the petitions since then have asked for a convention to propose an amendment which would permit one house of a state legislature to be apportioned by some standard other than population. Are the two groups sufficiently related to be joined together into a single demand upon Congress? Another question must be raised about the validity of four petitions which apparently have not been received by Congress. Then there is the question as to whether the early petitions are still valid six years after they were voted. Under the terms of the Ervin bill designed to guide the submission of such petitions, they would remain in effect only four years.

Whether or not 34 petitions are ultimately received Congress ought to take up the Ervin bill at the first opportunity. It would tell the states how to proceed in petitioning for a constitutional convention and how to elect their delegates if such a convention should be called. It would make Congress the sole judge of whether the states had complied with the requirements in any instance. More important, it would confine the convention to the specific problem raised in the state petitions and the congressional call and give Congress discretion to kill any proposed amendment on other subjects by not submitting it to the states for final ratification.

In our view this safety valve is both proper and essential. Senator Ervin has noted that when the framers adopted two methods of amending the Constitution, one to be invoked by Congress and the other by the states, they did not intend to make one superior to the other. They did not invite the states to junk the Constitution and write a new one in a convention called by themselves. Both Madison and Hamilton make clear that the conventions which the states might initiate were intended for the proposal of specific amendments only.

We think Congress would be well within its rights in passing a law to implement this understanding. If it does so, most of the fear that has been associated with state-initiated conventions will evaporate. As a matter of policy it is infinitely better for constitutional amendments to be approved first by Congress and then ratified by the states, so that the will of the Nation as well as that of the states will be expressed. But as long as an alternative amendment procedure remains in the Constitution, and it is not likely to be repealed, Congress has an obligation to provide sensible guidelines for its use and not to risk a constitutional crisis after petitions from two-thirds of the states have been laid at its door. This would be a good bill for Congress to get to work on while it is complaining that it has nothing to do.

Mr. ERVIN. Mr. President, the differences of opinion over my bill should be debated fully on the Senate floor. This bill is too important to be dealt with by ignoring it. I will spare no effort to get this bill considered by the Senate, because I believe we cannot and should not shut our eyes to the responsibilities the Constitution has imposed on us.

CLARK MOLLENHOFF ON THE OTEPKA CASE

Mr. DIRKSEN. Mr. President, Clark Mollenhoff, of the Des Moines, Iowa, Register, has been a very responsible reporter on the Washington beat for a great many years. When the Internal Security Subcommittee of the Senate Committee on the Judiciary got started on the so-called Otepka case nearly 6 years ago, Mr. Mollenhoff gave a good deal of attention to it, and, in fact, his attention continued all through the hearings. He was really one of the men who stood by Otepka. He verified the documentation and sources; therefore, he was correct when he wrote and when he spoke.

Clark Mollenhoff went to the Freedom Foundation at Valley Forge on April 19 of this year and made a speech which was devoted to the Otepka case. There he set it out—line, page, and verse—in a way that really nails the matter down. I think it should be made a part of the literature on the Otepka case. I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY CLARK MOLLENHOFF

I call attention to the case of Otto F. Otepka and the case for moderation, patience and conscientious hard work on the seemingly impossible problems that face our society. I hope the six-year ordeal of Otto Otepka is nearly over, and that within a few weeks he will be busy at the Subversive Activities Control Board. I hope his term on the Subversive Activities Control Board will be marked by the same thoughtful and balanced actions that have characterized his approach to his six years of trial.

I will not say that there were no moments of anger and bitterness for Otepka in the last six years, for I know there were many in his long and often frustrating battle with the big bureaucracy that is the State Department. But, Otepka managed to keep the bitterness to himself through most of the time, and he avoided the temptation to engage in a public name-calling contest that could have seriously damaged his case.

For the most part, Otepka confined himself to the recitation of the written record of the Senate Internal Security Subcommittee and the papers filed by his attorney, Roger Robb, in connection with his personnel litigation. Because he confined himself to the written record he made it difficult for critics in the State Department to twist or distort his position by taking comments out of proper context. Because he kept meticulous records of his case and related matters, Otepka has been in a position to document the record of the activities of his tormentors.

Because of the care with which Otepka has proceeded the issues in his case have remained essentially the same as they were when the case started six years ago.

The State Department press office and other critics have found it difficult to create new side issues to distract from the basic case. In its simplest form this is the case:

The State Department political arm was trying to fire or demote Otepka because he told the truth under oath and produced three documents to prove he was truthful.

Otepka testified on lax security practices at the State Department and his testimony was flatly contradicted by a superior, John F. Reilly. This created a serious problem for someone had testified falsely under oath on a material matter dealing with State Department security.

Otepka was advised by the Senate subcommittee of the conflict in testimony indicating that either Otepka or Reilly had lied under oath.

Faced with that problem, Otepka said he could prove he was truthful and that his superior had told a false story. At the subcommittee's request, Otepka produced three documents:

1. A memorandum from Otepka to Reilly setting out the facts as Otepka had testified they were related to Reilly. It was initialed by Reilly.

2. A memorandum from Reilly to others setting out the information Otepka said he had conveyed to Reilly. This was signed by Reilly.

3. The personnel papers of a young woman. They contained no derogatory information. They were used to demonstrate how a case would be handled under normal circumstances.

Those documents were necessary to prove that Otepka was truthful. They dealt with a subject matter within the jurisdiction of the Senate Internal Security Subcommittee. None of those documents involved any national security secrets. Perhaps it would have been possible for Otepka to take those documents to his superior, Reilly, and obtain approval for delivering them to the Senate subcommittee for the purpose of proving that Reilly had given false testimony.

However, I do not believe it was unreasonable for Otepka to believe that he had a right to respond to the Senate Subcommittee request without clearing with Reilly. The Senate Subcommittee had the responsibility to find out who was telling the truth. Otepka had the information necessary to establish the truth and the right to prove his own veracity.

It was John F. Reilly who filed the charges of "insubordination" against Otepka for delivering the three documents to Congress. He also filed ten other charges that had to be dropped by the State Department after Otepka and his lawyer said they had evidence to prove that those charges were based on rigged evidence.

Reilly was in the group of officials who participated in the illegal and unauthorized wiretapping of Otepka's office telephone and the bugging of the State Department office. Reilly had a role in entering Otepka's office at night to ransack his desk and bore into the security safes to try to find grounds for firing Otepka.

This "get Otepka" drive failed to produce evidence but the pattern of harassment was the worst in police state tactics.

Reilly and others on two occasions lied to the Senate Internal Security Subcommittee in denying a knowledge of the eavesdropping on Otepka before they finally admitted it.

It was Reilly who filed the "insubordination" charge against Otepka to try to fire him. To me it was incredible that Secretary Rusk and other officials would permit Reilly to file the charges in the light of his pattern of "get Otepka" activity.

I started to work on the Otepka case in 1963 prior to the time Reilly filed the charges of "insubordination". I have followed it since then.

When I started work on this matter, I questioned Otepka extensively. I did not know him well then. I did not know if the facts he presented were accurate, nor did I know if there were other facts that might change the overall look of the case.

For weeks, and even for months, I was cautious about drawing any more than a few of the most limited conclusions on the Otepka case. Every investigation I made of Otepka's story demonstrated that he was accurate on the facts, and balanced in his perspective. In many respects he understated his case. Also, he was amazingly objective in viewing his own case, and in judgment about the men who were aligned against him. He had the restraint and judgment to draw lines between those who were actively engaged in illegal and improper efforts and those who seemed to be simply trapped into a position by carelessness or to present a united political front.

Despite the care with which Otepka related his case, I had difficulty in believing it was as one-sided as it appeared. I made every effort I could to determine if the facts were glossed over or omitted by Otepka or the Senate subcommittee. I questioned everyone I could at the State Department, up to and including Secretary of State Dean Rusk. Frankly, I did not want to believe the Kennedy Administration was either as incompetent or as cruel as it appeared to be.

