STATE DEPARTMENT SECURITY—1963–65

THE OTEPKA CASE—IX

HEARINGS

BEFORE THE

COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF THE INTERNAL SECURITY AND OTHER INTERNAL SECURITY LAWS

OF THE

COMMITTEE ON THE JUDICIARY UNITED STATES SENATE

EIGHTY-NINTH CONGRESS

SECOND SESSION

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[1] Succeeded Olin D. Johnston, deceased.

RESOLUTIONS

Resolved, by the Internal Security Subcommittee of the Senate Committee on the Judiciary, That testimony heretofore taken by the subcommittee in executive session from the witnesses named below, as part of the subcommittee's investigation of security in the State Department, and not previously made public, is hereby authorized to be released from the injunction of secrecy, printed, and made public.

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Approved October 28, 1964.

Resolved, by the Internal Security Subcommittee of the Senate Committee on the Judiciary, That testimony taken by the subcommittee in executive session from William J. Crockett on May 4, 1965, as part of the subcommittee's investigation of security in the State Department, and not previously made public, is hereby authorized to be released from the injunction of secrecy, printed, and made public.

JAMES O. EASTLAND, *Chairman.*
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Approved July 6, 1965.

FOREWORD

This is part 11 of an extensive series of hearings held during 1963, 1964, and part of 1965 on "State Department Security." The subject matter of these hearings included various subtopics, necessarily intertwined. There are a number of clearly defined areas of testimony which can be presented separately, and other instances in which testimony covering two or more subjects can be combined with satisfactory coherency. Because of the great volume of this hearing record, covering nearly 2½ years, it has been decided to organize the testimony for release by subjects or areas.

All the testimony will be released, except for a very few instances of deletions for security reasons. (Any such deletions will be indicated in the printed record.) But, where a witness testified on several subjects or in several areas (as was frequently the case), the testimony may be printed in two or more different volumes. So far as possible, all the testimony on a particular subject will be printed in a single volume.

This volume is subtitled "The Otepka Case—IX." The Internal Security Subcommittee conducted and published a series of hearings in 1961 and early 1962 dealing with the same subject matter.

Subsequent parts of the current series will include testimony on other phases of the investigation, subject by subject. These volumes will be released successively, as rapidly as possible.

Much has appeared in the press about Otto F. Otepka, the State Department's top-level security officer now awaiting a hearing on his appeal from an order for his discharge from the Department, based on charges he was guilty of "conduct unbecoming a State Department officer" in furnishing information to the subcommittee by delivery to its chief counsel. Testimony by Mr. Otepka is included in this volume, but only that portion which relates to the subject matter of this volume. Other testimony by Mr. Otepka and testimony of others bearing on the Otepka case, will be printed in other volumes.

Wherever any testimony has been excerpted, for publication in another place, this is indicated by a row of asterisks. However, nothing has been taken out of context.

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STATE DEPARTMENT SECURITY—1963–65

The Otepka Case—IX

TESTIMONY OF JOHN F. REILLY, DEPUTY ASSISTANT SECRETARY FOR SECURITY, DEPARTMENT OF STATE

TUESDAY, APRIL 30, 1963

U.S. SENATE,
SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY ACT AND
OTHER INTERNAL SECURITY LAWS OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The subcommittee met, pursuant to recess and subsequent postponement, at 10:50 a.m., in room 2228, New Senate Office Building, Senator Dodd, vice chairman, presiding.

Present: Senators Dodd and Olin D. Johnston.

Also present: J. G. Sourwine, chief counsel.

For the Department: John S. Leahy, Jr., observer.

(Mr. Reilly was previously sworn.)

* * * * * * *

Mr. SOURWINE. I have here, Mr. Reilly, a copy of the Appropriations Committee hearings for the 1963 fiscal year concerning the appropriations for the Departments of State, Justice, Commerce, and the judiciary and related agencies of the appropriations for 1963. Do you have a copy here?

Mr. REILLY. Yes, I do.

Mr. SOURWINE. Now, if you look at page 532, there is a chart——

Senator DODD. Excuse me, may I see that?

Mr. SOURWINE. Surely. May this chart be entered in our record?

Senator DODD. Without objection, so ordered.

(The chart referred to is as follows:)

Security caseload statistics

Activity	Fiscal year 1957		Fiscal year 1958		Fiscal year 1959		Fiscal year 1960		Fiscal year 1961		Comparison, July–December			
											Fiscal year 1961		Fiscal year 1962	
	Received	Processed	Received	Processed	Received	Processed	Received	Processed	Received	Processed	Received	Processed	Received	Processed
Investigations:														
Personnel	3,179	3,225	2,512	2,664	2,741	2,464	3,390	3,092	3,794	3,985	1,714	2,045	1,944	2,294
Passport [1]	1,326	819	1,029	1,237	750	989	441	395	493	604	235	232	141	186
Chinese civil action	54	697	8	304	10	75	2	46	----------	29	----------	12	----------	10
Special INS record checks	989	817	569	648	474	444	465	464	336	410	187	246	118	132
Visa	421	269	465	615	448	513	262	281	281	305	149	101	202	106
All other	266	312	937	893	1,405	1,350	1,317	1,302	1,518	1,538	714	678	720	756
Total investigations	6,235	6,139	5,520	6,361	5,828	5,835	5,877	5,580	6,422	6,871	2,999	3,314	3,125	3,484
Evaluations:														
Personnel	3,296	2,813	2,837	2,421	2,801	2,705	2,654	2,595	2,950	2,767	1,752	1,414	1,868	1,673
Internal security reports [2]	27,054	16,435	21,789	15,427	22,246	22,607	22,431	22,895	26,205	25,851	12,416	11,998	14,515	14,102

[1] Figures include regular passport investigation cases.

[2] Difference between cases received and processed represents reports evaluated but not disseminated if information determined to have no intelligence value.

Mr. SOURWINE. Now, that shows a tabulation of investigations of security cases in 1961. Can you, from that chart, make a comparison of personnel investigations for the first half of the fiscal year 1961 and the first half of the fiscal year 1962?

Mr. REILLY. The figures in the chart, which must speak for themselves, indicate in each case the number of cases increased in the first half of 1962 by 230 cases and the cases processed increased—there was an increase of 249 cases processed.

Mr. SOURWINE. Now, how are you running in fiscal 1963 compared with 1962?

Mr. REILLY. For the same period of time there was an increase of 124 cases received and a decrease of 240 in the number of cases processed.

Mr. SOURWINE. Now, Mr. Reilly, we are getting near to the end of fiscal year 1963. How are you going to run in that year in comparison to 1962? The 1962 figure was up considerably over 1961; right?

Mr. REILLY. Right.

Mr. SOURWINE. Are you going to be up again?

Mr. REILLY. I don't have with me a projection of the figures.

Mr. SOURWINE. Well, we already have 10 months of the 12, so it looks like you are running ahead of 1962; does it not?

Mr. REILLY. I don't have with me up-to-date figures on that, Mr. Sourwine, and I do not care to make a guess; absent those figures. Our workload has been going along about the same.

Senator DODD. I notice something here that I would like to ask a question about: How do you process more cases than you receive?

Mr. REILLY. Well, sir, if you go back to the previous years, there is a carryover each year, Senator.

Senator DODD. Well, how could there have been—I do not understand this. In 1957 there were 3,179 cases received but 3,125 processed; in 1958 there were 2,512 received and there were 2,664 processed; and in 1959 there were 2,741 received—that year there were less processed. And in 1960 you received 3,390 and there were less processed.

But in 1961 there were 2,794 received and 2,985 processed. I don't understand that. I don't know how you can process more than you have received.

Mr. REILLY. Well, I think it is a case of there having been a carryover each year into the next year.

Senator DODD. Well, there couldn't have been a carryover in a year where you had processed more than you received. There wasn't any carryover.

Mr. SOURWINE. Perhaps the number carried over is not included in the total number of cases received.

Senator DODD. Well, that may be.

Mr. REILLY. That is what it is.

Senator DODD. Well, off the record.

(Discussion off the record.)

Senator DODD. All right.

Mr. SOURWINE. In other words, these tables do not show the size of the backlog. What is the backlog figure? How many were carried over into the current year?

Mr. REILLY. Into the current calendar year there was a carryover of 916.

Mr. SOURWINE. How about the last fiscal year for which there was a report; that is, 1962, isn't it?

Mr. REILLY. My figures here show that we had on hand July 1, 1962, a carryover of 901 cases.

Mr. SOURWINE. A carryover of 901 cases which will have to be added to the number received in 1963 to show the total number available for processing in 1963?

Mr. REILLY. Yes.

Mr. SOURWINE. Are you making a dent in that backlog?

Mr. REILLY. We are, sir.

Mr. SOURWINE. And how far have you worked it down; how many do you have now of pending cases?

Mr. REILLY. I don't have the current figure with me, sir.

Mr. SOURWINE. Well, how many did you have the last time you looked?

I may say, Mr. Chairman, while the witness is checking his papers: I do not mean, by going into these figures contained in the table in the Appropriations Committee hearings, that we are intending to go into the functions of the Appropriations Committee; but, as the Chair well knows, the question of the functions performed and the workload involved in the Office of Security has a great deal to do with the efficiency of their security operations and from this standpoint we are trying to get the figures in and then we will be talking a little later on of matters for which these figures will be background.

Mr. REILLY. As I remember my testimony here last Thursday, I put into the record at that time the figures for cases on hand on February 12, 1963, which are the most recent I have with me, and that figure is 1,880 cases.

Mr. SOURWINE. Well, does not that amount—the 1,880 figure—pertain to investigative leads? Your caseload statistics are not based on investigative leads; is that right? It is cases entirely; isn't that right? Or are these figures which are headed "Caseload statistics" actually representative of investigative leads?

Mr. REILLY. I am going to have to ask leave to make the record clear on my previous testimony.

Mr. SOURWINE. Yes; please do so.

Mr. REILLY. I stand corrected. These are cases, not investigative leads.

Mr. SOURWINE. And when you told us they were investigative leads in the Division of Investigations you meant cases?

Mr. REILLY. I did, indeed.

Mr. SOURWINE. All the way through?

Mr. REILLY. Yes, indeed; and I stand corrected.

Mr. SOURWINE. All right. Some investigations may have more investigative leads than others?

Mr. REILLY. Yes, indeed.

Mr. SOURWINE. Well now, your Investigations Division is twice as far back now as it was at the beginning of the fiscal year; isn't that right?

Mr. REILLY. As I believe I pointed out, in my previous testimony, during the month of February 737 cases were received.

Mr. SOURWINE. Yes.

Mr. REILLY. And 719 cases were closed?

Mr. SOURWINE. Yes, but I am only concerned with the total pending as of a given date. You started the year with 900-odd pending, if I remember your testimony correctly.

Mr. REILLY. 915, yes.

Mr. SOURWINE. All right. You had 915 cases in the Investigations Division when the current fiscal year began; is that right?

Mr. REILLY. That is for the current calendar year. The figure for the current fiscal year, sir, is 901.

Mr. SOURWINE. All right. You had 901. I thought you had specified as of July 1, 1962——

Mr. REILLY. I had given you both figures.

Mr. SOURWINE. All right. As of July 1, 1962, you had 901 cases pending; is that right?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. And as of January 1, 1963, you had 915; is that correct?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. So you slipped back 14 cases; your backlog increased in 6 months by 14 cases—a very, very small percentage, right?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. As of what date did you have 1,800?

Mr. REILLY. As of February 28–March 1, 1963.

Mr. SOURWINE. So in 60 days your backlog increased by 900 cases?

Mr. REILLY. That is correct.

Mr. SOURWINE. And how many cases were received during the months of January and February 1963?

Mr. REILLY. 1,283.

Mr. SOURWINE. Well, that increase, wouldn't that indicate a workload in excess of what the Investigations Division is able to handle?

Mr. REILLY. Sir, in much of 1963 we had detailed to the Washington field office, which is the office most delinquent at that time, five agents from other field functions for a period of 30 days and they worked virtually around the clock——

Mr. SOURWINE. Did that get the backlog down?

Mr. REILLY. It reduced it materially. I would have to furnish that information.

Mr. SOURWINE. That is as of April 1?

Mr. REILLY. Yes.

Mr. SOURWINE. Perhaps you could furnish this figure as of May 1. May that be included in the record when it is furnished, Mr. Chairman?

Senator DODD. Yes.

Mr. SOURWINE. I am interested because, if I remember correctly, you were giving a comparison between the Investigations Division and the Evaluations Division, of which you thought one was inefficient and the other was not; and if we could have comparable statistics in this regard and a table that would show us with respect to each division, the Division of Investigations and the Division of Evaluations, the caseload at the beginning of the current fiscal year and the caseload at the beginning of the current calendar year, then the case-

load the first of March and the caseload the first of May, I think we will have comparable figures. You can do that, can you not?

Mr. REILLY. Yes, sir.

(Figures later submitted by Mr. Reilly are printed at p. 741 of this volume.)

Mr. SOURWINE. And now I would like to ask about two or three items here in this tabulation in the Appropriations Committee hearings concerning which I do have some faint glimmer of what it is about, but just so that the record may speak with respect to them: You chart here some figures under the heading of "Passport investigations." These passport cases, what are they, what kind of cases do you investigate with regard to passports?

Mr. REILLY. On behalf of the Passport Office we conduct investigations as to—oh, fraudulent use or fraudulent obtaining of passports and related matters like that.

Mr. SOURWINE. I note that you have a footnote that says that these figures include regular passport investigation cases. What is the difference between these regular passport cases and—well, what other kind of passport investigation cases are included in this chart?

Mr. REILLY. Well, the Passport Office requests us to obtain information concerning an applicant for a passport and we do this as a service to them.

Mr. SOURWINE. And that is a regular passport investigation?

Mr. REILLY. That is regular. However, if there is some doubt in the Passport Office, that there is some irregularity involved, then we do at least preliminary investigation for them on that.

Mr. SOURWINE. In other words, all the passport cases you have—passport investigation cases—are cases where you are doing work at the request of the Passport Office?

Mr. REILLY. That is correct.

Mr. SOURWINE. And you do all the investigations for the Passport Office, do you?

Mr. REILLY. If there is a matter of communism involved, it automatically comes within the purview of the Federal Bureau of Investigation.

Mr. SOURWINE. I see. But otherwise than that?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Now here you have a subheading, "Chinese civil action," and under that I note that you had 54 investigations and although it is a continuing function, apparently it is decreasing, because you only received two in 1960 and you received none in 1961; in other words, it appears in this chart for every year but the total is dropping off. What are those?

Mr. REILLY. Those are cases where there is a question as to whether a person of Chinese nationality is indeed a son or daughter, as the case may be, of a Chinese person now legally resident in the United States.

Mr. SOURWINE. And that question comes up not as an immigration problem but as a visa problem?

Mr. REILLY. Well, it is something that is worked jointly with Immigration and—it is done jointly with them and with INS, and now——

Mr. SOURWINE. You are not making investigations for INS?

Mr. REILLY. No, these are on behalf of the Visa Office.

Mr. SOURWINE. I see. And is it correct, as the chart indicates, that you are having virtually no cases of that kind at the present time?

Mr. REILLY. We are bit by bit eliminating the backlog of cases. Back in about, I believe 1956, there was a special passport staff in Hong Kong to investigate these and a staff on the west coast and also in New York to go into these matters. There was a volume of cases at that time.

Mr. SOURWINE. You have a heading here, a subheading of "Special INS record checks." What does that cover?

Senator DODD (after pause). If you need extra time, we can get that from you later and go on to something else now.

Mr. SOURWINE. Yes, Mr. Chairman, but I thought that perhaps he knew. We can ask him for a statement with regard to that if he does not know it right off. May we request a short statement be prepared to cover that?

Senator DODD. Yes.

Mr. REILLY. Let me see—it is my understanding as I understand it, that that would be record checking of records available within the Department on behalf of the Immigration and Naturalization Service.

Mr. SOURWINE. Those are checks that you make for them?

Mr. REILLY. Yes.

Mr. SOURWINE. Of records?

Mr. REILLY. Yes.

Mr. SOURWINE. And not investigations at all?

Mr. REILLY. Oh, no.

Mr. SOURWINE. Just a check that you make available for INS?

Mr. REILLY. Yes.

Mr. SOURWINE. Well, you have listed that under "Investigations," and that is why I wondered, because if there are 900 of those in a year——

Mr. REILLY. I would prefer, Mr. Sourwine, to avail myself of the Chairman's offer to verify this.

Mr. SOURWINE. All right.

(Acting Assistant Secretary Lee, in his letter of February 18, 1965, to Chairman Eastland, provided the following information:)

"Special INS record checks" referred to in the 1963 appropriation hearings are reviews of Immigration and Naturalization Service (INS) record files and are conducted by investigators of the Office of Security. Requests for these record reviews originate at the Department's oversea missions and solicit general background information relating to antecedents in the United States of applicants who have filed at the post for American passports or visas. The information thus furnished is essential to the post in reaching a decision as to the propriety of issuing passports or visas.

Mr. SOURWINE. Now, you have a subheading, "Visa Investigations." What are they?

Mr. REILLY. They are investigations to see if the procurement of a visa is fraudulent.

Mr. SOURWINE. Now you have a subheading, the final subheading of "All Other," under the heading of "Investigations." What else is included in there?

Mr. REILLY. Well, first, there would be leaks of information for instance, whenever a newspaper article appears to contain classified information that could have originated in the State Department, the Secretary would occasionally ask that we conduct an investigation.

Additionally, when individuals apply to the foreign embassies to be considered for employment in foreign embassies and it is known that they have resided in the United States, we are requested to make checks.

Mr. SOURWINE. And this is a personnel investigation?

Mr. REILLY. Well, no, it is not a 10450. Additionally, it is necessary for us to go out and review the files of other agencies and they are included, the number of occasions in which we must go to OSI, to CS and other agencies that make checks of records.

Mr. SOURWINE. Well, that happens all the time, doesn't it——

Mr. REILLY. Yes, but that is counted as workload.

Mr. SOURWINE (continuing). —as a statistic of an investigation.

Mr. REILLY. Well, if it does not relate, however, to the 10450 cases, it is separated and, if it does relate, then it is included in the other statistics.

Mr. SOURWINE. For instance, if it is included as a passport case, it is included in the passport statistics?

Mr. REILLY. Yes.

Mr. SOURWINE. And if it is Chinese civil action, is it included in Chinese civil action statistics?

Mr. REILLY. Yes.

Mr. SOURWINE. And the same with the others?

Mr. REILLY. That is right.

Mr. SOURWINE. Then isn't it a duplication, if each one of them is in these figures again under "All others"?

Mr. REILLY. No, because there are instances where officials in the Department preliminary indicate that, among the people they would like to consider, a particular person is Mr. X——

Mr. SOURWINE. Well, in other words, it just boils down, without getting a specific instance—are you telling us that the checks of the security files of other agencies which are included in your "All other" subclassification are only checks of that kind which do not involve personnel of the Passport Office, the Chinese action or the visa——

Mr. REILLY. No, it is not duplicatory.

Mr. SOURWINE. I see. Well, there are a lot of these under "All other." The "All other" statistics are larger than the totals of five separate categories which are listed individually and in some years they rise to about 25 percent of the total caseload, investigative caseload. Can this be broken down, this "All other" total, into subheads so that there is not included in your residual "All other" classification any number larger than two or three of the total?

Mr. REILLY. Well, let me say two things, Mr. Sourwine, if I may. One, there are some 23 categories which fall into this "All other."

Mr. SOURWINE. Yes.

Mr. REILLY. Secondly, these are not the type of matters that consume a considerable part of an agent's work year.

Mr. SOURWINE. Well, on this statistical table they loom just as big as anything else. You have 1,500 of these, for instance, in the fiscal year 1961, and you have 3,794 personnel investigations, so that looms very substantial in the total—although I am glad to hear you say that they do not take nearly as much time.

Mr. REILLY. And it is for that reason that, historically, in preparing our budgetary submission, that we have grouped into this miscel-

laneous "All others"—some of them may take no more than a phone call or an hour of an agent's time.

Mr. SOURWINE. I assume that is true, but I want to get a breakdown of that subheading for the information of the committee and I will explain why.

There has been some discussion, and I think there may be more to come, on the matter of whether investigations in some areas can be more economically performed elsewhere and whether your investigators can be freed for more important work, and if the committee knows just exactly what they are doing, the committee may reach a judgment which is not, perhaps, a judgment with which you would agree, but the committee would be in a position to reach some kind of a judgment on it. Couldn't you break this down for us?

Mr. REILLY. Oh, certainly.

Mr. SOURWINE. Mr. Chairman, could it be requested that the breakdown be made as indicated?

Senator DODD. Yes.

(The information requested follows:)

(Acting Assistant Secretary Lee said, in his letter of February 18, 1965, to Chairman Eastland:)

1. *Leak of information.*—Involving the unauthorized disclosure of administratively controlled or classified information.

2. *Foreign embassy personnel.*—Certain foreign embassies request information regarding the activities in the United States of persons applying for positions in those embassies.

3. *File reviews.*—The review of a file or files of other agencies of the U.S. Government such as ONI, OSI, CSC, G–2, etc., in connection with a name check.

4. *Field office requests.*—Police department requests an SY airfield office to obtain oversea information regarding a police department applicant.

5. *Crank cases.*—Arising from a letter containing allegations that an American has been swindled by a foreign government of some fantastic amount, or that he has a secret invention of vast military significance.

6. *Theft of U.S. Government property.*—Allegations that Department personnel are involved in the theft or illegal use of Government property. (Preliminary investigation to ascertain whether there is substance to the allegations, then to FBI.)

7. U.S. investigations of local employees overseas.

8. *Front office cases.*—Resulting from a request to review CIA (or other) files.

9. *Transportation cases.*—Involving oversea investigation of foreign agents of American firms which transport household goods of Foreign Service employees from residence to residence.

10. *Telephone threats.*—Involving threats made against Department personnel (preliminary investigations).

11. *International Telephone & Telegraph Co. cases.*—Involving a telephone company employee who is to work for the Department of State in making telephone installations.

12. *General Services guards.*—GSA personnel detailed to a Department of State building.

13. *Changeover.*—File reviews made as a basis for granting by the Secretary of a security waiver.

14. *NATO cases.*—Cases of applicants for positions on the International NATO Staff (U.S. investigations).

15. *USIS cases.*—Requests from overseas for file reviews of American applicants for positions with USIS.

16. *Private American cases.*—Involving an American who is the object of considerable interest to one of our oversea posts.

17. Investigations of firms or individuals requesting assistance of the Department.

18. Investigations of complaints regarding foreign diplomatic personnel.

19. Inquiries into the deaths of foreign nationals.

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20. *Welfare cases.*—Involving the assisting of an American to return to the United States.

21. *Audit cases.*—SY agent conducts an unannounced verification of case held by an authorized employee of the Department.

22. Geographical offices of the Department.

23. *Collection cases.*—To obtain for the Department, funds which have erroneously been paid to an ex-employee.

Mr. SOURWINE. There was an increase in the Evaluations for the first half of 1962 over the first half of 1961, according to this chart. Has this continued, or has the workload increased this fiscal year?

(Mr. Reilly refers to documents.)

Mr. SOURWINE. The main thing I wanted to note is this: There were 14,416 received in fiscal year 1961; 14,515 received in fiscal year 1962. Can you tell us how you are running this year? Is it a higher rate or a lower rate? Has that increase continued?

Mr. REILLY. I note, Mr. Sourwine, that you are reading from the subheading "Internal security report."

Mr. SOURWINE. That is right.

Mr. REILLY. Now, last year, before I came aboard, the unit, which was then within the Division of Evaluations, was transferred to the Executive Office. That is the intelligence processing section.

Mr. SOURWINE. All right.

Mr. REILLY. Now, for the first half of fiscal year 1963, that section received 16,633 reports and processed 15,442 reports.

Mr. SOURWINE. That is for the first half?

Mr. REILLY. That is for July 1 through December 31, 1963; yes, sir.

Mr. SOURWINE. Just for the first half of the fiscal year, twice as many?

Mr. REILLY. No; you are comparing—I thought you were comparing the same figures you were reading, which is again——

Mr. SOURWINE. Oh, I see. You are comparing the first half of the fiscal year.

Mr. REILLY. Yes.

Mr. SOURWINE. And you are quite right. There is an increase of 1,000, isn't there?

Mr. REILLY. Yes.

Mr. SOURWINE. Above the first half of the fiscal year 1962?

Mr. REILLY. Yes.

Mr. SOURWINE. Now, do you remember the figures that you gave us about the caseload in Evaluations? You were talking there about personnel?

Mr. REILLY. Yes.

Mr. SOURWINE. Investigation in personnel cases?

Mr. REILLY. Yes.

Mr. SOURWINE. I have difficulty in relating the figures as they appear here to the figures that you gave us. Can you help us in that regard?

Mr. REILLY. We are talking about, now, just so to be——

Mr. SOURWINE. The top line under "evaluations" which says "Personnel," meaning personnel evaluations, is that right?

Mr. REILLY. Right.

Mr. SOURWINE. And they seem to be running from 2,500 to 3,000 per fiscal year, isn't that right?

Mr. REILLY. Yes.

Mr. SOURWINE. There was an increase from 1,752 for the first half of fiscal year 1961, to 1,868 for the first half of fiscal year 1962. How are they running now?

Mr. REILLY. Now, sir, for the period July 1, 1962, to December 31, 1962, we show 1,435 cases received and 1,458 cases processed.

Mr. SOURWINE. They processed 1,458?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. For the first half of fiscal year 1963?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. As compared with 1,673 processed in the first half of fiscal year 1962 and 1,414 processed in the first half of fiscal year 1961?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Is this a satisfactory or unsatisfactory amount of work to be done by the people you have there?

Mr. REILLY. I think it is generally satisfactory.

Mr. SOURWINE. Notwithstanding your testimony about the bottleneck at the last session? That is, you are telling us now that you don't think this is a bottleneck in Evaluations, you think they are performing efficiently?

Mr. REILLY. I don't think it is an across-the-board bottleneck, and what I meant is that we have, as you can well imagine, requests made to us for good reasons from officials in the Department who are interested in employing a given individual, assuming he is clearable, and there are certain other factors of availability and so forth, and I have difficulty at times in shaking these cases loose.

Mr. SOURWINE. You are talking then about particular cases rather than the number of cases?

Mr. REILLY. Yes.

Mr. SOURWINE. And what kinds of cases are they?

Mr. REILLY. These are cases where there is information received which must be resolved.

Mr. SOURWINE. You mean cases in which there is derogatory information?

Mr. REILLY. Yes.

Mr. SOURWINE. Now, did I ask you when you were here before, how many of the 152 cases which you cited as being the backlog in the Division of Evaluations at the end of February 1963, were cases in which investigations have been completed?

Mr. REILLY. You did not ask that question.

Mr. SOURWINE. Can you tell us?

Mr. REILLY. The answer would be that all of them—in all of them the investigations have been completed.

Mr. SOURWINE. In all of them?

Mr. REILLY. Now, this is not——

Mr. SOURWINE. Excuse me, go ahead.

Mr. REILLY. This is not to say that, when the evaluator examines the data he might not, in a given case, find, in order to satisfy himself, that he wanted somebody to interview.

Mr. SOURWINE. How many of these cases which you cited as backlog are cases in which additional investigations had been asked and not yet completed?

Mr. REILLY. I would have to furnish that.

Mr. SOURWINE. Can you furnish that?

Mr. REILLY. I will. I will see if that figure can be made available, yes.

(Acting Assistant Secretary Lee, in his letter to Chairman Eastland, dated February 18, 1965, reported as follows:)

Information relative to the number of cases containing derogatory material and the number of cases which contained allegations regarding Communist connections is not now available as the cases are closed and are an intricate part of many thousand files. To ascertain which of these cases were considered in the backlog of February 1963, would involve considerable research. Statistics for this period are kept by number of case rather than individuals, therefore, names would have to be furnished before any particular case could be identified as being a part of the February 1963 backlog. Therefore, the Department cannot ascertain which cases in the cited backlog required additional investigation.

Mr. SOURWINE. Now, all of these, you say, are cases in which there was serious derogatory information?

Mr. REILLY. No; I did not say serious derogatory; no, sir.

Mr. SOURWINE. Well, how many were cases in which there was serious derogatory information?

Mr. REILLY. From the sheer physical work that would be involved in the Division of Evaluations, Mr. Sourwine, I am not certain we can come up with that statistic.

Mr. SOURWINE. Well, I can bet you a nickel that you can ask Mr. Otepka——

Mr. REILLY. Oh, I can ask him.

Mr. SOURWINE (continuing). ——and he could supply the information.[1]

Mr. REILLY. And if he comes up with the information, I will supply it to the committee, yes, certainly.

Mr. SOURWINE. Now, how many of these are cases in which there was information respecting Communist connections?

Mr. REILLY. That, again, is something we would have to inquire into.

Mr. SOURWINE. Can you furnish that?

Mr. REILLY. If it can be.

(Acting Assistant Secretary Lee, in his letter of February 18, 1965, reported as follows:)

Information relative to the number of cases containing derogatory material and the number of cases which contained allegations regarding Communist connections is not now available as the cases are closed and are an intricate part of many thousand files. To ascertain which of these cases were considered in the backlog of February 1963, would involve considerable research. Statistics for this period are kept by number of case rather than individuals, therefore, names would have to be furnished before any particular case could be identified as being a part of the February 1963 backlog.

Mr. SOURWINE. That is backlog cases; and these backlog cases, I begin to suspect, are Communist cases almost entirely, and cases in which there has been serious derogatory information; and I am wondering how serious it is that such a case should be held up until the evaluator is satisfied. I should think that would be the proper way to handle it, to hold it up until he is satisfied. Wouldn't you think so?

Mr. REILLY. Yes, certainly.

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[1] Mr. Otepka testified at some length about derogatory cases on August 12, 1963, and August 17, 1964. See part 10 of this series.

Mr. SOURWINE. Well, then, you are not actually complaining about the fact that these cases were held up?

Mr. REILLY. Well, Mr. Sourwine, if a senior officer in the Department indicates to me that if a person is clearable he is desirous of having him aboard 3 weeks from now, I don't think it is an unreasonable request on my part or an unreasonable request on the part of the Assistant Secretary if I ask that that case be given expedited handling, that it be promptly assigned and that an evaluator devote his time—with the realization that we are now talking about a possible date of employment if a man can be cleared.

Mr. SOURWINE. Then your point in complaining about cases being held up is directed to cases where, because of some request from a superior, you have asked for expedited handling? That is what you are getting at, is that right?

Mr. REILLY. Well, in some I have asked——

Mr. SOURWINE. How many of these 152 cases were cases where you asked for expedited handling?

Mr. REILLY. Less than 15.

Mr. SOURWINE. Less than 15?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Now, with any of those 15 cases, do you know of any of those 15 cases in which you asked for expedited handling that it was not given?

Mr. REILLY. After much prodding—no, I can't think of a single case.

Mr. SOURWINE. Wait now. "Prodding," you mean prodding of you by me or prodding of Otepka by you?

Mr. REILLY. The last.

Mr. SOURWINE. You mean, you have prodded Mr. Otepka in order that he give expedited handling of a case?

Mr. REILLY. Sometimes; yes, sir.

Mr. SOURWINE. Well, what did he do that you needed to prod him—did he refuse to assign a case promptly to an evaluator?

Mr. REILLY. I know of no instance in which he refused to assign.

Mr. SOURWINE. Well, does he tell an evaluator not to give it precedence or does he fail to tell the evaluator to give it expedited treatment?

Mr. REILLY. He fails to follow through?

Mr. SOURWINE. Himself, you mean?

Mr. REILLY. Yes.

Mr. SOURWINE. You mean he fails to prod the evaluator to get that case out faster?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Now, isn't it in the nature of security evaluation procedure that there is a time factor that cannot be hurried, and that some things have to be done which take time?

Mr. REILLY. Yes.

Mr. SOURWINE. That is true; isn't it?

Mr. REILLY. Yes; the files have to be reviewed and the facts set out and——

Mr. SOURWINE. Yes; the file has to be reviewed and, if there are gaps there, then there would have to be investigation made to get information to fill those gaps?

Mr. REILLY. Well, I am not talking about cases concerning additional investigation.

Mr. SOURWINE. Well, I am just trying to get at the facts of the problem, and find out what is bothering you. You would not want to impose upon any evaluator a deadline and say, "You must give me a decision in this case by so-and-so?"

Mr. REILLY. If it were an unreasonable demand, I would agree; I would not.

Mr. SOURWINE. Well, how can you determine whether it is unreasonable or reasonable unless you yourself have been an evaluator?

Mr. REILLY. You can sit down with an evaluator and say, "What is involved; what is our problem."

Mr. SOURWINE. Well, have you done this in any instance with any evaluator in any of these 15 cases we are talking about?

Mr. REILLY. Yes; I have, and in that case I agreed with that man.

Mr. SOURWINE. You did it once?

Mr. REILLY. Yes.

Mr. SOURWINE. Just once and you agreed?

Mr. REILLY. No, I can think of a second case offhand. There may be others.

Mr. SOURWINE. And you agreed with the evaluator that additional time was necessary?

Mr. REILLY. Yes.

Mr. SOURWINE. And you were performing your function of checking?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Now, are you telling us Mr. Otepka does not perform that function?

Mr. REILLY. I won't say he has never done it, but I think the results have to speak for themselves.

Mr. SOURWINE. You mean you are dissatisfied because you are not getting your cases fast enough? You had 15 cases where you requested expedition and you are not getting them fast enough and so in those cases you think that he is not performing his function; is that what you mean?

Mr. REILLY. You are drawing the conclusion.

Mr. SOURWINE. I am not attempting to draw the conclusion; I am trying to find out what you are telling us.

Mr. REILLY. I am not telling you he is not performing his function. That is a conclusion you put into the question.

Mr. SOURWINE. Well, I am sorry; I thought that is what you meant.

Mr. REILLY. No.

Mr. SOURWINE. That he was performing inefficiently.

Mr. REILLY. Not as efficiently as might be performed.

Mr. SOURWINE. Well, all right—because you are not getting them faster?

Mr. REILLY. Yes.

Mr. SOURWINE. Don't you think that a better criterion might be whether he was doing everything that a good security officer should do to expedite a case; not how long it took, but whether he took all of the security precautions?

Mr. REILLY. That is an excellent criterion.

Mr. SOURWINE. Well, have you judged him by that criterion with respect to these 15 or 16 cases where you requested expedition?