In those first months, it was logical to ask if there was something in Otepka's record or his activities that in some manner justified the unusual methods used in the effort to get him. What crimes or suspicions of subversion could justify the use of wiretapping and eavesdropping on Otepka, the tight surveillance kept on his activities, and the ransacking of his office and security safes?

There was no hint from his critics that Otepka was believed in either subversion or crime.

Also, the other obvious question involved Otepka's rulings on security cases. I asked if there was any case showing that Otepka had been irresponsible in branding someone a security risk on the basis of flimsy or rigged evidence? No one could or would cite a case of irresponsibility or lack of balance in any Otepka evaluations.

Month after month I asked for the case against Otepka. In the end I concluded that there was nothing else against Otepka except the so-called "insubordination" in producing the documents for the Senate Subcommittee.

There were insinuations that Otepka was a "right-winger" who deserved no defense. At State officials hinted that Otepka was a "McCarthyite" but they shut this off fast when I asked them for specific details after explaining that Otepka did not know McCarthy, and recalling that Otepka had recommended clearance of a number of persons in controversial cases.

The undocumented State Department line apparently went over with some reporters. A few reporters wrote stories crediting the Kennedy Administration with taking a necessary step in disciplining Otepka to crush out "the last vestiges of McCarthyism" at the State Department. They gave no facts, but with this broad smear engaged in the worst type of McCarthyism against Otepka. I asked several if they had any facts linking Otepka to McCarthy. They had none.

I asked several of my colleagues if they knew that Otepka had recommended the clearance of Wolf Ladejinsky in 1954 at a time when Agriculture Secretary Benson was ruling that Ladejinsky was a security risk. Most of them did not.

I reviewed the Ladejinsky case in which the Benson decision became a great cause for liberals, and with good reason. Benson's decision was an arbitrary and irresponsible one, as was later established. I had a major newspaper role in correcting the Ladejinsky decision, but I had many helpers and editorial suppporters in the liberal press.

I tried to demonstrate that the Ladejinsky and Otepka cases were similar. Both men were career public officials who were being persecuted by political decisions with all of the power of a cabinet office being used to enforce an unjust arbitrary decision.

The American Civil Liberties Union and other liberal groups rejected my efforts to stimulate their interest in the Otepka case. I argued that true liberalism demanded that Otepka, a conservative, should be defended as stoutly as Ladejinsky, a liberal, was defended.

For the most part that plea was futile, even though the ACLU did enter the case briefly to protest the proceedings in the State Department appeal.

The State Department hearing was a rigged political court to give Otepka a pro-forma hearing before Rusk ruled against him and demoted him from a $20,000 job to a $15,000 job.

Roger Robb, lawyer for Otepka, protested the hearing form, and sought witnesses to establish a frame-up of Otepka. His pleas were rejected by the hearings officer, and by Rusk.

My disappointment with the failure of liberal organizations to come to Otepka's defense has been matched by my disappointment in some of my liberal press colleagues. We worked together on the Ladejinsky case, and they were eager to help. No amount of persuasion could move them to examine the even greater injustice of the Otepka case.

I realize the record of the Otepka case is voluminous and despite the reports of the Senate Internal Security Subcommittee has remained controversial. This did make it a difficult case to unwind, and it made it easy for State Department spokesmen to distort the record and to snip at Otepka from the protecting cover of anonymity.

There may be some malicious and intentional distortions by some segments of the press, but I prefer to hope that the mass of distorted reporting on the Otepka case was a result of carelessness and a lack of diligence on the part of overworked State Department reporters. Certainly, the voluminous record made reporters easy prey to the distorted State Department backgrounders.

I realize the broad range of direct and subtle pressures brought to discourage a defense of Otepka, for I met most of them at some stage from my friends in the Kennedy Administration. One put it crudely: "What are you lining up with Otepka and all those far-right nuts for? Do you want to destroy yourself?"

There were also the hints that I could be cut off from White House contacts and other high administration contacts if I continued my push for the facts in the Otepka matter.

When I tried to discuss the facts and the unanswered questions, there was no interest in either the facts or the merits. They simply wanted to shut off reporting and comments on an embarrassing subject.

Fortunately there have been a few people who have continued to work on the case and to report something besides the State Department version. I would pay special attention to Holmes Alexander, Ed Hunter, Edith Roosevelt, and Willard Edwards.

I want to pay special tribute to Willard Edwards. His conversation with Richard M. Nixon, the Republican candidate, set the stage for the naming of Otepka to the Subversive Activities Control Board. Edwards reported that Nixon intended to see that justice was done for Otepka, and I had a later conversation with the then Candidate Nixon in which he confirmed his conversation with Willard Edwards and again expressed his interest in straightening out the Otepka case.

There was some disappointment that Secretary of State William P. Rogers did not take direct action to reinstate Otepka as well as several of Otepka's supporters who were victims of the political knife under the Kennedy and Johnson Administration. But, since there has been no change in the top legal, personnel and press jobs at the State Department, I guess it should not be surprising if Rogers received one-sided briefings and actions recommendations that represented anything but justice for Otepka.

I had believed that Secretary Rogers—a former congressional investigator of subversion and a former Attorney General—should be able to analyze the Otepka case. But, he has been busy with the affairs of dozens of alliances, and in the absence of other evidence, I prefer to think his unfortunate letter on the Otepka case was a result of the work of holdover subordinates.

Fortunately, President Nixon stepped in to make things right with a top level vindication of Otepka through the appointment to the Subversive Activities Control Board.

There have been some efforts to stir an anti-Otepka drive in the Senate on ground that Otepka's association with some John Birch Society members made him unworthy of the SACB appointment. This guilt by association technique ranks with the worst "McCarthyism". There is the possibility that some Senators may try to stimulate an anti-Opteka move and some will almost certainly vote against his confirmation. This is their right.

If any opposition Senators conduct the research necessary to properly discuss this case, I have an idea that they will back away from any direct confrontation because it would focus national attention on one of the most serious black marks in the Kennedy Administration. Any discussion of the case is certain to point up more vividly than at any time in the past the sordid story of eavesdropping, surveillance, safe-breaking and other police state methods used by the Kennedy administration in the "get Otepka" drive.

I have been sorely disappointed over the press handling of the Otepka case over the period of the last few years. In seeking to analyze the reasons, I have concluded that much of the fault must be in the superficiality of the news media in dealing with complicated controversial issues.

The superficiality that marked the coverage of the Otepka case can also be found in an examination of the rise of the late Senator Joseph McCarthy to a position of national prominence on a record that included the wildest irresponsibility. The press *made* Joe McCarthy through its initial superficial and noncritical handling of his irresponsibility. It was impossible for a reader to tell fact from general smear. In the same manner the press permitted anonymous State Department people to smear Otepka.

Only when the newspapers became alarmed and enraged in a careful investigation and study of the details of the McCarthy record was there a public understanding of McCarthy as the irresponsible rogue he was.

Unfortunately, the press engaged in what I am afraid is a characteristic over reaction on the issue of loyalty and security. The fact that Joe McCarthy was wrong in engaging in

a general smear of public employees on charges they were disloyal or security risks *did not mean that there are no persons* in the United States Government *who are disloyal.* Yet, much of the press reacted in a manner that indicated there was no problem of loyalty and security and that anyone who suggested it was somehow off on a kick of "McCarthyism."

This type of an attitude is as destructive as are the equally irresponsible antics of a Joe McCarthy. It disregards the fact that there has been a constant problem of protecting national security interests. I assume there will be a problem until such time as the United States, the Soviet Union, and all of the other nations of the world can give effective guarantees that there will be no more spying. It is hardly necessary to add that I do not believe that there is any possibility of such a condition arising in the near future.

In the meantime, the government must try to manage a security program for the protection of our government and our people. The press must recognize this as a difficult problem with some inherent conflicts between personal liberty and general welfare. The system must be administered in a fair manner rejecting pressures to disregard security standards for political favorites and also the temptation to bar persons with otherwise fine records because of flimsy evidence or overly suspicious reasoning.

Since the press is our life line of information in a democracy, it is vital that newspapers learn how to deal with the major complex controversies of our age in a manner that enlightens rather than enflames the public. What I have said of this issue of security standards can also apply to our other major problems—

Obtaining a reasonable balance between the rights of defendants and the need for an orderly society through firm law enforcement.

Creating and maintaining the needed military-industrial complex without letting it control the nation or warp our institutions.

Establishing the rights of working men to bargain for fair wages and working conditions without permitting their leaders to destroy businesses, the government, or other institutions in our society.

These are only a few of the major problems that face our society today, but they are large enough and representative enough to demonstrate that the newspapers have a large responsibility. I hope they will learn from the past errors, and find a way out of the pattern of superficiality that has marred the past.

There would be no purpose in identifying those news organizations who through negligence or incompetence did not come to grips with the enormous wrongs of the Otepka case in the years that case has been pending. I was pleased with the general fairness of most of the coverage of the Judiciary Committee hearing on the Otepka nomination to the Subversive Activities Control Board. I hope that it means that there will be more thought to depth investigation and balanced coverage the next time such a case comes on the horizon.

THE SHOE INDUSTRY

Mr. DIRKSEN. Mr. President, when we contrived the Republican platform in 1968—and I had some hand in its preparation—we indicated that we would take a sensible and forward-looking position on the whole subject of foreign trade.

The Secretary of Commerce, the Honorable Maurice Stans, is on a trade mission to Europe at the present time. According to the reports I have seen, he is consulting with leading trade figures in various countries in Europe. I think this is a fine thing that the Secretary is doing, and I commend him for his efforts.

In that connection, I ought to call attention to the distressing situation that confronts the shoe industry of the country. I have more than a casual interest in it, because there are 42 shoe factories in the State of Illinois, they are located in 25 different cities, and, of course, their progress and their prosperity are contingent on the conditions that confront and beset the industry.

In 1968 we lost 22 percent of our domestic market to imported shoes. The shoe industry employes 230,000 people, and there are 1,100 factories scattered in some cities and towns in 40 States of the Union. The early figures for 1969 will indicate that 30 percent—which is getting close to one-third—of our entire domestic market is going to be surrendered to imported shoes unless something is done.

The key factor in all this problem is, of course, the wage scale. In the United States, the hourly wage scale is $2.62. In Japan, including fringes, it is $1.04. In Italy, it is 57 cents. In Spain, it is 55 cents. In Taiwan it goes as low as 15 cents an hour. These four countries sent 90 percent of all footwear sent to the United States last year.

Obviously, an industry which pays a wage of $2.62 to employees working in the domestic shoe industry cannot meet that kind of competition. They use identical equipment and raw material costs are not major cost items.

1968 imports amounted to 175 million pairs of leather and vinyl shoes. That is the equivalent of 64,200 jobs. Cut it as thick or as thin as one will, we have just exported over 64,000 jobs abroad. We get to the wailing wall and make our lamentations about the ghettos and the conditions in the ghettos, and about the absence of work opportunity. This is the type of work that can be done by unskilled and semiskilled people. We are getting pretty close to the fringes of the ghetto. Perhaps we ought to think about doing something about it.

I earnestly hope that after Secretary Stans gets back to this country and makes his recommendations, we can get our teeth into the problem and see what we can do about a domestic industry that is being ground to the wall.

BASES IN SPAIN

Mr. FULBRIGHT. Mr. President, one of the most concise and perceptive analyses of the Spanish base affair, which has received much mention in the press recently, was that written by Mr. Ward Just and published in the Washington Post on April 24, 1969, entitled "The Bases Issue Seen From Spain." Mr. Just, a member of the staff of the Washington Post, is, as we all know, one of the most experienced newsmen on the American scene.

I ask unanimous consent that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BASES ISSUE SEEN FROM SPAIN

(By Ward Just)

No noncommunist country in Europe has been so isolated from what we are pleased to call the Free World than Spain. Barred from NATO, barred from the Common Market, reviled by liberals everywhere for the endurance of the Franco regime, Spain continues to look inward. Spasms of political reformation are followed by suppressions. The Spanish, anarchists at heart, plot long in cafes while the economy inches forward, the middle class grows, and memories of the war recede. She accommodates 19 million tourists a year (not a misprint), yet remains on the outside looking in—a condition which pleases many Spanish. Habitually distrustful of outsiders, Spain is now making her own evaluation of the four obsolete and obsolescent bases she leases to the United States. The lease, it seems, is not a one-way street.

In Congress and in the American press, the debate has centered around the Pentagon's role in negotiating the renewal. A secondary question has been the matter of alliance: do the bases, either in fact or in theory, commit the United States to Spain's defense? If they do, Senator Fulbright and others are arguing, then there ought to be a treaty. Treaties, as all the world must know, are ratified by the Senate. And no one here loves General Franco.

The quid pro quo most often mentioned is $150 million or so in military hardware, distributed to Madrid over the next five years in exchange for the leases. It is an old business, the "lease," for it requires the Spanish flag to fly over the bases and in language quite vague commits the United States to consult with the Franco regime if the bases are ever used. In fact, in the Lebanese crisis in 1958 and the Cuban missile crisis in 1962, the bases were "activated" with no prior notice to Madrid. That, according to a Spanish official here.

The core of the opposition to the bases (there are three Air Force bases, and one Naval base) here rests on two points: the first is that they are not militarily essential, either to the defense of Europe or the defense of the U.S., and the second is that they have the effect of propping up the Franco regime, now in its thirtieth year and bound to yield sometime soon. All this has had an extremely interesting effect in Madrid, which has its own split between liberal civilians and conservative generals. There is also something known as Spanish pride, which one trifles with at peril.

"We must not accept a 'dictat,'" said one recent editorial in *Ya*, a Madrid daily which reflects General Franco pretty much as Ronald Ziegler reflects President Nixon. "Anything but that, including the complete termination of the agreements renewed in 1963. Those agreements—as they were stipulated—have become too burdensome for us. Long range nuclear missiles have radically changed the situation from what it was when the agreements were subscribed. An alliance on equal grounds may be appetizing, but not the posture of an acolyte. We will not become a satellite country."

Going further: "Without adequate counter-measures against the dangers involved"—and here *Ya* means a signed treaty—"we believe that Spain should not renew the agreements with the United States. Analyzing the pros and cons of 15 years of 'agreements,' Spain has derived from them less advantages—many less—than the other side."

That last is arguable, since the bases have been at least one factor in the one-plus billion dollars in aid that has gone from the United States to Spain since 1950. But, as Spanish here put it, what kind of arrangement is it when the United States can rent land on which to emplace its weapons. Either there is a mutual security arrangement or there is not. As a Spanish Embassy official here puts it, it is "inadmissible" to lease the bases without regard "for the risks the arrangements would entail for Spain." Quite correct. It is not enough, as the Pentagon argues, that the mere presence of American troops is an effective guarantee. If that is the intent, then there ought to be

a treaty. "The 'era of rentals' has ended," *Ya* said, a bit pretentiously but accurately enough.