Mr. REILLY. It is not possible for me, Mr. Sourwine, to go back in

the Division of Evaluations and follow Mr. Otepka around.

Mr. SOURWINE. What do you say he has ever failed to do that you think he should have done to expedite a case you wanted expedited?

Mr. REILLY. Follow through with an individual evaluator to see why the man is delaying.

Mr. SOURWINE. Well, have you ever discussed this with him with respect to any particular case?

Mr. REILLY. I have discussed with him generally and, as he is the head of the Division of Evaluations, I must look to him, too.

Mr. SOURWINE. But you want results?

Mr. REILLY. Yes.

Mr. SOURWINE. But have you ever told him, with respect to any particular case, that he was not following through on that case?

Mr. REILLY. As a formal statement to him I don't recall any such.

Mr. SOURWINE. In other words, you are concluding and you have expressed this conclusion to him in your own words, that if you asked for an expediting of a case and you did not get it fast enough, that proves he is not following through fast enough; is that right or wrong?

Mr. REILLY. Could I ask the reporter to read that back?

Mr. SOURWINE. Yes, but I should be glad to restate it.

Mr. REILLY. Yes.

Mr. SOURWINE. Is it your feeling, that you have expressed this to him in your own words, that when you have asked for expedition in a case and you don't get it fast enough, that proves he is not following through adequately or fast enough?

Mr. REILLY. Unless he comes back to me with reasons why it is not possible; logically possible, to follow through.

Mr. SOURWINE. So you do not set a deadline on these cases and say, "I want a report by so-and-so"?

Mr. REILLY. On occasion I have.

Mr. SOURWINE. Well, have you ever set a deadline when he did not come back to you before the deadline with the answer or an explanation why he could not?

Mr. REILLY. I cannot recall a case that falls in that particular category. That is why I asked you to repeat the question previously.

There comes to mind a case within the last week or so where the Office of Personnel called and asked me of the status of a particular case which had been pending in the Office of Security for some time. I asked my secretary——

Senator DODD. How long a time; do you recall?

Mr. REILLY. Over a year.

Mr. SOURWINE. That is a long time.

Mr. REILLY. Yes, sir. I asked my secretary to obtain the file for me so I could ascertain what the facts were, and this case was in Mr. Otepka's office, it was in the file awaiting action by him—a memorandum from one of his subordinates recommending certain additional investigations—which investigations, I incidentally thought quite logical, and that memorandum indicated that it was typed on October 2, 1962, and this was approximately the first of April when I made my request.

Senator DODD. Off the record.

(Discussion off the record.)

Senator DODD. We will adjourn now and I will inform you of the time for reconvening later.

(Whereupon, at 12:50 p.m., the committee was in recess, to reconvene subject to the call of the Chair.)

TESTIMONY OF JOHN F. REILLY

WEDNESDAY, MAY 22, 1963

Senator Everett McKinley Dirksen presiding.

Present: Senators Dirksen and Thomas J. Dodd.

Also present: J. G. Sourwine, chief counsel; A. Warren Littman, associate counsel; Benjamin Mandel, research director; and Frank W. Schroeder, chief investigator.

(Mr. Reilly was previously sworn.)

* * * * * * *

Mr. SOURWINE. I believe that when we concluded yesterday, Mr. Reilly, we were discussing some of the things that had happened to Mr. Otepka since he appeared and testified before this committee last year and told us about his handling of the Weiland case. We covered the point that certain evaluation responsibilities had been transferred from his jurisdiction; that evaluation of applicant cases had been taken out of his hands; that the intelligence report and function had been moved, and some 10 persons had been transferred out of the Division of Evaluations.

I think we were on the question of whether any promotions and evaluations were being held up. I don't recall, did you get a chance to answer that question?

Mr. REILLY. I did explain it; yes. Certain promotion requests had been held up and some other promotions in the Office of Security because of temporary monetary freeze.

Mr. SOURWINE. This does not apply, then, just to the Division of Evaluations?

Mr. REILLY. No. There have been some exceptional promotions made but, by and large, we have had a freeze on officer promotions.

Mr. SOURWINE. When did that freeze start?

Mr. REILLY. It started around the first of the year.

Mr. SOURWINE. This year?

Mr. REILLY. This year; yes.

Mr. SOURWINE. And how many promotions would you say you have had in the Office of Security since the freeze?

Mr. REILLY. At the moment I can only think of a single officer promotion.

Mr. SOURWINE. Now is it true also that certain functions relating to the administration of the Department's security violation program have been transferred away from Otepka to another officer?

Mr. REILLY. They are now in the Office of Domestic Operations.

Mr. SOURWINE. What are those functions?

Mr. REILLY. This is the function of reviewing the security violation reports on mishandling—failure to lock a safe, mishandling of a classified document. The reports are reviewed against the man's overall security record, and then a recommendation, appropriate recommendation, is made to the Office of Personnel as to whether a letter of reprimand might issue in a very serious case or a suspension of the party.

Mr. SOURWINE. In other words, this function is the responsibility for assessing the significance of acts of omission or commission on the part of an employee with relation to the failure to safeguard or protect classified information?

Mr. REILLY. That is correct.

Mr. SOURWINE. And is that responsibility now outside of the Division of Evaluations?

Mr. REILLY. Yes, it is.

Mr. SOURWINE. Where is it?

Mr. REILLY. It is in the Office of Domestic Operations.

Mr. SOURWINE. Is it in the hands of a trained security officer?

Mr. REILLY. Yes, it is.

Mr. SOURWINE. Where did he come from?

Mr. REILLY. He came from the Office of Evaluations.

Mr. SOURWINE. So the function was transferred and the personnel was transferred with it?

Mr. REILLY. He was not, however, the person in the Division of Evaluations who had formerly handled the security violation program.

Mr. SOURWINE. I see.

Mr. REILLY. This person desired to be relieved of those duties. It is a rather onerous task, and I don't think it's a task where a person should be asked to keep it for years.

Mr. SOURWINE. You had one person in Evaluations who was responsible for this?

Mr. REILLY. Yes.

Mr. SOURWINE. And that person asked to be relieved of that responsibility?

Mr. REILLY. That is correct.

Mr. SOURWINE. That request was made to you?

Mr. REILLY. Yes; it was, through channels.

Mr. SOURWINE. Through channels?

Mr. REILLY. Yes.

Mr. SOURWINE. And to grant that request you transferred the work to another person in Evaluations and transferred that person out of Evaluations into what—Domestic——

Mr. REILLY. Operations.

Mr. SOURWINE. Domestic Operations, is that right?

Mr. REILLY. To fill a vacancy that existed in the Division of Domestic Operations. This was not an additional position in Domestic Operations.

Mr. SOURWINE. I see. But it made one less position in the Division of Evaluations?

Mr. REILLY. Yes.

Mr. SOURWINE. So the function went, and a person went?

Mr. REILLY. Yes.

Mr. SOURWINE. Is there any problem about filling vacancies in Evaluations?

Mr. REILLY. I have had no requests to fill the one officer vacancy which exists in the Division.

Mr. SOURWINE. There is only one?

Mr. REILLY. Yes.

Mr. SOURWINE. How long has it existed?

Mr. REILLY. Well, since last fall when this transfer of Mr. Hall was made.

Mr. SOURWINE. In other words, that created the vacancy?

Mr. REILLY. Yes.

Mr. SOURWINE. You didn't transfer the position, just the individual?

Mr. REILLY. That is correct.

Mr. SOURWINE. And Otepka hasn't shown any interest in getting it filled since then?

Mr. REILLY. No, he has not.

Mr. SOURWINE. Hasn't made any recommendations?

Mr. REILLY. He has not made any recommendations.

Mr. SOURWINE. Is it his job to make a recommendation if he has a vacancy?

Mr. REILLY. Yes.

Mr. SOURWINE. You don't have to follow it, but it is up to him to make it?

Mr. REILLY. That's correct; yes.

Mr. SOURWINE. It wouldn't be out of order for him to come up with a candidate; would it?

Mr. REILLY. Not at all; absolutely not. Other people do.

Mr. SOURWINE. There is no indisposition on your part to fill the vacancy if Otepka should show there is a need for it? In other words, you are not keeping the vacancy from being filled?

Mr. REILLY. No; absolutely not.

Mr. SOURWINE. Who handles the initial check on applicants for employment in the Department?

Mr. REILLY. The national agency check? The forms are sent to Mr. John Noonan, who is in the executive office, and he sends them to the Civil Service Commission, and the fingerprint card to FBI.

Mr. SOURWINE. He handles the national agency check forms, then?

Mr. REILLY. Yes.

Mr. SOURWINE. He records them?

Mr. REILLY. Yes.

Mr. SOURWINE. And transmits them to Civil Service?

Mr. REILLY. That is correct.

Mr. SOURWINE. Now, who eventually evaluates any positive information obtained; does he do that, too?

Mr. REILLY. No; he does not. If the check comes back totally negative, totally clear, then, on the basis of that, he will notify Personnel, in the case of clerical positions, that the 180-day clearance is given and immediately then the investigation—they hold a full field investigation.

Mr. SOURWINE. And if it does come back, who evaluates the information?

Mr. REILLY. If it comes back derogatory, any derogatory information whatsoever, it goes into Evaluations.

Mr. SOURWINE. The case then would go over to Evaluations——

Mr. REILLY. That is correct.

Mr. SOURWINE. With the information?

Mr. REILLY. Yes.

Mr. SOURWINE. This function of the national agency check used to be in Evaluations; didn't it?

Mr. REILLY. Yes, it did.

Mr. SOURWINE. And it was transferred out since you came on board?

Mr. REILLY. Yes.

Mr. SOURWINE. Was any personnel transferred with it?

Mr. REILLY. No, sir.

Mr. SOURWINE. Just the function?

Mr. REILLY. Right.

Mr. SOURWINE. That lightened the workload in Evaluations?

Mr. REILLY. Yes, it did; and it was for that purpose that it was done.

Mr. SOURWINE. You transferred it to the executive office in order to lighten the workload at the Office of Security?

Mr. REILLY. To take the largely clerical function out, not the evaluative function, if the check developed after receipt of the information.

Mr. SOURWINE. Is this work being handled by a clerk now? You say it is a clerical function?

Mr. REILLY. No; it is being handled by Mr. Noonan.

Mr. SOURWINE. Is he a clerk?

Mr. REILLY. No; he is an experienced security officer.

Mr. SOURWINE. Where did he come from?

Mr. REILLY. He has been in the Office of Security at least since 1947. He was formerly in the Division of Evaluations.

Mr. SOURWINE. When was he transferred out; do you know?

Mr. REILLY. It antedates me. I believe it was during the reorganization.

Mr. SOURWINE. Anyhow, this purely clerical work that you referred to is being done by a trained security officer?

Mr. REILLY. Yes; and with clerical assistants but under his guidance.

Mr. SOURWINE. Under his guidance?

Mr. REILLY. Yes.

Mr. SOURWINE. And how was it being done in Evaluations before you moved it? Was it being done by trained security officers with appropriate clerical assistance?

Mr. REILLY. Yes.

Mr. SOURWINE. So it is being done now the same way it was being done then?

Mr. REILLY. But there has been a substantial saving in processing time as the result of this.

Mr. SOURWINE. How did that come about?

Mr. REILLY. Through more expeditious handling of the paperwork involved.

Mr. SOURWINE. In other words, you think that Noonan and his crew are more efficient than the people who were doing it before, or is that an unfair conclusion because of the difference in the number of people that are working on it then and now?

Mr. REILLY. I can't explain whether it's through more efficient handling of it or because there are more people handling it. All I know is that statistically, over a 4-month period, there has been a marked saving in time.

Mr. SOURWINE. Has the volume of this work increased?

Mr. REILLY. You recall, Mr. Sourwine, the statistical papers I placed in the record yesterday.

Mr. SOURWINE. I don't recall them in detail. I do recall you did place them in the record.

Mr. REILLY. Yes. Well, for the period December 1961–March 1962 there were 151 national agency checks processed, and they took an average of 21.3 days.

During the comparable period December 1962–March 1963, the period during——

Mr. SOURWINE. Is that inclusive, a 4-month period?

Mr. REILLY. Yes, sir; it is. During the comparable period during which they were being handled in the executive office, 253, or 102 more, were processed, and the average processing time was 16.9 days.

Mr. SOURWINE. Well, now, sir, how many people were engaged in this work while it was in Evaluations?

Mr. REILLY. I can't tell you that.

Mr. SOURWINE. How many people are engaged in it now; if you know?

Mr. REILLY. Two.

Mr. SOURWINE. Mr. Noonan and one clerk?

Mr. REILLY. And one clerk.

Mr. SOURWINE. A girl?

Mr. REILLY. Yes.

Mr. SOURWINE. You don't think it could have been handled by any fewer people in Evaluations?

Mr. REILLY. Oh, no. I am sure that at least that was needed.

Mr. SOURWINE. Mr. Noonan is on it full time, is he?

Mr. REILLY. No. He also has the responsibility, supervisory responsibility, for our mailroom and for our fileroom.

Mr. SOURWINE. Mail and files.

Mr. REILLY. And he also keeps all the records on cases open, cases closed.

Mr. SOURWINE. How do you happen to have a security officer handling mail and files?

Mr. REILLY. Because I am convinced from Government experience that the backbone of an office is your mail and file area and your control of cases.

Mr. SOURWINE. Do you know whether while this function was in Evaluations there was someone giving it full time?

Mr. REILLY. There was one officer who devoted the bulk of her time to this. Now, whether this occupied her full time or not——

Mr. SOURWINE. Security officer?

Mr. REILLY. Yes.

Mr. SOURWINE. You don't know whether it was full time?

Mr. REILLY. No. Whether this took all of her time or not I do not know.

Mr. SOURWINE. All right.

Mr. REILLY. I will say that part of the savings in time was effected because under the old procedure it was necessary for the request to come into the mailroom, go through the fileroom or the records room, and then go to "E" and then come back through the same process, so that in part accounts for the time we have saved.

Mr. SOURWINE. I can understand this. Thank you for pointing that out.

You haven't any time studies to show what the old flow was or just what time was lost?

Mr. REILLY. I would say a day or so would be lost in this going back and forth and recording it in two places.

Mr. SOURWINE. I thought it might have been a fact that you would have checked up on and which would have entered into your decision to move it.

Mr. REILLY. We did check into it. I simply don't recall the figure, nor have it with me, Mr. Sourwine.

Mr. SOURWINE. I think it might be useful—the saving there appears to be substantial—if you could give us the figure, the time that was lost on an average for the purely mechanical matter of processing it in mailing and files and transmitting it to Evaluations, and then transmission back and the final processing by mailing and files after it left there.

Mr. REILLY. I would be happy to supply that.

Mr. SOURWINE. Because that is a clear saving which appears to have been made by the move.

(EDITORIAL NOTE.—Col. Geo. W. French, Jr., advised the subcommittee Sept. 23, 1965, that the requested data had not been compiled before Mr. Reilly resigned, and that the Department could not supply Mr. Reilly's answer for the May 1963 period, but would be willing to furnish such figures "as of the current date.")

Mr. SOURWINE. What is your Intelligence Report Branch?

Mr. REILLY. That is now a branch of the Bureau of Intelligence and Research.

Mr. SOURWINE. What does it do?

Mr. REILLY. It receives from our mail room reports from the FBI and from Central Intelligence Agency.

Mr. SOURWINE. Oh, this is the intelligence function we were talking about yesterday?

Mr. REILLY. Yes, this is the one we discussed yesterday, Mr. Sourwine.

Mr. SOURWINE. I see. When this function was handled in Evaluations, did you call it the Intelligence Reporting Branch?

Mr. REILLY. I believe it was called the Intelligence Processing Section.

Mr. SOURWINE. It doesn't matter. Now it is called the Intelligence Reporting Branch of the Executive Office?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. I see. So there is no duplication there; they are the only ones in the Office that is doing that?

Mr. REILLY. The same officers who did it in each of the—first, in Evaluations, then in the Executive Office, and now in the Bureau of——

Mr. SOURWINE. Are now doing it?

Mr. REILLY. Yes, the same persons.

* * * * * * *

(At this point, Senator Dodd entered the hearing room and assumed the chair.)

Mr. SOURWINE. Is the Executive Office performing evaluative functions?

Mr. REILLY. No, sir.

Mr. SOURWINE. Are you familiar with the fact that, in his testimony before us on February 21, Otepka told us that evaluative functions were being performed in the Executive Offices?

Mr. REILLY. I did read that testimony and I assumed that there he was referring to the fact that the processing of national agency checks is now done back in the Executive Office.

Mr. SOURWINE. Oh.

Mr. REILLY. But they do not evaluate them if there is any derogatory information at all.

Mr. SOURWINE. Were they evaluated at the time he testified?

Mr. REILLY. No, they were not.

Mr. SOURWINE. And they never have been?

Mr. REILLY. No. My instructions were that, in the case of totally clear cases, all right. Then, instead of sending papers back and forth, prepare the form there, send it to Personnel.

Mr. SOURWINE. You say the fact is, though, that the Executive Office never has performed evaluating functions?

Mr. REILLY. That is correct.

Mr. SOURWINE. Not while you have been there, anyway?

Mr. REILLY. No. The same would be true of the Division of Evaluations, the Division of Investigations where they read the reports as they come in from the field office so as to make certain that all leads have been covered.

* * * * * * *

TESTIMONY OF JOHN F. REILLY, DEPUTY ASSISTANT SECRETARY FOR SECURITY, DEPARTMENT OF STATE

THURSDAY, MAY 23, 1963

Senator Thomas J. Dodd, vice chairman, presiding.