There is probably no regime in the world that provokes such passion as that of General Franco. He is something of a relic, with his civil guards and his censored press, something of a sore thumb on the manicured hand of Europe, and no matter that his regime differs not a whit from some of the most eminent of America's allies. The Spanish Civil War, one of the great confused ideological struggles of all time, is still the benchmark of good guys versus bad for a good many people, here as in Europe. A number of Western observers in Spain have argued that the American presence, symbolized by the bases, has been helpful in nudging the regime from right to center. It is argued that the modest liberalization that has occurred is the result of American influence, and part of it the personal contact between the American military and the Spanish. Perhaps. It is a plausible argument.

With some heat, Spanish officials here and in Madrid categorically reject the notion that the bases, or the 10,000 Americans which now reside on them, would ever be used in the event of internal disorders in Spain. "Gratuitiously offensive," is the way one Spanish official here put it, "and detrimental to Spanish sovereignty."

One recalls the 1936 Spanish war, which became a laboratory for experimentation by the Soviet Union and Nazi Germany, among other nations. The test for the bases ought to be their use to the United States. If they are found to have no use, then they should be abandoned. If they are found to be essential to American or European security, then they should be negotiated, and the negotiations should be in the context of a treaty. But the Senate ought to look very carefully at the implications of a treaty now with Spain, as the Franco era draws to a close with no certain successor. If any people in the world have the right to work out their own affairs without interference it is the Spanish. It did not happen that way the last time.

THE UNWINNABLE WAR

Mr. FULBRIGHT. Mr. President, Mr. Henry Brandon has been for many years interpreting the American scene for the Sunday Times of London. He is intimately acquainted with the events and personalities of recent years, and has the advantage of greater objectivity about our affairs than many of our own observers. I believe that his account of the Wilson-Kosygin meeting and its significance for us and for the war in Vietnam is worthy of our attention.

I ask unanimous consent to have printed in the RECORD the article entitled "Hot Words on the Hot Line—the Unwinnable War, Part 2," written by Henry Brandon, and published in the London Sunday Times Weekly Review of April 20, 1969.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOT WORDS ON THE HOT LINE—THE UNWINNABLE WAR, PART TWO

(By Henry Brandon)

(NOTE.—Downstairs at Chequers, Wilson stalled for time with Kosygin. Upstairs an American envoy held the phone out of the window so that Washington could hear the motor cycle escort preparing to take Kosygin away. It was a desperate last-minute bid for peace in Vietnam. It failed—with angry recriminations between Wilson and Johnson.)

Harold Wilson had great expectations of Premier Kosygin's visit to London in February, 1967. He hoped it would provide an opportunity for him to step on to the world stage as a mediator between the Americans and the North Vietnamese. He had known Kosygin for years, and felt he had something of a special personal rapport with him.

In Washington President Johnson was not only tired of volunteer mediators, but ever since Mr. Wilson had dissociated himself from the bombing of oil installations near Hanoi seven months earlier, he had ceased to be considered a robust ally. His self-appointed mission with Kosygin only aggravated the distrust.

Yet it was difficult for Johnson to say no to Harold Wilson: it would have been very awkward if it had become known that the United States would not try out such a special opportunity for peacemaking.

The chosen liaison man was Chester Cooper, a short, bushy-eyebrowed, slightly Chaplinesque member of Ambassador Averell Harriman's staff. He had "low visibility": he would not be spotted by the Press. Thanks to his dry humour and his easy way with the British, he was well liked in London from his CIA days, between ten and twelve years earlier. He had the subtle mind needed for this task—yet, as it proved, he did not quite have the necessary White House influence.

Cooper had in fact just visited London, early in January, to brief the Prime Minister and George Brown, the Foreign Secretary, about the fruitless Polish peace feeler, "Marigold." On a visit to Moscow the previous November George Brown had transmitted, on behalf of the Americans, the so-called "Phase-A, Phase-B" proposal (which was to play such a pivotal part in the events of the next few days) to Hanoi via Moscow; excitable as ever, he was infuriated to learn from Cooper that he had not been the only one to do so.

Wilson was also annoyed that the Americans had not informed them sooner of the Polish mission. The fact that the Americans were still not sure that the proposal had reached Hanoi via Warsaw was no real comfort to Brown.

Shortly before Kosygin's arrival, Harold Wilson asked Dean Rusk, the U.S. Secretary of State, whether Cooper could return to London to bring him fully up to date on the American negotiating position. Rusk agreed, and Cooper flew back to London on February 3. He was instructed to hold nothing back from the Prime Minister, and to provide a channel of communications with Washington.

Before he left for London, Cooper had seen three drafts of a letter from Johnson to Ho Chi Minh, along the lines of the Phase A-Phase B proposal. Phase A provided that under a prior secret agreement the US would stop the bombing "unconditionally." Phase B(i) provided that the North Vietnamese would stop the infiltration of men; Phase B (ii) that the US, as a corollary, would refrain from sending any additional troops to Vietnam. It was also understood that the US would agree to the first part of this agreement only if Phase B (i) was accepted in advance. The key to this proposal, the time lag between Phase A and Phase B, was vaguely a "reasonable period," understood to be from about ten days to no more than two weeks, in which Hanoi could determine that bombing had stopped under Phase A and not simply because of technical or weather conditions.

The President had not yet made up his mind to send this letter to Ho Chi Minh. It was a difficult decision: he had never before taken such an initiative. What Cooper did *not* know when he left was that a letter had finally been sent, but it was an uncompromising letter. It said the President would stop both bombing and further build-up of US forces but only after being assured that infiltration into South Vietnam had ceased.

The letter was delivered by the American Charge d'Affaires in Moscow to the North Vietnamese mission there on February 8. The idea, according to some, was to pre-empt the Wilson-Kosygin talks and to forestall the possibility, which the State Department suspected might be a probability, that Wilson would sign his name to Kosygin's formula—the old theme song that there could be talks if only the U.S. stopped the bombing. Others suggest a simpler motive. Negotiations by proxy are not a practical proposition. If there were to be negotiations, Johnson wanted to be the one to conduct them.

The Prime Minister was full of high hopes about his meeting with Kosygin. George Brown was less so, and Wilson's hopes sank when the Russians announced their delegation. It did not include Foreign Minister Gromyko nor a known Asian expert. It looked more like a goodwill than a business visit.

Undaunted, the Prime Minister asked the American Ambassador in London, David Bruce, if Cooper could stay on for the duration of the Russian visit. The White House sceptically agreed. Walt Rostow, the President's Adviser for National Affairs, considered Cooper a dove and therefore an untrustworthy emissary.

Kosygin arrived on Monday, February 6, on the eve of the ceasefire in Vietnam over the Tet holidays: this gave special meaning to the timing of the visit. Wilson met him at the airport and as they rode into London Kosygin said that he wanted to discuss international problems including Vietnam. But, and Kosygin put special emphasis on it—only in *private*, not in plenary session.

Wilson was greatly encouraged. On Tuesday, when the talks began, he put forward the ingenious "Phase A-Phase B" proposal, under the impression, which Cooper shared, that this was still Johnson's policy.

Kosygin at first countered by restating Hanoi's known position. He suggested that an interview given by Hanoi's Foreign Minister to the Australian journalist, Wilfred Burchett, was a genuine attempt by Hanoi to get negotiations started, and that it represented a major concession. Talks could begin three to four weeks after a bombing halt.

Contrary to Washington's expectations, the Prime Minister loyally insisted that the best approach to negotiation was the Phase A-Phase B proposal and Kosygin reacted by saying it was "a possibility." Wilson held to his position until finally, on Friday, in private session with only two aides on each side present, Kosygin said, "You keep telling me about this two-phased proposal—put it into writing." The proposal seemed new to him though it had already been given to the Russians by George Brown when he met Mr. Gromyko in November.