Present: Senators Dodd and Hugh Scott.

Also present: J. G. Sourwine, chief counsel; Sam Scott, assistant counsel; Benjamin Mandel, director of research; and Frank W. Schroeder, chief investigator.

(Mr. Reilly was previously sworn.)

* * * * * * *

Mr. SOURWINE. In your previous testimony, Mr. Reilly, you told us an evaluation case must come forward to you if there is substantial derogatory information.

Is that so that you may review the evaluation?

Mr. REILLY. It is

Mr. SOURWINE. Isn't the evaluation complete when it comes up from the Evaluations Division?

Mr. REILLY. In those cases it is not complete until I indicate my concurrence.

Mr. SOURWINE. I see. I thought there might be action by higher echelons, but that an evaluation stood as approved by the Chief of the Division of Evaluations. You might add comments; you might order something else done. But you didn't change the evaluation?

Mr. REILLY. Oh, no; that is not the case.

Mr. SOURWINE. I am in error about that?

Mr. REILLY. Yes.

Mr. SOURWINE. You do change them, then?

Mr. REILLY. I have the power to.

As I indicated earlier, in response to Senator Scott's question, my recollection is that I have disagreed in one or two cases, but the specific cases do not come to my mind.

Mr. SOURWINE. Well, disagreement is an entirely different thing than changing evaluation data. Of course, higher authority at every echelon that the case moves to has authority to agree or disagree, to add whatever comments are desired, or to give instructions within the competency of that higher authority. But to change the evaluations report——

Mr. REILLY. Oh, I would not rewrite——

Mr. SOURWINE. There is some point at which it has to be frozen.

Mr. REILLY. I would not undertake to rewrite an analysis and evaluation report. I would have to have and review the file and the material that came forward to me, make my own determination, and append my observations and make the decision.

Mr. SOURWINE. That's what I thought would be the routine.

Mr. REILLY. Yes. I wouldn't attempt to evaluate *de novo*.

Mr. SOURWINE. I was afraid the record was not clear.

You wouldn't send the record back and say, "Change this, change that"?

Mr. REILLY. Not unless I found from my reading of the raw reports themselves that something had, through error, not been properly reported, and I would quite understandably call that to their attention.

* * * * * * *

Mr. SOURWINE. Mr. Reilly, calling your attention to the appropriations hearings, 1963 fiscal year, page 533, on the bill before the House committee—do you have your own copy?

Mr. REILLY. Yes, I do.

Mr. SOURWINE. You will notice, sir, that the figure for protection of dignitaries is down the first half of 1962, as compared with the first half of 1961.

Can you tell us what the result was for the full year? Was there a comparable decrease? So that the record will show what we are talking about, Mr. Chairman, may I insert these two three-column tabulations showing the comparison of July to December for fiscal year 1961, and fiscal year 1962; may I ask that they be inserted in our record at this point?

Senator DODD. Yes.

(The tabulations referred to are as follows:)

	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959			Fiscal year 1960		
	Number of—			Number of—			Number of—			Number of—		
	Visits	Conferences	Man-years	Visits	Conferences	Man-years	Visits	Conferences	Man-years	Visits	Conferences	Man-years
Protection of dignitaries	14	19	11.5	18	16	12	22	13	19	29	19	25

	Fiscal year 1961			Comparison July–December					
				Fiscal year 1961			Fiscal year 1962		
	Number of—			Number of—			Number of—		
	Visits	Conferences	Man-years	Visits	Conferences	Man-years	Visits	Conferences	Man-years
Protection of dignitaries	41	25	30.9	24	7	16	21	21	14.7

Mr. REILLY. I have the answer to your question. For all of fiscal year 1962, there was a total of 37 visits and a total of 39 conferences, utilizing 35 man-years.

Mr. SOURWINE. Well, you actually had an increase in man-years, then, of roughly 15 or 16 percent over fiscal year 1961.

Mr. REILLY. That is correct, yes.

Mr. SOURWINE. The number of visits was a few smaller. The number of conferences was very substantially larger, and the total workload was much greater. That obviously must have required more personnel.

Did you have the same number of individuals working in this area in fiscal 1962 as in fiscal 1961. Do you know?

Mr. REILLY. We had the same number of individuals permanently assigned to this, but we do borrow not only from the Washington field office, but we borrow a man or two from other divisions at headquarters to assist on these and, additionally, as a trip leaves Washington, we will utilize field office personnel.

Mr. SOURWINE. Investigative personnel?

Mr. REILLY. Yes.

Mr. SOURWINE. What has the situation been for the first 6 months of 1963? Do you have the figures there that we could compare with these 2 prior fiscal years?

Mr. REILLY. Yes. For the period July–December, which is comparable to the table in the book, there were 18 visits and 15 conferences requiring 18.7 man-years.

Mr. SOURWINE. This again was an increase over either fiscal 1961 or fiscal 1962?

Mr. REILLY. Yes.

Mr. SOURWINE. Do you need more investigators?

Mr. REILLY. We asked the Appropriations Committees this year for an increase of seven investigators.

Mr. SOURWINE. Do you need more personnel to handle the protection of visiting dignitaries?

Mr. REILLY. At the present time we are preparing a request for four additional men.

Mr. Sourwine, if you would indulge me one moment, I have a figure here that I am endeavoring to locate that I think has a material bearing on this question.

Mr. SOURWINE. Yes, sir.

Mr. REILLY. Last year we had 4.8—no, let me correct that. We had 4 man-years of uncompensated overtime put in by the men assigned to the protocol detail. Additionally, they are given premium pay to compensate them for the normal overtime that they put in. So that this isn't—when we talk of 18 man-years, it isn't on a 40-hour week basis. The same men are putting in much of this additional time themselves.

Mr. SOURWINE. These prime totals that you give us, then, include 4 man-years of uncompensated overtime?

Mr. REILLY. Yes.

Mr. SOURWINE. Your men are very substantially overworked, aren't they?

Mr. REILLY. They are, but they enjoy it.

Mr. SOURWINE. No wonder you need investigators for the protection of dignitaries.

Mr. REILLY. They enjoy this work.

(The following information was supplied by Acting Assistant Secretary Lee under his letter of February 18, 1965, to Chairman Eastland:)

The Division of Protective Security has a complement of 13 trained security officers whose primary responsibility is the protection of the Secretary of State and visiting foreign chiefs of state and heads of government. Additionally, of the total agent complement of 23 in the Washington field office, 19 agents, who have qualified in the use of firearms under provisions of Public Law 104, are assigned to the protection of foreign dignitaries in Washington. In calendar year 1963, approximately 2½ percent of the Washington field office agents' time was spent on foreign dignitary protective assignments. During the first 6 months of calendar year 1964, approximately 7 percent of the Washington field agents' time was devoted to protective duties.

When the Office of Security is protecting two dignitaries simultaneously, it is necessary to use investigators in the Washington field office at public functions. This use includes protection at such places as airports, hotels, clubs, and diplomatic receptions. The use of these men from the Washington field office occurs approximately 10 times per year and can be broken down as follows: 200 hours per year, regular time; 120 hours per year, after normal working time.

An example of extraordinary occurrences wherein the Division of Protective Security and the Washington field office are called upon are:

(*a*) *Castro visit*

Prime Minister Castro of Cuba arrived in Washington, D.C., on April 15, 1959, and departed Washington, D.C., April 20, 1959. During his visit in Washington, 16 investigators in addition to the normal protective security detail were utilized.

(*b*) *Visit of Premier Khrushchev*

Premier Khrushchev arrived in Washington, D.C., September 15, 1959, and departed September 17, 1959, for New York City. He returned to Washington September 24, 1959, and departed for Moscow September 27, 1959. During this period of time 20 investigators from the Washington field office assisted the normal complement of men from the Division of Protective Security.

(*c*) *President Kennedy's funeral*

The necessary security preparations for President Kennedy's funeral started at 3 p.m., Friday, November 22, 1963, and were concluded upon the departure of President Macapagal of the Philippines on December 1, 1963. During the planning and carrying out of the security functions during the funeral, 36 investigators assisted the Protective Security staff and worked a total of 1,296 extra-duty hours. It should be noted that 70 State Department Security officers participating in President Kennedy's funeral, of these 36 were active investigative agents.

Mr. SOURWINE. Mr. Reilly, turning to pages 540 and 541 of this same appropriation hearing, you will note Congress allowed $1.2 million for equipment. The Department cut this to $500,000 and used $700,000 for other purposes, is that correct?

Mr. REILLY. You are referring now to which fiscal year, Mr. Sourwine?

Mr. SOURWINE. 1962. I am paraphrasing Mr. Rooney's statement on page 540.

Mr. REILLY. This antedated my arrival in the Department. I have heard that this money was used for other departmental purposes.

Mr. SOURWINE. But you don't know what other purposes it was used for?

Mr. REILLY. I have no firsthand knowledge; no, sir.

Mr. SOURWINE. Have you been told?

Mr. REILLY. It is my understanding that it was needed to meet the salaries and expenses.

Mr. SOURWINE. I see.

Mr. REILLY. And additional travel within the Department. In other areas of the Department.

Mr. SOURWINE. I see. Not in the Office of Security at all?

Mr. REILLY. No.

Mr. SOURWINE. All right.

Now, if you would look at the bottom of page 544, you see the statement by Mr. Boswell?

Mr. REILLY. Yes.

Mr. SOURWINE. He mentions the Chief of the Personnel Security Unit.

Mr. REILLY. Yes.

Mr. SOURWINE. He mentions Foreign Service officer and then continues—may these three paragraphs go in the record at this point, Mr. Chairman, from the bottom of page 544 to the end of the second full paragraph on page 545?

Senator DODD. Yes.

(The excerpt referred to reads as follows:)

Mr. BOSWELL. Sir, of the 25 positions, 5 were absorbed in our file room, name check, record check, and intelligence reporting units. We found that by reorganizing those units we could accomplish the same work that we were accomplishing before, with five less people. One of the positions was my deputy. He is a specialist in personnel security, and in fact, for more than a year had been working, not across the board as a deputy, but on personnel security cases. I was of the opinion and remain of the opinion that we could function without that position. Incidentally, he is now Chief of our Personnel Security Unit. We had one Foreign Service officer whom we had recalled to active service from retirement. We recalled him to do a specialized job of work for us. He reached the mandatory retirement age in February of this year, and his position was eliminated in anticipation of that.

The bulk of the cut, 18 out of the 25 positions, was in the field of investigations and evaluations. With the reduction in the manpower strength of the Department, the anticipated corresponding reduction in attrition, and with the decision that we would not increase our personnel strength in 1963, we anticipated a dropoff in the number of personnel investigations we would have to conduct. We made our cut largely, these 18 positions, in the field of investigations and evaluations.

As of the end of January, we were the most current in our work that we had been in over 6 years. We had largely eliminated our backlog of investigative work and were, as I say, as current as most of us can remember our being.

Mr. SOURWINE. Mr. Reilly, is Mr. Otepka still Chief of the Personnel Security Unit?

Mr. REILLY. Well, the actual title was and is Chief of the Division of Evaluations, which is concerned with the evaluation of personnel, securitywise.

Mr. SOURWINE. When Mr. Boswell said Chief of the Personnel Security Unit, he meant Chief of the Division of Evaluations?

Mr. REILLY. Yes.

Mr. SOURWINE. He was then referring to Otepka?

Mr. REILLY. Yes.

Mr. SOURWINE. Now, if you look at the top of page 545, you notice, in the second paragraph, Mr. Boswell's statement that 18 positions were cut in Investigations and Evaluations. Do you know how that cut was apportioned between the two Divisions?

Mr. REILLY. Fourteen of the positions were investigator positions.

Mr. SOURWINE. That were cut?

Mr. REILLY. Yes.

Mr. SOURWINE. And only four in the Evaluations Division?

Mr. REILLY. I find only three in Evaluations Division.

Mr. SOURWINE. Now, it is true, isn't it, that Investigation's workload was greater in 1962 than 1961?

Mr. REILLY. Yes.

Mr. SOURWINE. And Investigation's workload is even greater this fiscal year than it was last fiscal year?

Mr. REILLY. That is correct.

Mr. SOURWINE. Now, is the workload of the Evaluations Division greater this year than it was last year?

Mr. REILLY. Projecting the first half year figures, it would appear that it will come out to be greater.

Senator DODD. That is on the basis of what you know now?

Mr. REILLY. Yes.

Mr. SOURWINE. Now, certain functions of the Division of Evaluations have been transferred away from it, have they not, which should result in a reduction of the workload?

Mr. REILLY. That is—yes, under our new procedures that is correct.

Mr. SOURWINE. Are you saying that, even with the remaining functions and duties, the workload is still greater than it was before?

Mr. REILLY. No. If I may, I will correct myself on that. I was thinking of the overall Office of Security workload as opposed to the specifics of the Division of Evaluations under my present procedures.

Mr. SOURWINE. Actually, the things you have transferred out of Evaluations into Investigations and elsewhere have substantially lessened the workload of Evaluations. Isn't that right?

Mr. REILLY. Yes. I have some figures on this because we had discussed this earlier and you had asked me if I could prepare some.

Mr. SOURWINE. These are, Mr. Chairman, quite obviously the comparisons that we asked for when Mr. Reilly was here on the 30th of April. Is that right?

Mr. REILLY. That is correct.

Mr. SOURWINE. May they go in the record at this point?

Senator DODD. Yes.

(The document referred to follows:)

U.S. applicants cases

Cases evaluated by SY/E (investigated by SY/1 (December 1961–March 1962):	
December 1961	228
January 1962	158
February 1962	96
March 1962	240
Grand total	722
Cases evaluated by SY/E (investigated by SY/1) (December 1962–March 1963):	
December 1962	66
January 1963	60
February 1963	56
March 1963	54
Total	236
Fully processed by SY/I:	
December 1962	90
January 1963	92
February 1963	90
March 1963	92
Total	364
Grand total	600

180-day NAC

Evaluated by SY/E (December 1961–March 1962):	
December 1961	54
January 1962	28
February 1962	22
March 1962	47
Grand total	151
Evaluated by SY/E (December 1961–March 1963):	
December 1962	12
January 1963	7
February 1963	11
March 1963	7
Total	37
Fully processed by SY/EX (December 1962–March 1963):	
December 1962	30
January 1963	21
February 1963	97
March 1963	117
Total	265
Grand total	302

Under the present method of operation (December 1962–March 1963) SY/E:

(A) Evaluated only 30 percent of the total number of U.S. applicant cases processed by SY as compared to the period December 1961–March 1962.

(B) The workload of SY/E under the present method of operation (December 1962–March 1963) compared to the former method of operation (December 1961–March 1962) has decreased by 70 percent. Comparison of

the production of SY/E during these two periods shows SY/E is now evaluating, under the present method of operation, only 30 percent of all U.S. applicant cases.

Under the present method of operation (December 1962–March 1963) SY/E:

(A) Evaluated 24 percent of the total number of 180 day cases processed by SY compared to the period (December 1961–March 1962).

(B) The workload of SY/E under the present method of operation (December 1961–March 1962) has decreased by 76 percent. Comparison of the production of SY/E during these two periods shows SY/E is now evaluating, under the present method of operation, only 12 percent of all 180 day cases.

Mr. SOURWINE. Additionally these are other figures bearing on the same area in question.

Senator DODD. Let me see if I understand this correctly. What is SY/E?

Mr. SOURWINE. Security Evaluations Division?

Mr. REILLY. Evaluations.

Senator DODD. SY/I?

Mr. REILLY. Investigations.

Senator DODD. Evaluations and Investigations.

Mr. REILLY. And the other symbol, SY/EX is the Executive Office.

Mr. SOURWINE. May this chart, with regard to processing time for U.S. applicant cases, also go in the record, Mr. Chairman?

Senator DODD. Yes. I guess you want the originals. Do you have them?

Mr. REILLY. These are Xerox copies. They are all equal.

(The chart referred to follows:)

A comparison of processing time (in "working days") for U.S. applicant cases

[4-month periods: December 1961–March 1962 versus December 1962–March 1963]

Major categories	Former method of operation		Revised method of operation		Reduction in processing time	
	Cases	Total	Cases	Total	Days	Percent
A. Departmental:						
Routine	206	66.8	127	53.9	12.9	19
180 day and CSC	93	20.0	239	16.8	3.2	16
Clerical pool	22	83.9	25	64.7	19.2	23
B. Foreign Service:						
Routine	309	59.1	136	55.5	3.6	6
180 day and CSC	58	23.3	14	18.0	5.3	23
Total (A and B)	688		541			
C. Combined departmental and Foreign Service:						
Routine	515	62.2	263	54.7	7.5	12
180 day and CSC	151	21.3	253	16.9	4.4	21
Clerical pool	22	83.9	25	64.7	19.2	23
Total	688		541			

NOTE.—(*a*) For purposes of comparison, identical 4-month periods were selected. It should be noted that, under the "Former method of operation" segment of the table, both "nonderogatory" and "derogatory" cases are included. However, since approximately 3 out of every 4 cases of the annual volume of U.S. applicant cases fall in the "nonderogatory" category, the processing time under the "former method of operation" is not appreciably affected.

(*b*) Includes 1.5 working days for case preparation (i.e., establishing controls, record checking, procurement, etc.).