For the first time the Russians were showing a real interest in getting involved in backstage peacemaking. Kosygin had also told Wilson explicitly that he was in touch with Hanoi, that he thought Hanoi was in a receptive mood, and that he was worried that if nothing happened the Chinese would again be able to assert their influence on the North Vietnamese.

The Chinese, said Kosygin were itching to send volunteers following the declaration agreed on in Bucharest the previous July and they, the Russians, were doing their utmost to prevent it. Kosygin also left the impression with his hosts that he was taking certain risks by facilitating communications with Hanoi because others in the Kremlin were afraid that failure of such an initiative would give Peking an opportunity to attack the Soviet Union for disloyalty to the North Vietnamese ally.

After lunch on Friday Chester Cooper and Donald Murray, then Asian expert in the British Foreign Office, sat down together and drafted a short memorandum setting out how it was proposed to give Kosygin the Phase A-Phase B offer. Around 4 p.m. Cooper

first announced Feb. 19, along with his plans to move Head Start and the Job Corps from the Office of Economic Opportunity on July 1.

But he went further yesterday, saying modern science has confirmed that the child of impoverished parents can suffer "lasting disabilities" and that this can lead "to the transmission of poverty from one generation to the next."

"It is no longer possible to deny that this process is all too evidently at work in the slums of America's cities and that it is a most ominous aspect of the urban crisis," Nixon said.

"It is just as certain that we shall have to invent new social institutions to respond to this new knowledge."

Aside from indicating Head Start should redirect its efforts from the preschool playground to the crib, Nixon also struck a second theme by stressing that many urban problems, such as the process of child development, defy quick remedies.

"America must learn to approach its problems in terms of the time span those problems require," he said. "All problems are pressing; all cry out for instant solutions; but not all can be instantly solved.

"We must submit to the discipline of time with respect to those issues which provide no alternative."

Among a number of child experts and OEO officials canvassed today, there seemed to be a consensus that the President is responding to a growing view that what a poor child really requires is the kind of environment a financially secure home and community offer other children from birth.

Head Start has been regarded as only a small step in an effort to furnish constructive educational experiences for all poor children from birth.

Currently, 55 percent of the 218,000 children enrolled in Head Start's full-year program are 5 years of age or older. The average age of 471,000 children in the summer program is 5 years and 10 months.

Although Nixon did not specify a new target age yesterday, there has been some talk of 3 years.

Yesterday at the White House, Secretary Finch outlined steps he intends to follow to reorient Head Start next fall:

The number of parent-child centers for infants and toddlers 3 years and under will be doubled from the present 36, increasing the number of children involved in this pilot program from around 3,000 to 6,000.

Communities will be asked to try out some new test programs in infant education.

HEW will encourage communities to use funds now spent on summer programs for 225,000 children—about half the total spending—for enrolling 50,000 to 60,000 children in full-year programs.

Finch said many communities have requested bigger full-year programs but that Head Start's fiscal 1969 budget of $320,000 and a requested fiscal '70 budget of $338,000 would remain unchanged.

HEW will seek greater use of poverty funds for elementary and secondary education for Follow Through programs so children can keep their head start.

The guidelines set by OEO for Head Start will remain unchanged. These include insistence on parent participation, comprehensive services, the use of volunteers and the opportunity for local churches, schools or community action agencies to sponsor their own programs.

Fears that Finch might rewrite the guidelines have been voiced by congressmen as one objection to Head Start's spinoff.

One of the first things Dr. Daniel Patrick Moynihan, Nixon's chief urban adviser, did in the White House was to telephone Joseph Froomkin, a psychologist in HEW, to ask him to jot down a summary of his well-known criticisms of Head Start.

Froomkin wrote Moynihan a memorandum saying Head Start's programs were too short, placed too little emphasis on educational content and needed to be targeted toward much younger children.

Moynihan, an assistant secretary of labor under President John F. Kennedy, is an expert on jobs, but not on child education.

At his first meeting with OEO officials Feb. 9, he pulled a sheet of paper out of his pocket and read what has since become known as the Froomkin evaluation.

Now, two months later, refined and buttressed by massive research, the outlines of the Froomkin evaluation approach to Head Start seem unchanged. The Nixon administration's budget for jobs in the private sector may go up three or four times this year, while that for Head Start will remain the same.

Otepka

THE SCOTT REPORT

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, Mr. Edward J. Sloane, of Springfield, Va., has called my attention to "The Scott Report," by Columnist Paul Scott, for April 4, 1969, describing a campaign allegedly being mounted by certain members of the press against the confirmation of former Deputy Chief of Security at the Department of State, Mr. Otto Otepka, for appointment to the Subversive Activities Control Board.

Mr. Sloane feels, and I agree, that Mr. Scott's discoveries and comments concerning this anti-Otepka campaign, deserve the widest possible attention. I therefore welcome this opportunity to insert the column in full at this point in the RECORD:

[From the Washington News-Intelligence Syndicate]

THE SCOTT REPORT

(By Paul Scott)

WASHINGTON, April 4.—A dramatic new chapter, with far-reaching implications for the future security of the U.S., is developing in the Otto Otepka case.

Opponents of the former Deputy Chief of Security at the State Department are preparing an all out campaign to block a Senate vote on his nomination to the Subversive Activities Control Board (SACB), an independent government security agency.

Otepka, after five years of persecution and vilification by the State Department, was nominated last month to the SACB by President Nixon.

The nomination, now pending before the Senate Judiciary Committee, was a partial victory of Otepka who had been stripped of security duties and demoted by Dean Rusk, former Secretary of State, for cooperating with a Senate Committee exposing security lapses in the State Department.

The nerve center for the new onslaught against Otepka, scheduled to begin after the Easter congressional recess, is the prestigious New York Time's Washington Bureau.

Neil Sheehan, the newspaper's controversial Defense Department correspondent, has been given the assignment to write a series of articles designed to indirectly link the veteran security officer with right-wing groups—none of which Otepka had ever been a member or actively supported.

Significantly, Sheehan is the former bureau chief for the United Press International in Saigon who openly worked during the early 60s for the downfall of South Vietnam's anti-communist President Diem.

Pierre Salinger, press secretary for both Presidents Kennedy and Johnson, assailed Sheehan as one of a trio of American newsmen that "announced to one and all in Saigon that one of the aims of their stories . . . was to bring down the Diem government."

More recently in a panel discussion in New York on "The Peace in Asia", Sheehan presented the following view on communism:

"We might abandon the idea that communism is our enemy in Asia. We must be willing to tolerate their enmity. I am suggesting that in some countries a communist government may be the best government."

CASTING THE SHADOW

Insiders at the New York Times say Sheehan's anti-Otepka series was scheduled to begin earlier this week but the death of President Eisenhower and his state funeral temporarily delayed their appearance.

Several of the persons involved in the volunteer raising of funds for Otepka's costly and long-drawn out legal battle for vindication report that they have already been badgered by Sheehan about their political affiliations.

In one case, Sheehan spent more than 45 minutes on long distance phone grilling James Stewart, of Palatine, Ill., Director of American Defense Fund which raised money for Otepka's legal defense, on whether he was ever a member of the John Birch Society.

When Stewart argued the question was irrelevant and offered to discuss the issues of the Otepka case with Sheehan, the correspondent changed the subject, asking for the names of all the contributors to Otepka's defense fund.

On being told that more than 4,000 persons had contributed, Sheehan said he wanted "only the names of the big contributors". This Stewart refused on the grounds he needed approval of the individuals to give out their names.

THE BOSTON RALLY

Sheehan also quizzed Stewart at length about his group's fund-raising stand for Otepka at the New England Rally for God, Family, and Country, held in Boston in July, 1968 and attended by more than 1,000 persons.

"I have reports that Otepka manned a fund-raising booth at the Boston rally and solicited funds for his case," stated Sheehan. "Is not this true?"

"No, and you know it," replied Stewart, "Otepka had nothing to do with that stand."

What Sheehan didn't mention to Stewart was that another New York Times reporter had turned in the same negative report earlier. After spotting Otepka and his wife among the spectators at the Boston meeting, the reporter kept a watch on Otepka only to learn that he had nothing to do with the fund raising stand.

Other persons involved in the fund raising for Otepka's legal defense which cost the veteran security officer nearly $30,000, have also been intensely questioned by Sheehan.

Sheehan has been in contact with aides of several Senators, including William Proxmire (D. Wis.) and Jacob Javits (R. N.Y.), who plan to use his forthcoming stories to try to block Otepka's nomination.

Several State Department officials, who helped influence Secretary of State William Rogers to bar Otepka's return to that Agency, also have been in contact with Sheehan.

THE BIGGER ISSUE

While Otepka will be the central target of the coming attack, many congressional security experts see the campaign as having a much broader objective.

One memorandum being circulated among these experts, warns:

"The coming campaign against Otepka is designed to prevent, by smear and attack, efforts to strengthen the Subversive Activities Control Board, through the appointment to it of strong, conscientious securities specialists, and so bring about its destruction.

"The campaign will follow the pattern of the highly successful one by which the Eisenhower-Nixon program to train Americans in red tactics through civilian-military seminars was destroyed, through using General Walker as the target.

"Now, Otto Otepka is the target, and the objective is the nipping in the bud of the restoration of a strong security staff and operation within the government."

Thus, the battle lines are being drawn for a historic security showdown that could rattle a lot of windows in the national capital.

CONVOY TO MURMANSK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1969

Mr. DERWINSKI. Mr. Speaker, foreign affairs debates constantly revolve around the question of a "detente" with the Soviet Union. A realistic appraisal reveals the fact that the constant belligerence, deceitfulness, and continued efforts toward global control by the rulers of the Kremlin make a "detente" under present circumstances a difficult and dangerous situation.

An interesting insight into Soviet attitudes and manipulations of history is dramatized in an editorial carried by the Chicago Tribune, Wednesday, April 9. This commentary dwelling on a major World War II effort speaks for itself:

CONVOY TO MURMANSK

Anyone around during World War II knew the meaning of the words "Murmansk run." They conjured up the chilling spectacle of allied convoys running the gauntlet of German planes and warships to Murmansk, 170 miles above the Arctic circle, the main center of western aid to the Soviet Union during the war.

From August, 1942, when the British navy escorted the first convoys for Russia, the "Murmansk run" became the Kremlin's lifeline for survival. Thru icy waters and storms, battling continuous attack by enemy submarines and planes based in Norway, the convoys struggled north with their precious cargo of tanks, trucks, guns, and other supplies—at fearful cost. Thousands of British, American, and Canadian sailors lost their lives in this desperate effort to save their Soviet ally.

A westerner might think that, in the normal course of events, "Murmansk run" might have some meaning to the Russians—at least to those who live in northern Russia's only ice-free port. But they don't. A reporter visiting Murmansk found that no one there had ever heard of the war time convoys which saved Russia.

There is no memorial, no plaque, to commemorate the almost incredible efforts of the convoys and their naval escorts which fought their way around Norway's dreaded North cape. The section of the city museum in Murmansk dealing with the war ignores completely the effort of the western allies. It is as if Russia had fought the war in a vacuum.

Today the Russian port on the Barents sea is busier than ever, with almost double its pre-war population. All the old men who unloaded the war time convoys have died or moved away. No one is left to remember what the words "Murmansk run" meant to a nation fighting for its life. Today that nation's masters would rather look to its missiles pointed at the nations that once made the run to Murmansk to save Russia.

TAX LOOPHOLES

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1969

Mr. KASTENMEIER. Mr. Speaker, I think it is particularly appropriate today, April 15, to underscore the almost desperate need for tax reform. The blatant inequities of our present tax system and the all too ready availability of means of avoiding income taxation by the rich, have created indignation throughout our Nation. The "Page of Opinion" of the Wisconsin State Journal on April 7 posed the question whether tax reform would come this year, as it highlighted the need to eliminate the numerous loopholes in our tax laws.

This editorial also cited the excellent piece on taxes done by my esteemed colleague and good friend, the senior Senator from Wisconsin, BILL PROXMIRE. Senator PROXMIRE has consistently been at the forefront of the battle for meaningful tax reform. I commend highly his excellent article "The Tax Loophole Scandal," which appeared in the April 1969 edition of the Progressive magazine and which was reprinted in the Journal.

Mr. Speaker, I insert the editorial and Senator PROXMIRE's article in the RECORD:

[From the Wisconsin State Journal, Apr. 7, 1969]

WILL REFORM COME THIS YEAR? REMEMBER LOOPHOLES ON T-DAY

As Apr. 15 draws near, the agonies of the income tax become intensified.

It's little comfort to realize that while the average citizen pays hundreds of dollars in federal taxes, some Americans with fantastic incomes are liable for no tax at all.

For instance, extreme cases are 155 tax returns from 1967 with adjusted gross incomes above $200,000 on which no federal taxes were paid; 21 of those had incomes over $1 million.

And from the tens of millions of middle-class families and individuals with incomes from $7,000 to $20,000—who pay taxes on full ordinary rates—come more than one half of the individual taxes in the United States.

The evidence is massive that tax loopholes not only cost the federal government billions in revenue, but are grossly unfair to the average American taxpayer.

Sen. William Proxmire (D-Wis.) outlines the shocking inequities in a story reprinted on today's Page of Opinion. Just as shocking as the loopholes is the lethargy of the Congress in correcting the problems.

In this 91st session of Congress is the first real sign that maybe something will be done, maybe. The House Ways and Means Committee began hearings on Feb. 27 which are still going on.

The spotlight is focused on the tax reform recommendations issued early this year by the Treasury Department which deal with most of the cumbersome jumble of personal income tax laws.

Unfortunately, the treasury's recommendation is minus a proposal to correct one of the biggest loop-holes going: the mineral depletion allowance which permits the oil industry to pay only a fraction of what most corporations must fork out.

It is this type of loophole, so carefully protected by industry lobbyists, which stands in the way of congressional action—the lawmakers in control of tax committees have close ties to these special interests.

Surely high on the list of reforms should be a realistic deduction for dependents—the present $600 deduction bears no relationship to the actual cost per dependent. Doubling that figure would be a start.

The fact that some wealthy individuals pay no tax is another must area; there should be a minimum even for those with the ability to sink all their funds in "low-interest," tax-free municipal bonds.

There are hundreds of other loop-holes that need attention and many of them are described on this page, but the problem is winning change and not recognizing the faults.

The Apr. 15 deadline also should be a deadline for all taxpayers to notify immediately their representatives and senators of their desire for tax reform now.

[From the Progressive magazine]

HARD-TO-CHANGE REVENUE LAWS—THE TAX LOOPHOLE SCANDAL

(By Senator WILLIAM PROXMIRE)

As the average taxpayer fills in line 12a of his Federal Income Tax Form 1040, he must wonder why he pays so much while others, more favored economically than he, pays so little.

If he is a middle income taxpayer with a wife and two children and $12,000 of taxable income after taking his ordinary deductions, he pays almost 20 percent of it directly to the federal government. This year, as recorded on line 12b, he must pay, in addition, 7.5 per cent of his regular income tax payment, which is the equivalent of 10 per cent of the tax liability he has incurred since the surtax went into effect last April.

Piled on top of the federal income tax bill of our middle income family are the federal excise taxes, such as on gasoline; Social Security payments, and state and local income, real estate, sales, personal property, and gasoline taxes. As he signs his name to the tax form this year, more likely than not the taxpayer will also have to dip into his savings and write out a check for an amount beyond that withheld.