Mr. REILLY. Also I was asked to provide statistical data for the month of April 1963 and I have that here.

Mr. SOURWINE. May this also go in the record, Mr. Chairman.

Senator DODD. Yes.

(The data referred to follows:)

U.S. GOVERNMENT MEMORANDUM

MAY 6, 1963.

To: SY/EX—Mr. LaSelle.
Through: SY/EX—John Noonan.
From: SY/EX—Ruth McDowell.
Subject: Time study report for closed cases, April 1963.

The following report is a time study showing the average days taken to complete the various applicant cases (SY/I, SY/E, SY/EX). This is based on working days instead of calendar days.

	Time in SY/I	Time in SY/E
Departmental:		
Routine (48)	50.0	26.1
Entered on duty (5)	81.6	18.2
180 DAY NAC & CSC (6)		31.5
Foreign Service:		
Routine (34)	65.6	26.9
BEX (FSO's) (9)	31.4	8.2
	SY/I—Fully processed	**SY/EX—Fully processed**
Departmental:		
Routine (24)	48.8	
Entered on duty (19)	43.9	
Clerical pool (3)	66.0	
180 DAY & NAC (165)		16.3
Foreign Service:		
Routine (40)	50.1	
Entered on duty (3)	33.2	
BEX (FSO's) (5)	49.0	
180 DAY & CSC (7)		15.0
Nonsensitive (6)		10.1

Mr. SOURWINE. You beat us to the punch, Mr. Reilly. We were going to get around to asking for these eventually.

Mr. REILLY. At the same time—I am sorry to have interrupted your thread of questioning, but this might be a convenient time. I am sorry I have only one copy of this. I would be glad to have it Xeroxed to provide additional for the record. This is on the splitup of time of the various field offices of SY/I.

Mr. SOURWINE. I believe this would be useful, Mr. Chairman, but I doubt if we need it mimeographed or Xeroxed if we may have this copy for insertion in the record.

Mr. REILLY. Fine.

Mr. SOURWINE. May it be inserted?

Senator DODD. Yes.

(The document referred to follows:)

MAY 13, 1963.

Deputy Assistant Secretary for Security.
Chief—Division of Investigations.
Domestic field offices percentage work breakdown for April 1963.

Each special agent in charge has submitted the following percentage work breakdown covering the month of April 1963:

	Number of agents assigned	Personnel	Passport and visa	Security protective
		Percent	*Percent*	*Percent*
Atlanta	1	83	3	14
Boston	3	92	8	0
Chicago	4	81	17	2
Cleveland	2	89	11	0
Dallas	3	47.75	52.25	0
Denver	2	85	0	15
Detroit	1	90	10	0
Greensboro	2	85	5	10
Los Angeles	5	75	25	0
Miami	2	47	38	15
New Orleans	1	83	10	17
New York	11	67.94	22.25	9.81
Philadelphia	3	89	8	3
Pittsburgh	2	98	2	0
St. Louis	4	79.44	15.39	5.17
St. Paul	1	98	2	0
San Francisco	5	45	55	0
Seattle	1	60	40	0
Washington	22	94	4	2

Mr. SOURWINE. Have you concluded with the material you are offering?

Mr. REILLY. Yes.

Senator DODD. Could I ask a couple of questions? I will ask them off the record.

(Discussion off the record.)

Senator DODD. Go ahead.

* * * * * * *

Mr. SOURWINE. In your previous testimony, you spoke of 130 sequences as reviewed in your management study, and you were going to find out how many of these sequences take place in the Division of Evaluations. Did you get that information?

Mr. REILLY. I have not been able to get that out of the management study people. I will provide that information.

Mr. SOURWINE. Very good, sir.

(EDITOR'S NOTE.—See Acting Assistant Secretary Lee's reply below.)

* * * * * * *

Mr. SOURWINE. Mr. Reilly, I asked you about this a moment ago and I am sorry I did not think at the time to make my request complete. This is with regard to the 103 procedural steps disclosed by the management survey, and you were going to supply and stated that you would indicate how many of these were in the Evaluations Division.

I should have asked also—you told us earlier there were approximately 70 steps to which you thought this total could be reduced.

Mr. REILLY. The management group thought this total could be reduced.

Mr. SOURWINE. Yes. I would like to know also if you could give us a figure of how many of the 70 steps to which it can be reduced are or will be in Evaluations.

Mr. REILLY. OK, sir.[2]

[2] The requested information had not been furnished when this volume went to press.

Mr. SOURWINE. May it go into the record all at the same place?

Senator DODD. Yes.

Mr. SOURWINE. In your previous testimony you were asked if the committee could have the management study, and you said you would inquire about it. Have you done that?

Mr. REILLY. The Office of Management within the Department has not, itself, endorsed the recommended report and it has not, as yet, gone forward to Mr. Crockett, and therefore there is nothing that I can ask to turn over to you.

Mr. SOURWINE. You have not sought a determination as to whether we may have it when it is completed?

Mr. REILLY. When it is completed I will seek that determination.

Mr. SOURWINE. Well, I wonder if you could find out now if we could have it and when, so the committee could know.

Mr. REILLY. I will ask Mr. Crockett.

(This question remained unsettled until Acting Assistant Secretary Lee, in his letter of February 19, 1965, wrote as follows:)

The Department is unable to provide a copy of the management survey since it is an internal memorandum making recommendations which have not yet been fully considered by the Department. The final implementation of the study has not been completed and many of the recommendations required additional study and survey.

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TESTIMONY OF DAVID I. BELISLE, SPECIAL ASSISTANT TO THE DEPUTY ASSISTANT SECRETARY OF STATE FOR SECURITY, DEPARTMENT OF STATE

MONDAY, JULY 29, 1963

Senator Roman L. Hruska presiding.

Also present: J. G. Sourwine, chief counsel; Alan McArthur, associate counsel; and Frank W. Schroeder, chief investigator.

For the Department: John S. Leahy, Jr., observer.

Senator HRUSKA. Will you be sworn, Mr. Belisle.

Do you solemnly swear that the testimony which you are about to give will be the truth, the whole truth and nothing but the truth, so help you God?

Mr. BELISLE. I do.

Senator HRUSKA. Thank you, sir. Counsel may proceed.

Mr. SOURWINE. Would you give the reporter your full name, sir?

Mr. BELISLE. David Ignatius Belisle.

Mr. SOURWINE. And your address?

Mr. BELISLE. 10601 Meadow Hill Road, Silver Spring, Md.

Mr. SOURWINE. Your present title, please?

Mr. BELISLE. I am special assistant to the Deputy Assistant Secretary of State for Security.

Mr. SOURWINE. During his absence you are the acting head of the Office of Security?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. What is your record of Government service, sir? Not in detail, but just briefly.

Mr. BELISLE. Well, I have had—let's see, 1932 to 1936 with the Navy; 1941 back again with the Navy in the Office of Naval Intelligence. As an enlisted man, warrant officer, and special agent in the Office of Naval Intelligence until 1948. Then as general investigator with the Economic Cooperation Administration until 1950, when I was recalled to active duty as the officer in charge of the investigations outfit down at the Intelligence Office of the Potomac River Naval Command.

In 1953, with the National Security Agency as the Chief of the Special Operations Branch. Assistant Director of Security, Deputy Inspector General, and the Deputy Director of Security with NSA until 1962, in July, when I reported to my present duty.

Mr. SOURWINE. You have included in that statement your military service, have you not?

Mr. BELISLE. That's right; yes, sir.

Mr. SOURWINE. What is your college?

Mr. BELISLE. I have no college.

Mr. SOURWINE. You are a high school graduate?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. I see.

Mr. Belisle, you have been employed in connection with security matters of one kind or another for most of your adult life, haven't you?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Are you properly considered an expert in security?

Mr. BELISLE. I believe so, sir.

Mr. SOURWINE. Where do you say an employee of the State Department would owe loyalty?

Mr. BELISLE. I would say an employee of the State Department would owe loyalty to the Department of State, to his bosses, right on up to the Secretary.

Mr. SOURWINE. Anywhere else?

Mr. BELISLE. No, sir.

Mr. SOURWINE. Mr. Belisle, do you know whether any of the potential subversive agents who flew from Cuba to Grand Cayman Island and fanned out from there came to the United States?

Mr. BELISLE. No, sir; I do not.

Mr. SOURWINE. Do you know whether the State Department knows the identities of any of these individuals?

Mr. BELISLE. No, sir; I don't.

Mr. SOURWINE. Is it known whether they were all Cubans?

Mr. BELISLE. I don't know anything about that, sir.

Mr. SOURWINE. Are you, sir, familiar with the case of an American security officer in Warsaw who was compromised by a liaison with a Soviet agent?

Mr. BELISLE. No, sir.

Mr. SOURWINE. You do not know that pictures were taken of the two in the dark during one of their assignations?

Mr. BELISLE. The security officer for the Department, sir?

Mr. SOURWINE. Yes.

Mr. BELISLE. No, sir; I have no knowledge of that.

Mr. SOURWINE. What is the policy of the Department of State with regard to hiring foreign-born individuals?

Mr. BELISLE. Just as long as they are United States—naturalized U.S. citizens, they are hired.

Mr. SOURWINE. There is no difference, then?

Mr. BELISLE. No, sir.

Mr. SOURWINE. There is no difference between hiring for civil service and hiring for the Foreign Service, either, in that regard?

Mr. BELISLE. Well, there is a difference in that regard. I think, with respect to an individual of foreign birth, of course, we would have to—relating to the spouse of the individual employee, if she is a foreigner, then, of course, there has to be an investigation conducted of the spouse for the determination as to whether the marriage is in the best interest of the Department of State and the country.

Mr. SOURWINE. I didn't have in mind to ask about the spouse. I was interested only in the hiring; is there any difference in the policy with regard to hiring of foreign born?

Mr. BELISLE. Not that I know; no, sir.

Mr. SOURWINE. They do, however, have to be American citizens?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. The Department hires no noncitizens?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Except abroad?

Mr. BELISLE. That's right.

Mr. SOURWINE. And no noncitizens for the Foreign Service?

Mr. BELISLE. No, sir.

Mr. SOURWINE. And you say if a man has a foreign-born wife it could harm his career in the Foreign Service?

Mr. BELISLE. Not necessarily.

Mr. SOURWINE. It could, I said.

Mr. BELISLE. It could.

Mr. SOURWINE. It is examined, you say, to see if the marriage is in the best interests of the Department?

Mr. BELISLE. Right, sir.

Senator HRUSKA. Would counsel yield?

Mr. SOURWINE. Surely.

Senator HRUSKA. Does the fact of a foreign-born citizen having close relatives residing in some foreign country have any bearing upon his qualification as an employee?

Mr. BELISLE. Well, Mr. Chairman, insofar as the Office of Security is concerned, of course, we have really no jurisdiction over his performance. We only rule as to whether or not—we recommend in those cases, as a matter of fact—as to whether the marriage is in the best interests of security.

Senator HRUSKA. Separate and apart from marriage, if an applicant for a position has close relatives in some foreign country, is that taken into consideration in his clearance?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Is there any difference in this regard, in the case of security officers, do they have to have any higher standard?

Mr. BELISLE. Well, in my opinion, a security officer has to have higher standards than those of regular employees. I feel very strongly on this point. I feel that insofar as the security officer is concerned, he has a certain badge which, in effect, he has to uphold. He has to be, in my opinion, a little better than the average man in his actions.

Mr. SOURWINE. Had you finished?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Does a security officer have to fulfill higher requirements than a Foreign Service officer?

Mr. BELISLE. Well, I am not exactly sure that I understand what you mean, sir.

Mr. SOURWINE. Well, all Foreign Service officers are not security officers?

Mr. BELISLE. That's right.

Mr. SOURWINE. I was asking whether these higher requirements that you had outlined, which you felt a security officer had to meet, were also required of Foreign Service officers, or whether there was some difference.

Mr. BELISLE. No difference.

Mr. SOURWINE. In other words, you feel that any Foreign Service officer has to meet the same high requirements as you would require of a security officer?

Mr. BELISLE. For employment; yes, sir.

Mr. SOURWINE. So that is your opinion, then, any Foreign Service officer would be qualified to be a security officer?

Mr. BELISLE. No, I wouldn't say that, sir.

Mr. SOURWINE. I mean from a security standpoint?

Mr. BELISLE. Oh.

Mr. SOURWINE. Not from the training, perhaps.

Mr. BELISLE. Oh, yes; that is right.

Mr. SOURWINE. How many Foreign Service officers are there who have married aliens, do you know?

Mr. BELISLE. I haven't the slightest idea, sir, and I don't even know whether or not we have that information.

Mr. SOURWINE. Do you have any idea how many security officers in the Department have married aliens, if any?

Mr. BELISLE. I know we have some, but I don't know how many.

Mr. SOURWINE. Is there any aspect of your Department's security mission which, of necessity, has to be handled by foreigners?

Mr. BELISLE. Well, I think that the—let me put it this way: I think it is prudent that we have Foreign Service officers in the Office of Security with a security background, inasmuch as we have many security officers overseas and we have the responsibility overseas, and therefore you must have someone who knows the situation over there.

Mr. SOURWINE. I guess I didn't enunciate well. The question was: Is there any aspect to your Department's security mission which of necessity has to be handled by foreigners?

Mr. BELISLE. Oh, I beg your pardon. I don't think so.

Mr. SOURWINE. Is there any aspect of the Department's security mission which of necessity has to be handled by persons not regularly employed with the Department?

Mr. BELISLE. No, sir.

Mr. SOURWINE. What recourse does the responsible supervisor or administrator of a branch or a division or office in an agency have, if a subordinate is found to be emotionally unstable?

Mr. BELISLE. Well, he can, of course, request that he have a medical examination to determine whether such is the case.

Mr. SOURWINE. Is that what he should do?

Mr. BELISLE. Well, I should think he should make his request to Personnel or the Office of Security. We are very interested in those cases.

Mr. SOURWINE. Suppose that the individual found to be emotionally unstable were a security officer: Would there be any duty on his superior?

Mr. BELISLE. If he were found to be—yes, sir.

Mr. SOURWINE. I mean, the superior comes to the conclusion the man is emotionally unstable. Doesn't he have to do something about it?

Mr. BELISLE. I would imagine he would have to.

Mr. SOURWINE. What would he have to do?

Mr. BELISLE. He should request an examination for medical reasons.

* * * * * * *

Mr. SOURWINE. Mr. Belisle, I show you what purports to be a memorandum with respect to the staffing pattern of the Office of the Deputy Assistant Secretary for Security. Do you recognize that as what it purports to be?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Is it current?

Mr. BELISLE. Well, it is November 30, 1962.

Mr. SOURWINE. It is current as of November 30, 1962?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. I have no more recent one, Mr. Chairman. May I offer this for the record?

Senator HRUSKA. It will be accepted.

Mr. SOURWINE. Thank you.

Is there a more recent memorandum of this nature?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Might that be furnished to the committee for this record?

Mr. BELISLE. I will certainly check; yes, sir.

Mr. SOURWINE. The two top jobs I have marked on the schedule. Mr. Reilly's job is a schedule C job and your job is FSR–2; that is Foreign Service Reserve officer, class 2?

Mr. BELISLE. Right. I am presently no longer in FSR–2.

Mr. SOURWINE. You are not? Are you a Foreign Service officer?

Mr. BELISLE. No, sir.

Mr. SOURWINE. You are just a civil service employee?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. What is your grade, sir?

Mr. BELISLE. Sir?

Mr. SOURWINE. What is your grade?

Mr. BELISLE. I am a GS–16.

Mr. SOURWINE. That is as noted here. But you are not in the Foreign Service Reserve?

Mr. BELISLE. I think, Mr. Sourwine, one shows the position description, does it not, and the other shows your grade of the individual fellow.

Mr. SOURWINE. Well, this, if you will note, this shows the grade, sir. First you have the name and the position and then you have the grade.

Mr. BELISLE. And classification.

Pardon me. This is the FS or personal classification of the individual filling this position.

Mr. SOURWINE. That is correct.

Mr. BELISLE. Right.

Mr. SOURWINE. That is where it is different from the GS?

Mr. BELISLE. No.

Mr. SOURWINE. For instance, you have here Office of the Assistant Deputy Assistant Secretary for Marie G. Catucci, GS–9.

There is nothing in Foreign Service position or the next column. The implication here is that she is a civil service GS–9?

Mr. BELISLE. Correct, sir.

Mr. SOURWINE. Whereas you have the schedule C after Mr. Reilly; he is graded 17 but he is schedule C, meaning an exempted position?

Mr. BELISLE. Right.

Mr. SOURWINE. And in your case it was marked FSR–2. The grade then was GS–16 but it was being filled by an FSR–2?

Mr. BELISLE. That is correct, sir.

Mr. SOURWINE. And you say that goes out now because I take it you resigned that?

Mr. BELISLE. Right, sir.

Mr. SOURWINE. So you are now, then, a GS–16?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. I thought you might have been a 17.

Mr. BELISLE. No, sir.

Mr. SOURWINE. On page 2 I note the name of Mason A. LaSelle. That is under "Executive Office." Is he the head of that office?

Mr. BELISLE. Yes, sir; he is the executive officer.

Mr. SOURWINE. Mr. Charles W. Lyons. Is he still an executive officer?

Mr. BELISLE. No, sir; he has transferred.

Mr. SOURWINE. I will not try to go over the total list of persons in each of these divisions to ask about the current status, because you are going to give us an up-to-date list and that will show it.