These are heavy burdens. In the past they have been borne out of a deep sense of responsibility and loyalty to the country. But this year, if our taxpayer is reasonably well informed, he also knows that many far wealthier than he bear a much lighter burden. In 1967 some 155 individuals with incomes of more than $200,000 each paid no federal income tax at all. Twenty-one of these had incomes of more than $1 million but paid nothing.

HOW COME?

If our taxpayer's indignation continues to grow it could lead to a breakdown of the present tax system.

The first question our irate taxpayer may ask is "How is it done? How can a man with a million dollars in income pay no federal income taxes when I pay 20 per cent?"

The loopholes are legion. Among them are the depletion allowances for virtually every mineral, especially oil, the tax shelters for real estate investment, the capital gains treatment for stock options, the dividend exclusion, the special tax breaks for conglomerates, the no-tax status of foundations, the exemption accorded municipal bonds and especially municipal industrial bonds, farm losses used by hobby farmers to offset other income, and the gimmick by which depletion allowances can be used to offset taxes owed on other income.

the lot of the average peasant is better than ever.

Said *Newsweek:* "While the quality of life in Cuban towns has plummeted in the past 10 years, the lot of the *campesino* in the Cuban countryside has unquestionably improved. If nothing else, the country's small farmers and cane cutters are healthier today than ever before."

Echoed the New York *Times Magazine:* "Outside Havana everyone eats better and the students and farm workers are well fed."

The fact of the matter is that this is simply not so.

Writing in the Jan. 6, 1969, issue of the U.S. Department of Agriculture's periodical "Foreign Agriculture," food expert Wilbur F. Buck says: "When the Castro regime came to power in 1959 the Cubans were one of the best-fed peoples in Latin America. Excessive and indiscriminate livestock slaughter in 1959 and early 1960, however, caused a sharp drop in meat supplies. A decline in the out-put of food crops, especially rice, during Castro's early years in office was precipitated by rapid nationalization of farm properties and the shift in direction of trade.

"The past decade has witnessed a deterioration in the average Cuban's diet, particularly in its quality, as grain protein has replaced much of the animal protein.

"Food production in 1968 is estimated to have been about 10 percent less than the 1957–59 average. But food production per capita has declined some 25 to 30 per cent from that of a decade earlier, necessitating heavy imports of food products, such as wheat and wheat flour from Canada on Soviet account."

Castro's troubles at home, however, are not solely economic. For quite some time there have been indications of social and domestic discontent in Cuba. Castro himself confirmed these rumors in a speech last year marking the eighth anniversary of the establishment of his committees for the Defense of the Revolution. In this talk he spoke of a wave of sabotage and of the rising rate of prostitution among girls in the 14 and 15-year-old age bracket.

He spoke of the opposition of many Cuban university students to his policies, specifically his backing of the Russian invasion of Czechoslovakia. He cited their destruction of photographs of Che Guevara and their burning of the Cuban flag.

And although the Cuban government officially announced only four acts of sabotage during the six-month period prior to Castro's speech, Castro himself admitted in this speech that there had been more than 70.

It is true that under Castro, illiteracy has been reduced. But what good will it do for one to learn how to read, then die of starvation or malnutrition?

This point was made most succinctly on a radio show in the Dominican Republic, "You Be the Jury," in which a Cuban exile asked about life under Castro replied: "Under Fidel's regime, despite what he says about the peasants, it is not so. Things are not the same as he tells the peasants. There is no clothing, no shoes, no nutrition, no entertainment. Then what does it matter if the literacy rate is increased? There is no freedom, no money to spend and nothing to read but Communist propaganda."

OTTO OTEPKA

Mr. THURMOND. Mr. President, it has come to my attention that a major newspaper is in the process of writing a lengthy article or articles on the nomination of Otto Otepka to the Subversive Activities Control Board. According to reports which have reached me from many sections of the country, it is obvious that this newspaper is leaving no stone unturned in a fruitless endeavor to find material which could be twisted somehow so as to reflect adversely upon Mr. Otepka's character and judgment. The scope of this effort, the length of time which the newspaper has allotted to it, and the number of reporters involved all suggest that this newspaper suddenly is attaching great importance to the Otepka case.

This same newspaper recently described the Otepka appointment editorially as "revolting," and said that his name "recalls immediately some of the worst abuses of the Joseph R. McCarthy era—particularly the reckless use of raw security files." This is a most remarkable statement from a supposedly responsible newspaper. Mr. Otepka was never in any sense an associate of the late Senator McCarthy, whatever one's opinion of that Senator's goals and methods. Furthermore, Mr. Otepka is the last person who might be charged with the reckless use of raw security files, since he was precisely the person in the State Department who was charged with the statutory responsibility of evaluating raw security files—which he did entirely within the closed confidentiality of the security system. Mr. Otepka has never at any time discussed security cases in public, nor did he ever testify or transmit information concerning specific cases to any unauthorized agency.

If anything, Mr. Otepka's name recalls another era and the problems associated with security in that period. Certainly no one would sanction calling our late colleague, Senator Robert Kennedy, a McCarthyite when, as is well known, he was a longtime associate and prominent staff member of the McCarthy investigating committee? Yet, how much more plausible it would be to refer to someone as an associate of Senator McCarthy who was actually an associate of Senator McCarthy, rather than someone like Mr. Otepka who never had any connection with Senator McCarthy in any respect whatsoever. There are some who define "McCarthyism" as "guilt by association," yet this newspaper finds Mr. Otepka guilty without any association whatsoever.

It is, therefore, disturbing when a newspaper that lacks common decency and truthfulness suddenly awakens to the need for "in depth" coverage of Mr. Otepka, and at the very moment when Mr. Otepka's actions have been vindicated by appointment to one of the highest security posts in the Government. This same newspaper never showed great interest when the substantive matters of the Otepka case were being played out in the drama before the Senate Internal Security Subcommittee. At that time, its coverage was perfunctory, or nonexistent, when matters of great concern to this Nation's security were being revealed. Instead of spending its money in transcontinental telephone calls and putting a crew of reporters to work, this newspaper would be better off examining the printed hearings of the Senate Internal Security Subcommittee, and making up for lost ground.

In these hearings, this newspaper would find much which should be of great concern to a newspaper which professes liberal attitudes. This newspaper would find there documented cases of wiretapping and eavesdropping, a practice which has been roundly condemned in its editorial columns on nearly any other occasion.

This newspaper would find documented cases of the statutory rights of civil service workers abrogated contrary to law, a practice which I doubt would find editorial approval.

This newspaper would find documented cases of apparent perjury by high Government officials, another situation which should raise its journalistic ire.

This newspaper would find documented cases of denial of due process, and other fundamental constitutional rights, a subject which has always caused its editorial writers to whet their lips.

This newspaper would also find documented cases of the collapse of the State Department's security system. However, judging from its recent editorial, the newspaper could not be better pleased. Its unreasonable prejudice on this issue seems to have caused blindness on every other aspect of the case.

Mr. President, Mr. Otepka has long suffered at the hands of those who believe our security systems should be destroyed, and it is time that he received the justice due to him as a faithful civil servant and loyal patriot. It is time also that his country makes good use of the special talents and loyalty which he has brought to Government service in the past. I am confident that, whatever attacks are made upon him now by irresponsible journalism, the Senate will speedily confirm him when his nomination is brought to the floor.

AMERICAN CASUALTY FIGURES IN VIETNAM

Mr. BYRD of Virginia. Mr. President, it was 1 year ago this week that President Johnson ordered a halt in all bombing north of the 19th parallel in North Vietnam. In October he eliminated all bombing of North Vietnam.

President Johnson's reasoning for his April restrictions and his October prohibition was the hope that this would result in a negotiated peace.

Peace talks began in Paris in early May. It was only recently that the conferees came to agreement on the shape of the table. So far as is known, no other conclusions have been reached. There is no evidence that peace is any nearer today than it was a year ago.

Yet while this country has eliminated all aerial action against North Vietnam, American casualties continue to mount.

It has been my belief for some months that the Paris talks have lulled the American people into a false sense of security—and have caused our troops to become the forgotten men.

Let us look at the facts.

During the 1-year period beginning last April, the United States has suffered 95,879 casualties in Vietnam, of which 12,866 were killed.

This is 39 percent of all the casualties the United States has suffered during its long involvement in Vietnam.

To state it another way, of the total casualties suffered in Vietnam, 39 per-

cent occurred during the past 12 months. Of the 33,641 who have been killed in Vietnam, 38.2 percent met their death during the past year.

During the first 3 weeks of the last month—as recently as that—the United States had more men killed in Vietnam, and more men wounded in Vietnam, than in any 3-week period during the history of the war.

From the beginning, I have felt that U.S. involvement in a ground war in Asia was a great error of judgment. But since our Government decided to draft men and send them to Asia to fight, I feel we must give them full support.

That is why I want to emphasize and reemphasize the severe casualty figures in the hope that this will focus attention on the difficulties facing our troops in Vietnam.

NATIONAL GOALS AND THE MILITARY

Mr. PROXMIRE. Mr. President, on Tuesday of this week, the Joint Economic Committee filed its report. I think it was a good report, one which has received substantial consideration by the press.

There is one segment of the report especially significant, which may easily be overlooked, because it was not emphasized in the releases, and because it is a long report and the segment appears back in the body of the report. I am referring to the defense-related recommendations in the committee's report which I think are the toughest in this field in the committee's entire 23-year history.

I rise today, Mr. President, to urge Congress to give special attention to those recommendations. The committee has called for a substantial increase in the critical scrutiny gvien the defense budget both within the executive branch and in Congress.

In our annual report, we urged the Council of Economic Advisers and the Bureau of the Budget increase substantially their efforts to analyze and evaluate issues related to defense spending. And we urged that the Executive Office of the President undertake ongoing and comprehensive investigations of defense procurement matters and submit their findings to the Joint Economic Committee as part of the annual economic report.

As our report states:

The Bureau of the Budget should strengthen its defense review capacity so that it can adequately scrutinize Defense Department budget requests. The Council of Economic Advisers should focus its attention on defense expenditures and their impact on the economy. Agencies such as the Department of Labor and the Department of Commerce should begin studying the effects that defense spending is having on wages and prices. The annual economic reports to Congress should present the results of these analyses.

There is now substantial evidence that improved efficiency in defense spending could free much needed resources for reallocation to higher priority civilian programs.

In developing policy to resolve in a satisfactory way the collision of demands for investment in education, cities, labor retraining, and the elimination of poverty as against the unquenchable desire of the military establishment for more weapons systems and more sophisticated armaments, it is necessary that the Federal Government establish a meaningful set of national priorities. To do this Congress must have an explicit set of priorities and objectives to guide it in shaping new legislation and making appropriations.

That means Congress must have improved information on the economic effects of both existing programs and new proposals. Data on both benefits and costs and the distribution of these among groups in our society is now being generated on an ongoing basis by the planning-programing-budgeting system. But so far the Congress has not obtained access to this information.

It is obvious that this data is essential to Congress for distinguishing productive expenditures from those of little worth when all agencies and interests claim that their programs and projects are essential to the Nation and of highest priority.

Mr. President, I ask unanimous consent that excerpts from the report on National Goals and Priorities be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PART IV—NATIONAL PRIORITIES AND EFFECTIVE PUBLIC POLICY

NATIONAL GOALS AND PRIORITIES

The budget of the Federal Government accounts for over 20 percent of the Nation's total output of final goods and services. The allocation of this nearly $200 billion budget among the multitude of Federal programs has an enormous influence on both the structure of outputs produced by the U.S. economy and the distribution of the Nation's income. Because of this impact of Federal revenues and expenditures on the society, it is essential that allocation decisions be based on a clear statement of national goal and priorities. This necessity is reinforced by the rapid growth in Federal expenditures over the past several years.

* * * * *

We urge that the Congress, with guidance from its leadership, and the administration undertake a formal and comprehensive study of national goals and priorities with a view to establishing guidelines for legislation and expenditure policy.

We recognize the serious difficulties which plague efforts to seek general agreement on these basic questions of national direction. Indeed, the vitality of this Nation's political system stems from the diversity of opinions and values held by the populace. We have, however, recently witnessed a period of intensive study of a large number of issues which pertain to national goals. While many of these issues were related, the task forces which were responsible for the analysis and recommendations properly viewed their mandate as being limited in scope. It is now time to seek a broader perspective: an overview in which the urgency of the individual demands generated by these reports can be subjected to a comprehensive appraisal. We believe that the following considerations are basic to any serious discussion of national priorities.

1. The study of goals and priorities should determine the dollar costs required to attain each of the substantial number of objectives which are often cited as being primary social goals. It is important that public decisionmakers have before them an estimate of the costs of each item in the array of social objectives, all of which would be chosen if they could be afforded. This information, by demonstrating that the devotion of resources to one objective implies a foregone opportunity to support another, leads to improved public decisions by clarifying the real costs associated with any decision.

2. The study of goals and priorities should evaluate the output and financial resources which the economy and the Federal Government can call upon in attaining social objectives. It is now possible to project with some accuracy the future output of the economy and, given the existing tax structure, the budgetary resources which will become available to the Federal Government. Moreover, it is possible to estimate confidently the future expenditures in a substantial number of Federal governmental programs which, for all intents and purposes, are beyond the annual control of the appropriations process. By ascertaining the difference between these two flows—projected revenue increases and increases in unavoidable Federal outlays—we obtain what is sometimes called the fiscal dividend. This figure provides both the Congress and the executive branch with meaningful information on the future availability of resources which can be allocated among the various social objectives. Such estimates should be developed for a range of plausible assumptions and should be updated and published on an ongoing basis. This information, it should be noted, is the complement of the data on the total costs required for attainment of each of the objectives.

3. The study of goals and priorities should focus on the allocation of Federal revenues between the military and civilian budgets. Because the defense budget is substantially less visible than budgets for civilian programs and because of our past experience with national security costs which have substantially exceeded initial estimates, this allocation question should not be neglected in an analysis of national priorities. Information concerning the budgetary implications of a number of possible national security postures is essential to meaningful public policy decisions and a rational allocation of the Federal budget among its competing claims.

THE ECONOMIC APPRAISAL OF PUBLIC PROGRAMS

Quantitative information of the economic effects of the expenditures which we are *now* making is as essential to an effective and efficient government as a clear sense of priorities and objectives for future action. Because of the rapid rise in Federal expenditures in the last decade, the experimental nature of newly legislated social programs, and the current period of budget stringency, implementation of procedures for the accurate economic analysis of spending programs is most urgent. It is also essential that information on program effectiveness now possessed by the administration be transmitted to the Congress.

This committee welcomed President Johnson's Executive Order issued in August of 1965, establishing the Planning-Programing-Budgeting System. In our judgment, the PPB System provides a meaningful framework for improved policy analysis and program evaluation. From information presented to the committee's Subcommittee on Economy in Government, we judge that a substantial amount of valuable economic analysis and information has been generated by the operation of the system in the executive branch. Many expenditure programs can now be evaluated by decisionmakers in terms of the relationship between social benefits and social costs. Moreover, the social characteristics (race, income level, age) of the people who receive the benefits of Government programs are now known by decisionmakers in the administration in substantial detail. As President Johnson stated in his