Mr. BELISLE. Right, sir.

Mr. SOURWINE. May the list furnished go into the record at this point, Mr. Chairman?

Senator HRUSKA. It will go in the record at this point and will be accepted for that purpose.

(The list referred to was furnished by Secretary Dutton as follows:)

STAFFING PATTERN, JUNE 30, 1963

Office of the Deputy Assistant Secretary for Security

Name	Grade	FS, POS. class	FS, PER. class	Salary
Office of the Deputy Assistant Secretary:				
Reilly, John F	GS-17			$18,500
Belisle, David I	GS-16			17,500
Jessop, Walter E	GS-14			14,120
Catucci, Marie G	GS-9			7,575
Educational and Training Staff:				
Knauf, Kenneth W	GS-14	FSO-3	FSO-4	11,515
Harrison, Alfred	GS-13			11,515
Montgomery, Hugh [1]	GS-13	FSO-4	FS-4	13,340
Smith, Sandra A	GS-5			4,565

[1] Double encumbency until J. Sager, SY/FO, FS reassignment.

Executive Office

Name	Grade	FS, POS. class	FS, PER. class	Salary
LaSelle, Mason A	GS-15	FSO-2	FSO-3	$13,440
Forsyth, Thomas C	GS-13	FSO-4		12,975
Warren, George J	GS-13	FSO-4	FSO-5	9,620
Coleman, Kathryn E	GS-11			8,310
Dubb, Lillian L	GS-9			8,025
Mitchell, Maria M	GS-7			5,725
Roberts, Joan G	GS-5		(Leave without pay.)	5,045
Saysley, Patricia [1]	GS-5			6,005
Sullivan, Alice E	GS-5			5,685
Edwards, Russell	GS-3			4,705
Lenvin, Nancy C.[2]	GS-3			3,925
Records and Services Branch: Noonan, John T	GS-14			12,845
Communications and Records Section:				
Lee, Lois E	GS-9			8,025
Feeney, James T	GS-7			6,095
Goebel, Eva L	GS-7			6,095
Dye, Edgar V	GS-5			5,525
McDowell, Ruth	GS-5			5,365
Roark, Edward T	GS-5			5,685
Proudfoot, Udella	GS-5			5,525
Lindsay, Frank H	GS-5			4,885
McDonald, Katherine	GS-5			5,685
Thounhurst, Gertrude	GS-4			4,250
Wirth, Edward C	GS-4			4,250
Kratz, Judith	GS-4			4,250
Denson, David	GS-4			4,390
Feltault, Richard	GS-4			4,250
Lancaster, Anita	GS-4			4,110
Riley, Dorothy	GS-3			3,925
Goote, David T	GS-3			3,925
Gallagher, Patridia	GS-3			3,820
Ayres, Ronald R	GS-3			3,820
Milbocker, Virginia M	GS-3			3,820
Greenlee, Janet [2]	GS-3			3,925
Bishop, Jack H., Jr.[2]	GS-3			3,820
Reference Services Section:				
Wuenschel, Anna M	GS-7			6,095
Flemons, Damon A	GS-5			5,045
Summers, Beverly	GS-5			4,565
Prugh, Kathleen	GS-4			4,390
Imlay, Cherie	GS-4			4,250
Jones, John R.[1]	GS-3			3,925

[1] Temporary appointment.
[2] Summer employee.

Division of Evaluations

Name	Grade	FS POS. class	FS PER. class	Salary
Office of the Chief:				
Otepka, Otto F	GS-15			$16,965
Powers, Eunice B	GS-7			6,456
Personnel Security Branch:				
Traband, Frederick	GS-14			13,695
Schmelzer, Joyce M	GS-5			4,885
Applicant Section:				
Bock, Carl L	GS-13			12,610
Moore, Albert W	GS-12			10,735
Hage, Louis R	GS-11			8,840
Doe, Norman R	GS-11			8,310
Kerr, Margaret E	GS-9			6,675
Hester, Mignon	GS-7			5,540
Gross, Ray P	GS-5			6,005
Larkin, Margaret [1]	GS-5			5,525
Long, Andrea	GS-5			4,565
Healey, Joanne [2]	GS-5			5,045
Davis, Barbara A	GS-4			4,530
Employee Security Section:				
Levy, Raymond P	GS-13			12,610
Flow, Reed H	GS-12			11,050
DiBlasi, Josephine R	GS-12			9,790
Burkhardt, Edwin A	GS-11			9,105
Brocken, Marvin B	GS-7			6,280
Berry, Rodella A	GS-4			4,110
Patterson, Bonnie H	GS-3			3,820
Special Review Branch:				
Loughton, Raymond A	GS-14			14,970
Gerdner, Francis V	GS-13			12,245
Hite, Harry M	GS-13			11,515
Norpel, John R., Jr	GS-13			12,245
Sabin, Joseph C., Jr	GS-13			11,515
Hughes, Billy N	GS-12			10,105
Prince, Bonnie	GS-5			4,565
Mahoney, Lois H	GS-4		FSS-10	4,110
Lee, Nancy A.[3]	GS-4			4,110

[1] Detailed.
[2] Temporary appointment.
[3] Accession pending; double incumbency pending L. Mahoney FS reassignment.

Division of Domestic Operations

Name	Grade	FS, POS. class	FS, PER. class	Salary
Office of the Chief:				
Rosetti, Joseph E	GS-15			$14,565
Fisher, Lola K	GS-5			4,565
Departmental Security Branch:				
Skippon, Charles D., Jr	GS-14			12,845
McCarthy, Robert J	GS-13			11,880
Hall, David R	GS-12			9,475
Rathman, George J	GS-12		FSS-2	13,340
Sugg, William O., III	GS-9	FSO-7	FSO-7	6,905
McNulty, Joseph A	GS-9	FSO-7		7,125
Holland, Charles W	GS-7			6,465
Howe, Bruce Terry [1]	GS-7		FSS-7	5,610
Machak, Frank	GS-5			4,565
Rolling, Elizabeth	GS-4			4,250
Technical Services Branch:				
Holden, Stanley E	GS-14			13,695
Waller, Russell S	GS-9	FSO-7	FSS-6	7,275

[1] Accession pending.

Division of Foreign Operations

Name	Grade	FS, POS. class	FS, PER. class	Salary
Office of the Chief:				
Laugel, Raymond W.[1]	GS-15	FSO-2	FSO-3	$13,440
Brown, Keirn C.[2]	GS-15	FSO-2	FSO-3	13,885
Dalton, Martin K	GS-13	FSO-4		11,515
Kemp, Catherine C	GS-7			6,095
Alexander, Clara W	GS-6			5,205
EUR Branch:				
McCoy, Floyd W	GS-14	FSO-3	FSO-4	13,340
Gilmore, John G	GS-12	FSO-5		9,475
Sager, John [1]	GS-12	FSR-5		11,145
Long, Vicki Dee	GS-4			4,250
FE Branch: Cassady, Paul F	GS-13	FSO-4		11,515
NEA/AF Branch:				
McMurray, Warren H.[1]	GS-14	FSO-3	FSO-4	11,880
Campbell, Paul C.[2]	GS-14	FSO-3	FSO-3	13,440
Heckman, Richard L	GS-5			4,565
USUN Branch:				
Glennon, Joseph F	GS-13	FSO-4		11,880
Barcori, Helene E	GS-7			6,280

[1] Transfer to FS pending.
[2] Accession pending.

Division of Investigations

Name	Grade	FS, POS. class	FS, PER. class	Salary
Office of the Chief:				
Berry, Robert L	GS-15	FSO-2		$14,565
Daley, Donald D	GS-14			13,695
Worsham, Helen M	GS-6			6,055
Boring, Judith	GS-5			4,725
General Investigations Branch:				
Henry, Omer	GS-13			12,610
Westwater, John H	GS-12			11,365
Shea, Howard J	GS-12			11,050
Lampe, Herbert R	GS-12			10,735
Vacancy	GS-12			9,475
Summers, James A	GS-12			11,995
Pentecest, Jarvis	GS-11			8,840
Smith, Theodora [1]	GS-5			5,525
Peperis, Zula	GS-5			4,565
Yates, Virginia L	GS-4		FSS-7	6,370
Pretty, Sara W.[1]	GS-4			4,250
Gerhold, Toni [2]	GS-4			4,110
Meletakos, Alicia [2]	GS-3			3,820
Special Investigations Branch:				
Clarke, Paul	GS-13			11,515
Redd, John J., Jr	GS-12			9,790
Samulski, Jeannette	GS-5			4,725
Passport and visa branch:				
Scroggs, Raymond W	GS-13			11,150
Poole, Elmo C	GS-12			9,790
Puglisi, Nancy N	GS-5			4,725
Hoyer, Karen	GS-4			4,110
Special Assignments Branch:				
Rice, Patrick M	GS-14	FSO-3	FSR-3	13,440
Joyner, Joseph O	GS-13			11,515
Roberts, Elisabeth R	GS-6			5,545
Shinkwin, Mary [3]	GS-4			4,110
Protective Services Branch:				
Lynch, Keith O	GS-14			13,695
Crampsey, Leo R	GS-13			11,515
Madden, Francis J	GS-13			12,245
McDermott, James	GS-12			10,420
Goodell, Robert B., Jr	GS-12			9,790
Bennington, Bert M	GS-12			10,105
Tully, Francis R	GS-12			9,790
Peleuses, Gus P	GS-12			9,790
Boyd, Alfred R	GS-12			9,790
Cronin, Robert P	GS-12			9,790
Little, William R., Jr	GS-9	FSO-7	FSS-6	7,275
Deaner, Louis N	GS-5			4,565
Roberts, Joanne	GS-5			4,725
Telford, Sidney T	GS-3			3,820

See footnotes at end of table, p. 755.

Division of Investigations—Continued

Name	Grade	FS, POS, class	FS, PER. class	Salary
Washington Field Office:				
Spoth, George M	GS-14			$12,845
Shea, Terence J.[4]	GS-12		SR-5	9,925
Becht, John A	GS-12			10,735
Denton, William E	GS-12			10,420
Buynitsky, Albert W	GS-12			11,365
Bacak, Walter W	GS-12			9,790
Marcell, Louis	GS-11			8,840
Ragusa, Frank	GS-11			9,370
Lineberry, Gipey W	GS-11			9,370
Regan, Robert J	GS-11			8,310
Harman, Arthur C	GS-11			9,900
Smith, Hudgins R	GS-11			8,575
Anderson, William W	GS-11			8,575
deCourcy, William F	GS-11			8,840
Cannon, John K	GS-11			9,105
Sweeney, James J	GS-11			8,045
Kachulis, Louis S	GS-11			8,045
Furey, Robert J	GS-11			8,045
D'Urso, William J	GS-11			8,045
Saline, Olef E	GS-9			7,125
Wallace, Daniel	GS-9			7,125
Ottwiller, Robert	GS-7			5,540
Higgins, James C., Jr	GS-5			4,565
Ages, Susie W	GS-7			6,650
Considine, Thelma M	GS-6			6,055
McCool, Rita M	GS-5			5,045
Barker, Betty Jo [2]	GS-5			4,885
Somers, Wendy J	GS-5			4,565
Moore, Frances E.[1]	GS-5			4,565
Woodland, Gayla	GS-3			3,925
Gilbert, Etta Jean	GS-3			3,925
Atlanta Field Office:				
Copeland, George H	GS-12			11,050
Jones, Katherine M	GS-6			5,885
Boston Field Office:				
O'Brien, Francis S	GS-13			12,245
Finn, Richard R	GS-11			8,375
Goguan, Leo A	GS-9			6,675
Mendez, Helen	GS-6			5,885
Chicago Field Office:				
Briggs, Miles E	GS-14			14,120
Bacon, John S	GS-12			9,790
Horrity, Joseph B., Jr	GS-12			9,475
Clark, Robert D	GS-7			5,340
Marzec, Virginia J	GS-6			5,885
Kedzior, Diane	GS-3			3,925
Cleveland Field Office:				
Blakely, Charles B	GS-13			11,150
Moore, James K	GS-12			9,790
Mavrikes, Catherine	GS-5			5,525
Dallas Field Office:				
Thomason, Roy C	GS-13			11,515
Terry, Frank G	GS-12			10,105
Brymer, Olyn T	GS-12			9,475
Holt, Laura H	GS-6			5,885
Denver Field Office:				
Malach, Louis A	GS-13			12,245
Vina, Edward	GS-12			9,475
Hargis, Mary E	GS-6			5,885
Detroit Field Office:				
Ford, John F	GS-12			9,790
Reid, Arlene R	GS-6			5,885
Greensboro Field Office:				
Richardson, John W	GS-13			11,515
Clemmons, Richard G	GS-12			9,790
Powell, Frances L	GS-6			5,545
Los Angeles Field Office:				
Lamkin, Hibbard	GS-14			13,270
Padley, Albert F	GS-13			11,150
Morris, Donald E	GS-11			8,840
Boucher, Gwynne H	GS-11			9,370
Roche, William J	GS-11			8,840
Harter, Georgetta F	GS-6			5,885
Sakane, Kinue	GS-5			5,365
Ruelas, Celia A	GS-4		FSS-9	4,575
Miami Field Office:				
Watterson, Francis X	GS-14			12,845
Clemmons, John H	GS-12			9,790
McKee, William D	GS-9			6,675
Del Valle, Helen A	GS-6			5,715
New Orleans Field Office:				
Baldadian, John	GS-12			9,475
Boudreaux, Lydia C	GS-6			6,055

See footnotes at end of table, p. 755.

Division of Investigations—Continued

Name	Grade	FS, POS, class	FS, PER. class	Salary
New York Field Office:				
McShane, Owen P	GS-14			12,845
Ramsey, Harold W	GS-13			11,150
DeVenoge, Harry C.[4]	GS-13			11,150
Sanfield, William	GS-12			11,365
Pirro, Salvatore E	GS-12			11,365
Megner, Maurice J	GS-12			10,420
Coan, Martin J	GS-11			9,635
Burns, John F	GS-11			9,370
Thomas, Kenneth A	GS-11			8,840
Headley, Francis A	GS-11			8,840
DeFossett, William K.[2]	GS-11			8,840
Hanrehan, Arthur D	GS-9			6,675
McFadden, William E	GS-7			6,835
Donahue, Katherine S	GS-7			6,465
Garda, Olga O	GS-6			6,225
Puwalski, Catherine T	GS-5			5,045
Fuchs, Ellen	GS-5			5,525
O'Sullivan, Helen M	GS-4			4,950
Philadelphia Field Office:				
Finegan, John J	GS-13			11,150
Galuppo, Peter E	GS-11			8,045
Grey, Thomas F	GS-11			8,045
Haslam, Barbara Anne	GS-4			4,250
Pittsburgh Field Office:				
Olsen, Richard L	GS-13			11,515
Honis, Lawrence P	GS-12			9,790
Packer, Wilda A	GS-6			5,545
San Francisco Field Office:				
Cavanaugh, James P	GS-14			13,270
Reynolds, Eugene S	GS-13			11,515
Crum, Morris J	GS-11			9,105
Mitchell, Horace B	GS-11			8,310
Orzell, Kenneth	GS-9			6,900
St. Denis, John Henry	GS-9			6,900
Jamushian, Rose	GS-6			5,375
Aragones, Raquel	GS-5			5,045
Cain, Mary C.[2]	GS-5		FSS-8	5,570
St. Louis Field Office:				
Vandover, Lewis S	GS-14			14,120
Matson, John E	GS-12			10,105
Baum, Robert S	GS-11			8,310
Hall, Donald L	GS-7			5,540
DuHadway, Allene F	GS-6			6,225
Jarrett, Catherine P	GS-5			5,045
St. Paul Field Office:				
Kastens, Royal F	GS-12			9,790
Peterson, Dorothy S	GS-6			5,375
Seattle Field Office:				
Bowles, Charles W	GS-13			12,975
Kelly, Woodrow W.[4]	GS-13			11,515
Clark, Earl T	GS-12			9,790
Bonway, Joan M	GS-6			5,885

[1] Separation pending.
[2] Accession pending.
[3] Summer employee.
[4] Reassignment pending.

Division of Technical Services

Name	Grade	FS, PER. class	FS, POS. class	Salary
Office of the Chief:				
Hill, Elmer D. (acting)	GS-15	FSO-2	FSR-4	$12,610
Fournier, Gail W	GS-6			5,885
Montgomery, Linda A	GS-5			4,565
Research and development branch:				
Vea, Theodore E	GS-15	FSO-3	FSR-3	16,110
Ford, Hillman S	GS-13	FSO-4	FSS-1	13,885
Owen, L. Paige	GS-5			4,565
Technical Training Branch:				
Vacancy	GS-14	FSO-4		11,150
Coxson, Emmett M	GS-11	FSO-6	FSO-6	7,705
Technical Operating Branch:				
Peterson, Peter R	GS-12		FSS-2	11,515
Schneider, Clarence J.[1]	GS-12		FSS-2	11,150
Vacancy	GS-11	FSO-7		7,120
Rice, Albert J	GS-13			12,610

[1] Transfer to FS pending.

Mr. SOURWINE. Mr. Belisle, do you have an opinion with respect to whether security officer positions in the Office of Security should be held by career civil service personnel or noncareer civil service personnel, or Foreign Service officers?

Mr. BELISLE. Career, noncareer, or Foreign Service?

Mr. SOURWINE. Yes, sir.

Mr. BELISLE. Well, career—I would say career and Foreign Service officers, we need them both.

Mr. SOURWINE. Interchangeably?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Should security officer positions be placed in the schedule A or schedule C categories?

Mr. BELISLE. Schedule C is the Presidential appointments.

Mr. SOURWINE. Schedule C is the exempted.

Mr. BELISLE. And schedule A is the—schedule A is exempt from the civil service examination. Is that it?

Mr. SOURWINE. Yes, sir.

Mr. BELISLE. Are you asking my opinion directly?

Mr. SOURWINE. Yes.

Mr. BELISLE. Personally I would favor very much having security officers in schedule A positions.

Mr. SOURWINE. Schedule A?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. But not in schedule C?

Mr. BELISLE. I would say my interpretation of schedule C is that this is a political appointee; right?

Mr. SOURWINE. It is sometimes commonly so-called. These other jobs where there can be turnover, the man has no retention rights, no tenure.

Mr. BELISLE. I would still say; in my judgment, schedule A.

Mr. SOURWINE. Yes, sir.

Has Mr. Reilly returned from his vacation?

Mr. BELISLE. No, sir. He will be back the first of August.

Mr. SOURWINE. You have been running the Office of Security for about a month now?

Mr. BELISLE. Right.

Mr. SOURWINE. When Mr. Reilly is here, does your job still call for the exercise of initiative?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. You are permitted to exercise discretion with regard to those areas of the Office which are under your supervision?

Mr. BELISLE. Well, of course, in any policy matter or any procedural matter I always discuss it with Mr. Reilly.

Mr. SOURWINE. But are you limited only to carrying out Mr. Reilly's specific orders, or do you on your own, under your own general supervision, take care of the details of the Divisions that are under you?

Mr. BELISLE. Well, occasionally I do. I don't know, frankly, how to answer the question. Do I use my initiative? Yes. If something comes up where someone comes to me for an answer, they want to do something and I don't think it necessary to talk to Mr. Reilly, inasmuch as it is not a policy matter or procedural matter, I tell them to go ahead.

Mr. SOURWINE. Yes. Well, that's what I meant. You are in an echelon between Mr. Reilly and the heads of the Divisions?

Mr. BELISLE. Not all the Divisions.

Mr. SOURWINE. Well, two of them, at least?

Mr. BELISLE. Security and Evaluations.

Mr. SOURWINE. Security and Evaluations. The Division of Security?

Mr. BELISLE. No. Investigations and Evaluations.

Mr. SOURWINE. Investigations and Evaluations; that is right. Do you have authority to pass on a security clearance in a security case?

Mr. BELISLE. If Mr. Reilly is not there.

Mr. SOURWINE. Do you have authority to reverse an adverse recommendation coming up from below and grant a clearance?

Mr. BELISLE. Not if Mr. Reilly is there; no, sir.

Mr. SOURWINE. Not if he is there.

Would you furnish, sir, for our record a copy of your job description?

(The document referred to reads as follows:)

POSITION DESCRIPTION

Agency position No. 3-21096

Date of certification AUG 22 1962

Assignment	Class title of position	Class: Service	Series	Grade	Initials	Date
		GS	080	16	Comm	
	Special Assistant	GS	080	16		
		GS	080	16		

Special Assistant

Department of State

Office of the Deputy Under Secretary for Administration

Office of Security

Director, Office of Security

Chief, Compensation Division

Executive Officer

Under the general direction of the Director, Office of Security (GS-17), serves as Special Assistant executing complex and highly important assignments relating to all aspects of the Department's world-wide security program. (There is no Deputy Director in the Office and the incumbent of this position serves as the second ranking officer).

As a recognized authority in the personnel security field, analyzes policy and operational proposals, determining their suitability and formulating final recommendations for approval by the Director. Recommends new policies and approaches to personnel security operations, insuring that operations are consistent with existing and proposed objectives. Advises the Director of any changes deemed necessary with regard to program objectives.

Follows closely programs or problems in the personnel security field in this and other agencies which are of concern to the Director; speaks and acts for the Director at inter- and intra-departmental meetings on development, interpretation and application of policy; represents the Department of State in inter-governmental meetings and conferences; as assigned and on own initiative, carries out on behalf of the Director of the Office of Security special projects and assignments of the highest importance and utmost delicacy, requiring that he speak and act for his superior in contacts and negotiations with top-level government officials.

Serves as the focal point on matters of highest importance which cut across divisional lines. This requires insuring maximum coordination of the activities of the Division of Investigations and the Division of Evaluations; has authority to assign or change priorities as required.

In the absence of the Director, Acts as Director and discharges all responsibilities vested in that position.

Do you ever deal with any matters in the Office of Security other than those handled by the Division of Evaluations and the Division of Investigations?

Mr. BELISLE. Well, in Mr. Reilly's absence I deal with all of them.

Mr. SOURWINE. When he is there?

Mr. BELISLE. Not when he is there, no, sir.

Mr. SOURWINE. Does the Office of Security handle clearances for officers or employees on the staff of the U.S. delegation to the U.N.?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. What clearances are required for these people?

Mr. BELISLE. Top secret.

Mr. SOURWINE. Have all of the members of this delegation been so cleared?

Mr. BELISLE. I really don't know. I would imagine so.

Mr. SOURWINE. Do you know of anyone on this delegation or on the staff of this delegation who has been thought to be a security risk?

Mr. BELISLE. No, sir; I don't.

Mr. SOURWINE. Are you aware of the testimony given before this committee by Mr. Boswell expressing an opinion that the Office of Security did not need a deputy director?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Do you agree with that?

Mr. BELISLE. I agree with it, the way it is being run; yes, sir.

Mr. SOURWINE. But don't you in fact function as a deputy?

Mr. BELISLE. No, I don't.

Mr. SOURWINE. You do not?

Can you tell us what part the State Department played in arranging for the granting of clearances of 50 individuals from India—Indians in the sense that they come from India—who are to be given access to U.S. secrets in the fields of nuclear energy, missiles, rocketry, miniaturization, electronics, and other fields?

Mr. BELISLE. No, sir, I am not aware of this.

Mr. SOURWINE. You are not aware of this at all?

Mr. BELISLE. No, sir.

Mr. SOURWINE. The State Department had nothing to do with that, so far as you know?

Mr. BELISLE. I am not aware of it; no, sir.

Mr. SOURWINE. Then at least you can say that the Office of Security was not asked to make any investigations respecting these men to secure any clearances?

Mr. BELISLE. Not to my knowledge.

* * * * * * *

Have you had anything to do with the management study of the Office of Security?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Has this now been completed?

Mr. BELISLE. It has.

Mr. SOURWINE. What was your part in that?

Mr. BELISLE. I was a member of the team and as such I guess I was considered the senior member.

Mr. SOURWINE. Mr. Belisle, I show you copy of memorandum of January 7, 1963, from Mr. Reilly with respect to this managment study. Can you identify that as the memorandum that was circulated at that time [handing document to the witness]?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. May that go into the record, Mr. Chairman?

Senator HRUSKA. It will be received.

(The document referred to reads as follows:)

JANUARY 7, 1963.

To: All Offices of Security employees.
From: John F. Reilly, Deputy Assistant Secretary for Security.
Subject: Operational appraisal of functions and activities of the Office of Security.

Mr. William H. Orrick, Jr., the Deputy Under Secretary for Administration, recently approved a major project which will entail the systematic review of the operations, functions, and procedures of every component of the O area. The Office of Security will be one of the first organizations to be studied.

The initial phase of this comprehensive study, commencing today, will be confined essentially to the personnel security function. Subsequent phases will cover the other substantive and administrative support functions of the overall security program.

Because of the magnitude of this task, the study will be conducted by a team consisting of representatives from SY and other components of the O area. Mr. David Belisle of SY will serve as team leader and will be assisted in this endeavor by Messrs, C. John Holmes and Gerald J. Goldman, management analysts from the Office of Management and the Office of the Executive Director for Administration, respectively, and John Chappelear.

The sole purpose of this study is to insure that the functions and activities of SY are fully responsive to the needs of the Department and are being performed effectively and efficiently. Accordingly, all of us should welcome this systematic review of our operations. I strongly support this endeavor and request that every officer and employee in SY cooperate fully with the survey team. In this manner, we can achieve optimum effectiveness and efficiency in our most vital operations.

Mr. SOURWINE. Thank you.

Mr. Belisle, this is headed "O—Project Assignment Sheet." This is a copy. Do you recognize this? It is dated December 14, 1962.

Mr. BELISLE. Yes; I recognize this.

Mr. SOURWINE. What is that, Mr. Belisle?

Mr. BELISLE. That is the operational appraisal which set out our objectives; how we were to phase and how we were supposed to organize; instructions, points to be covered.

Mr. SOURWINE. May this be offered for the record?

Senator HRUSKA. It will be received.

(The document referred to reads as follows:)

O—PROJECT ASSIGNMENT SHEET

SUBPROJECT NO. 3A–1

Title.—Operational Appraisal of Functions and Activities of the Office of Security.

Priority.—Urgent.

Completion date.—Phase I—February 4, 1963.

Objective.—A systematic review of operations, functions, and procedures of the Office of Security. The purpose is to insure that functions and activities are being performed effectively, and that they are fully responsive to the needs of the Department. The appraisal will include review of functions and processes for essentiality, modification, or simplification as appropriate, organizational and staffing arrangements, and equipment utilization.

Phases of appraisal.—The appraisal of the Office of Security will be phased as follows:

Phase I: Personnel security (investigations and evaluation of U.S. and foreign national applicants and employees).

Subsequent phases: Physical security, technical security, and protective security.

Subsequent phases may be studied individually or collectively dependent on findings during completion of phase I. Subsequent phases will be outlined in amendments to this subproject.

Organization.—The phases of the study as enumerated above are not directed at an appraisal of the adequacy of the overall organization of the Office of Security or its field units.

However, it is anticipated that the appraisal team will during the course of its activities, arrive at conclusions concerning the general organizational structure. These will be reported on after the completion of the phases of the appraisal listed above.

In particular, it is expected that the term will, at the conclusion of the total study, present findings and recommendations concerning the functions and essentiality of the oversea regional security supervisors.

Geographic scope and site of appraisal.—Wherever applicable the study will consider both domestic and oversea aspects of functions being appraised. Initially it is anticipated that the entire appraisal will take place in Washington. Field aspects will be reviewed on the basis of material available in Washington and information gained by team members during earlier field trips.

Field trips for the purposes of this appraisal will not be undertaken unless, during the course of this appraisal, an overriding need for such trips is determined to exist and the assignment sheet is amended accordingly.

Implementation.—Recommended changes agreed to by the Deputy Assistant Secretary for Security will be put into effect as the survey proceeds, except those of a policy nature, those requiring major revision of the work process, and those which have a direct effect outside the area under study. In these latter cases, changes recommended will be referred to the appropriate officers of the Department for consideration.

Points to be covered in phase I.—The following points, to the extent that they are pertinent to the objectives of the appraisal, will be included among those considered in phase I:

1. Subject matter: The basic activities involved in the personnel security function should be described and related to the purpose of the personnel security program. This should include reference to legislative and other external requirements as well as to significant Departmental regulations and policies.

2. Previous studies: Studies which have recently been made that may contribute to this project should be reviewed.

3. Work processes: Basic work processes, including recordkeeping and files, involved in the personnel security program should be identified and evaluated through appropriate techniques. Attention should be directed, among other aspects, to backlog and timeliness of processes.

To provide a basis for assessing the utilization of manpower resources, numbers and types of personnel performing the various functions and subdivisions of functions should be indicated. The effect on such personnel of team recommendations should also be specified.

The point at which work processes or work flow extend into other areas of the Department or into other agencies, should be identified. To the extent that activities of other areas or other agencies substantially influence effectiveness of Office of Security activities, this should be indicated and the nature of the influence described in terms of the objectives of this project.

4. Controls: Each control in the work process should be reviewed to determine its present need and value. Account should also be taken of essential controls which may be lacking. This will include review of content, periodicity, etc., of statistical and other reports related to supervisory management control.

Method of study in phase I.—

1. Methods of obtaining information:
   (*a*) Guided interviews following the work process.
   (*b*) Development of work process and work flow material.
   (*c*) Study of forms, files, and work-related documents.
   (*d*) Study of technical publications and information material that may relate to the work process under study.
   (*e*) On site review of similar activities in other agencies and private companies.
2. Sources of information:
   (*a*) Previous studies of similar nature.
   (*b*) Personnel engaged in the detail of operations and supervisors.
   (*c*) Personnel with similar responsibilities in other Government agencies.
   (*d*) Methods material from association and commercial sources.
   (*e*) Bureau of the Budget reference file of studies and reviews in other agencies.

Reports on phase I.—1. A brief progress report, including aspects covered to date and plans for coverage of remaining aspects, will be submitted to the Deputy Assistant Secretary for Management by January 15, 1963. This report will also include any special problems encountered which may be hampering or delaying the appraisal.

2. A final report on phase I, including findings and recommendations, will be submitted to the Deputy Assistant Secretary for Management by the completion date specified above. Note will be made in the report if any recommendations have already been implemented or are in the process of implementation.

Team staff for phase I.—Team leader: David I. Belisle, Special Assistant to the Deputy Assistant Secretary for Security, full time.

Team members: C. John Holmes, management analyst, Office of Management, full time. Gerald J. Goldman, management analyst, Office of the Executive Director for Administration, full time.

Approved: ——— ———.
Date: December 14, 1962.

Mr. SOURWINE. Has your final report and recommendations in connection with this study been turned in?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Who was it turned in to?

Mr. BELISLE. Mr. Roberts.

Mr. SOURWINE. Has action been taken to implement your recommendations?

Mr. BELISLE. Not as yet; no, sir.

Mr. SOURWINE. If we wanted to secure a copy of this report, who would be the proper person to ask for it?

Mr. BELISLE. Mr. Crockett.

Mr. SOURWINE. Mr. Crockett?

Mr. BELISLE. Yes, sir.

* * * * * * *

Mr. SOURWINE. Do you know Terence Shea?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Where was he employed before he came to the State Department?

Mr. BELISLE. National Security Agency.

Mr. SOURWINE. Were you responsible for bringing him into the State Department?

Mr. BELISLE. I wouldn't say I was responsible. Terry Shea had worked for the State Department before I had even thought of it, and he was looking for a job at the time and Mr. Reilly interviewed him.

Mr. SOURWINE. And you recommended he take him?

Mr. BELISLE. I recommended him very highly; yes, sir.

Mr. SOURWINE. Is Mr. Shea a career or a noncareer employee?

Mr. BELISLE. Could you explain to me, Mr. Sourwine, the noncareer?

Mr. SOURWINE. Well, a man is a career employee if he is in the Foreign Service or in the classified civil service. Otherwise he would not be.

Mr. BELISLE. Well, he is not in the classified civil service.

Mr. SOURWINE. And he is not a Foreign Service officer?

Mr. BELISLE. He is a Foreign Service Reserve officer.

Mr. SOURWINE. He is a Foreign Service Reserve officer?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. What is his personal rank, do you know?

Mr. BELISLE. Five, I believe. I am not sure of that.

Mr. SOURWINE. Mr. Belisle, have you ever personally approved the security clearance of a job applicant with respect to whom a full-field preappointment investigation had not been concluded?

Mr. BELISLE. Not to my knowledge. I may have approved clearance with maybe a lead or something outstanding. In my judgment there would have to be enough information for me to grant clearance.

Mr. SOURWINE. Yes, sir. What is the policy of the Office of Security with regard to permitting applicants who have omitted information or falsified data on their personal security forms to make corrections or amendments to the forms?

Mr. BELISLE. The Office of Security?

Mr. SOURWINE. Yes.

Mr. BELISLE. Well, I have advised them that when there has been any omission on a form 57 or 86, that it is the responsibility of the investigator, when he is interviewing them, to find out why, what reasons. As far as the corrections, I have told them that there would be no corrections; that any corrections or any action with respect to this would be for the Office of Personnel.

Mr. SOURWINE. There are then to be no alterations or erasures on such forms?

Mr. BELISLE. Well, you mean when the investigator goes out and does the investigation? No.

Mr. SOURWINE. If it is found that a man has missed a page and left a page blank, do you let him fill it in?

Mr. BELISLE. No, sir. This is the Office of Personnel's job.

Mr. SOURWINE. I see.

Under existing regulations, Mr. Belisle, what security clearance is a Presidential appointee required to have?

Mr. BELISLE. Top secret.

Mr. SOURWINE. When must a clearance be granted in the case of a Presidential appointee?

Mr. BELISLE. When is it to be granted?

Mr. SOURWINE. Yes.

Mr. BELISLE. Before the appointment.

Mr. SOURWINE. Suppose a man is appointed and confirmed by the Senate before such a clearance has been granted, does he get the clearance automatically?

Mr. BELISLE. I don't know.

Mr. SOURWINE. You never had such a case?

Mr. BELISLE. Presidential appointee—we recommend to the Secretary of State that a man be granted clearance. Now if the President would appoint him and the Congress would confirm him, I am sure they would have to have notification of clearance from somebody.

Mr. SOURWINE. Well, take the top: Suppose the President appointed a new Secretary of State and the Senate confirms him, do you have somebody come around and say we have to give you a clearance before you can act as Secretary of State?

Mr. BELISLE. I doubt it.

Mr. SOURWINE. How about a Deputy Secretary of State, an Assistant?

Mr. BELISLE. Well, we usually, as I say, Mr. Sourwine, have the advance notice, and we have the investigation going.

Mr. SOURWINE. This is the practice?

Mr. BELISLE. Yes.

Mr. SOURWINE. There is an Executive order that requires this; is there not?

Mr. BELISLE. Yes—well, I don't know whether it is an Executive order or not.

Mr. SOURWINE. But it is the standard practice?

Mr. BELISLE. Yes.

Mr. SOURWINE. Is there a standard form of memorandum in connection with the security clearance for a prospective Presidential appointee?

Mr. BELISLE. Well, I would say it is a standard form, but there is a procedure, yes, and the Division of Evaluations prepares a letter for the Secretary.

Mr. SOURWINE. It says, in effect, that so-and-so has been given a full background investigation which meets the security requirements for Presidential appointees?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. In a Presidential nomination case, who is responsible for furnishing this so-called security paragraph to the Presidential staff for use in preparing the nomination papers?

Mr. BELISLE. We are.

Mr. SOURWINE. Would you say it is the Division of Evaluations that has that responsibility?

Mr. BELISLE. The Division of Evaluations, yes, for the Office of Security.

Mr. SOURWINE. You don't know whether there is a standard paragraph for this purpose?

Mr. BELISLE. There is a standard paragraph that they use; yes, sir.

Mr. SOURWINE. Could a copy of that standard paragraph be furnished for the record here?

Mr. BELISLE. Yes, sir. I will check it. That is the security paragraph?

Mr. SOURWINE. Yes.

(The information supplied by the State Department follows:)

The standard clearance recommendation statement used in the processing of Presidential appointees is:

1. The Office of Security has considered all the information developed by investigation of _____, and it has been determined that his appointment would be consistent with the security standards and principles of the Department of State. It is recommended that the attached formal Memorandum of Clearance for _____ be signed.

When the appointee has previously been investigated in accordance with Presidential appointee procedures the following statement is used:

2. _____ has been investigated in accordance with the procedures prescribed for Presidential appointees. The summary in his case, which was submitted to your office in _____, contains all pertinent information currently of record in the Office of Security concerning him. It has been determined that the action currently proposed for _____ would be consistent with the security standards and principles of the Department of State and his clearance in this respect is recommended.

* * * * * * *

TESTIMONY OF OTTO F. OTEPKA, CHIEF, DIVISION OF EVALUATIONS, OFFICE OF SECURITY, DEPARTMENT OF STATE

FRIDAY, AUGUST 16, 1963

Senator Hugh Scott presiding.

Also present: J. G. Sourwine, chief counsel, and A. Warren Littman, associate counsel.

(Mr. Otepka was previously sworn.)

* * * * * * *

Mr. SOURWINE. Do you think it is good security procedure to ask orally for changes or alterations in an evaluation report or make any other criticism of an evaluation report orally?

Mr. OTEPKA. No, sir.

Mr. SOURWINE. Or in any such way that responsibility for the requested change, for the criticism, is not shown in the file record?

Mr. OTEPKA. No, sir; I believe such changes, if required, should be requested in writing.

Mr. SOURWINE. May other persons in authority make them?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Do you know of any instances in which changes or alterations in the evaluation report have been orally ordered or requested?

Mr. OTEPKA. Yes, I do.

Mr. SOURWINE. Can you tell us about the instances?

Mr. OTEPKA. I cannot at this time precisely relate the cases, nor the time when it happened, but it has happened within recent months.

Mr. SOURWINE. Who made the request or gave the order?

Mr. OTEPKA. The request came from the Office of the Director of the Office of Security.

Mr. SOURWINE. To whom was the request or the order given?

Mr. OTEPKA. In some cases to myself, in other cases to my subordinates.

Mr. SOURWINE. You cannot recall which particular case?

Mr. OTEPKA. Yes.

Mr. SOURWINE. Can you recall the particular subordinate who got such orders—or whom you believe got such orders or requests?

Mr. OTEPKA. Yes.

Mr. SOURWINE. Who?

Mr. OTEPKA. The subordinates would include Billy Hughes, Raymond Loughton, and Harry Hite. There may have been some others, but I would not want to say definitely who they are. I would have to search my memory on it.

Mr. SOURWINE. Have you ever had a security case evaluation sent back to you by a superior authority with comments and with the request that you reexamine the case in the light of such comments?

Mr. OTEPKA. Yes; I have.

Mr. SOURWINE. Do you recall the case?

Mr. OTEPKA. Not at this time. I regret, Mr. Sourwine, that I am presently at a disadvantage in view of the detail that I have had since June 27—I have had no access, day-to-day access to records which I had access to before. Otherwise, these cases if I had been performing

my normal duties would have been impressed on my mind and I would have had the opportunity to refresh my recollection.

Mr. SOURWINE. If you recall that case, will you tell the committee?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Have you ever been instructed or pressured to change your conclusions in a security case after the evaluation had been submitted?

Mr. OTEPKA. Yes; there has been one instance where I had construed it in the return of the case to me, that the instructions were to have me change or modify my conclusions.

Mr. SOURWINE. Did you comply with the instructions in this regard?

Mr. OTEPKA. Without attempting to create the impression that I was insubordinate to my superior, I must say here that I attempted to restate my position, my original position on the case, and I held to my opinion.

Mr. SOURWINE. Now, Mr. Otepka, that was entirely proper, was it not, that you should do this?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. It has been testified here that the decision, or, I should say, the conclusions of an evaluator should not be changed—may not properly be altered once they have been signed and submitted; anything thereafter should go on the case as an addendum, and if higher authority makes a different finding or overrules the evaluator in the case it goes forward.

Is that correct?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. That is the way it should be handled?

Mr. OTEPKA. That is the way it should be handled.

Mr. SOURWINE. Do you recall the particular case where you felt that you were pressured to change your conclusions?

Mr. OTEPKA. Not at this time, but when I do I will be glad to include it in the record.

Mr. SOURWINE. Do you recall who pressured you?

Mr. OTEPKA. Yes; it was both Mr. Reilly and Mr. Belisle.

Mr. SOURWINE. Were you ever asked to take any facts out of the written evaluation?

Mr. OTEPKA. No, sir; not I personally.

Mr. SOURWINE. Do you know of an instance in which any evaluator was asked to take facts out of the written evaluation?

Mr. OTEPKA. Again, I must say very generally, Mr. Sourwine, that evaluators have indicated this to me.

Mr. SOURWINE. Do you remember any specific instances?

Mr. OTEPKA. Not at this time, sir.

Mr. SOURWINE. Have you ever had occasion to have them come back to your Division—Mr. Reilly's Office—with the indication that the evaluator had overlooked certain facts and should fix up the report?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. How many times has this happened?

Mr. OTEPKA. Half a dozen times, at least.

Mr. SOURWINE. Do you recall any of the cases?

Mr. OTEPKA. Some of the cases, I believe, have involved appointees or prospective appointees to the Advisory Committee on the Arts. I cannot tell you exactly which ones now.

Mr. SOURWINE. How many times a month, on an average, are security cases which have been evaluated brought or sent back to your Division by superior authority with the request or the order that something be changed or a request for reevaluation or reconsideration?

Mr. OTEPKA. Mr. Sourwine, I could not give you that.

Mr. SOURWINE. Is it a fairly common thing?

Mr. OTEPKA. I would not say that it is a fairly common thing.

Mr. SOURWINE. You spoke of five or six instances—were those over a short space of time or were they over a long space of time?

Mr. OTEPKA. They were over a period of several months, 5 or 6 months.

Mr. SOURWINE. Were all of these requests conveyed orally or was the request of this nature ever made in a memorandum or actually written in the report itself?

Mr. OTEPKA. I do have in mind now the particular instance involving an appointee to the Advisory Committee on the International Organization Staffing where I had, myself, prepared a résumé of several cases in one memorandum and I received a note back in writing telling me that I was verbose, and the memorandum was condensed to the extent that the substantive information was deleted from the original memorandum that I had prepared.

Mr. SOURWINE. Did you do that condensation?

Mr. OTEPKA. I did not.

Mr. SOURWINE. Was it done by superior authority?

Mr. OTEPKA. Yes, it was.

Mr. SOURWINE. Now still that is not an evaluation report, is it?

Mr. OTEPKA. It is not an evaluation report, Mr. Sourwine, that is, it is not a final evaluation report.

Mr. SOURWINE. Whenever there is to be a request for a change or for reconsideration, for the consideration of something new in connection with an evaluation report, should not it always be made by writing?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Either by buck slip or a notation across the face of the request?

Mr. OTEPKA. Yes.

Mr. SOURWINE. You remember five or six such cases—were any of those five or six cases requested in writing or was the request oral?

Mr. OTEPKA. It was both, sir.

Mr. SOURWINE. Both oral and written?

Mr. OTEPKA. Some oral and some in writing.

Mr. SOURWINE. In such a case where it is in writing, is the request preserved in the permanent files?

Mr. OTEPKA. It should be. However, I have found—in my experience with the files of the Office of Security—in some instances where this request was made on a buck slip that the buck slip was taken out of the file and destroyed.

Mr. SOURWINE. Do you recall the particular instances?

Mr. OTEPKA. I would have to go back and refresh my recollection.

Mr. SOURWINE. You know there were such?

Mr. OTEPKA. Oh, I am positive, sir.

Mr. SOURWINE. Has it been made clear to you and others in your Division that, in the interests of intellectual honesty, if you or any

of your subordinates disagree with the judgment of a superior, they are to persist in this disagreement even after the superior has suggested a change or a reconsideration?

Mr. OTEPKA. That is a very difficult question. My understanding has been and still is that a responsible evaluator is free to dissent. However, once the superior gives a specific instruction I would not expect that the subordinate would continue to dissent to the point where he is being insubordinate.

Mr. SOURWINE. Were you ever told by Mr. Reilly or by Mr. Belisle or by both that, if you or any of your subordinates disagreed with the judgment of a superior to persist in disagreement even after the superior has suggested a change or a reconsideration?

Mr. OTEPKA. No, not to persist.

Mr. SOURWINE. Do you and your subordinates all understand that when a report is sent back from Mr. Reilly's Office with the suggestion that facts have been overlooked or that the report should be rewritten or changed somehow, you are nevertheless perfectly free to point out, to your superiors or to the superior who is responsible for the criticism, wherein you believe you were correct originally?

Mr. OTEPKA. I have always had that understanding, that I was perfectly free to point out where the superior, perhaps——

Mr. SOURWINE. Did Mr. Reilly or Mr. Belisle ever say anything to you about this, about being free to point out to your superiors or to the superior responsible for the criticism where you believed yourself to have been correct?

Mr. OTEPKA. No, it was never expressed to me in that manner.

Mr. SOURWINE. Did Mr. Reilly or Mr. Belisle ever talk to you about the question of whether everybody in your Division understood that they were free to persist in their original conclusions or to come back and point out to superiors how they believed they were correct after their superiors had offered a criticism or suggested change?

Mr. OTEPKA. I do not recall Mr. Belisle or Mr. Reilly talking to me about that.

Mr. SOURWINE. Mr. Otepka, do you know of any instances in which any individuals have been employed solely as a matter of accommodation by the State Department, because they are relatives of big shots in Government?

Mr. OTEPKA. You are putting me on the spot, Mr. Sourwine.

Mr. SOURWINE. Well, I will put it this way, do you know of any instances in which any individuals, whose relatives are big shots in Government, have been given emergency clearances or waivers of security checks?

Mr. OTEPKA. Yes, I do.

Mr. SOURWINE. How many such instances do you know about?

Mr. OTEPKA. Two specific instances.

Mr. SOURWINE. Can you tell us what they were?

Senator SCOTT. Do you want to go off the record?

Mr. SOURWINE. Yes.

(Discussion off the record.)

Senator SCOTT. On the record.

Mr. OTEPKA. I do know the names, but I believe that I am subject to the Department instructions which prevent me from revealing any such names.

Mr. SOURWINE. Because it is a security matter?

Mr. OTEPKA. Because it is a security matter.

Mr. SOURWINE. Can you tell us who granted the emergency clearance or the waiver in each of these instances?

Mr. OTEPKA. Yes, sir.

Mr. SOURWINE. Who?

Mr. OTEPKA. Mr. Belisle.

Mr. SOURWINE. Are you willing to name these instances if Mr. Belisle or anyone else in the State Department should deny that there are any such instances?

Mr. OTEPKA. Certainly.

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TESTIMONY OF WILLIAM J. CROCKETT, DEPUTY UNDER SECRETARY OF STATE FOR ADMINISTRATION, DEPARTMENT OF STATE

TUESDAY, JANUARY 28, 1964

Senator Thomas J. Dodd, vice chairman, presiding.

Also present: J. G. Sourwine, chief counsel.

For the Department: Richard A. Frank, observer.

(Mr. Crockett was previously sworn.)

* * * * * * *

Mr. SOURWINE. Mr. Chairman, if I might digress for just a moment to use this occasion to put in the record an item which belongs in the record, as I doubt if the committee will be recalling Mr. Reilly.

Do you have any information, Mr. Crockett, about the handling of information furnished to the State Department by the FBI?

Mr. CROCKETT. I don't understand the question, Mr. Sourwine. I am sorry.

Mr. SOURWINE. Do you know how information furnished to the Bureau by the FBI is handled?

Mr. CROCKETT. Generally the FBI, as you know, handles all its information to us by a liaison officer. It is personally delivered. Before I took this job, it was personally delivered to Mr. Orrick, and then after I assumed my present position, it was personally delivered to me by the liaison officer. Much of the information had to do with FBI interests or FBI surveillance of individuals.

Mr. SOURWINE. I didn't mean to ask you for details. Just: Did you have some familiarity with it?

Mr. CROCKETT. Yes, sir. Then it was always passed to the Office of Security for their handling.

Mr. SOURWINE. With the Chair's permission, I should like to show Mr. Crockett an excerpt from Mr. Reilly's testimony and ask him to take time to read it and tell us whether, so far as he knows, it is accurate.

Senator DODD. Is this testimony that is in the record?

Mr. SOURWINE. Yes, sir. It is part of our record. It is testimony given before us by Mr. Reilly at the time he was Deputy Assistant Secretary of State for Security Affairs, I think. He was, in any

event, head of the Office of Security at the time. This is the only item of such material I intend to ask Mr. Crockett to read. I am sorry for the delay involved.

Mr. CROCKETT. Well, to the best of my knowledge, Mr. Sourwine, this is an accurate statement.

Mr. SOURWINE. May that go in the record, Mr. Chairman——

Senator DODD. Let me see it.

Mr. SOURWINE (continuing). ——as the excerpt which was read by Mr. Crockett?

Senator DODD. All right.

(The testimony referred to follows:)

(The matter under discussion was the transfer of the liaison functions of FBI with the State Department out of the Bureau of Security and Consular Affairs.)

Mr. SOURWINE. I don't mean to labor this, Mr. Reilly, and I don't mean to try to make a lawyer out of you or demand a legal opinion. I just wanted the record to indicate whether you had yourself raised any question about this.

Mr. REILLY. I was one of those who explored this, yes.

Mr. SOURWINE. You saw no objections to the move?

Mr. REILLY. From a legal point of view, no. Or from a personal point of view.

Mr. SOURWINE. I wanted to read you, sir, from the record of the testimony of Mr. Otepka on March 6. He testified that the intelligence reporting function was in the Office of Security since about 1949 until February 18, 1963. When I asked what that function was, he said:

"It was to receive from the intelligence agencies of the U.S. Government, and more specifically the Federal Bureau of Investigation from whom the bulk of the data was received, and the Central Intelligence Agency, intelligence reports of a security type. In our nomenclature we call that security intelligence reports because they had an impact on the administration of the personnel security program. These reports were reviewed by qualified personnel in the Office of Security who determined by their contents what area in the Department had an interest in the subject matter, a primary interest in the subject matter, and accordingly, such reports were disseminated to that area or bureau for appropriate action or information."

Mr. Otepka was asked:

"Who performs that function now, if you know?"

He replied:

"That function has been transferred to the Bureau of Intelligence and Research."

"Question. Of the Office of Security?

"Answer. No, sir.

"Question. It has been transfered out of the Office of Security entirely?

"Answer. Yes, sir.

"Question. To a separate bureau in the Department?

"Answer. Yes, sir.

"Question. Now, what does the transfer of that function mean to the Office of Security? Does it just mean it doesn't do this thing that you told us about that you used to do before, or does it have a further meaning?

"Answer. I would like to express my opinion on the significance of the transfer of that function to another bureau.

"Question. Well, what is your opinion?

"Answer. Mindful, however, of course, that this was a decision of management and I do not contest that.

"Question. Mr. Otepka, I am not asking you to criticize anybody. I am just asking you for your own opinion. I am not asking you to set it up against anybody else or to apologize for anybody else or anything of that sort, but I am asking you because you are a qualified expert in the security field. The committee has evidence that you are an expert in this sphere and your opinion has some value to the committee, and so it is perfectly proper for us to ask what is your opinion as to what this transfer of the intelligence reporting function meant to the Office of Security.

"Answer. It meant that the Office of Security would be deprived of immediate and firsthand knowledge of data appearing in intelligence reports which are useful in the administration of our personnel security cases. Now, I do not mean to say that this information will not be available to us, but it will mean now that we have to depend on other bureaus to offer that information to us if they see fit to do so after reviewing the contents.

"Question. Or else you will have to constantly be asking if there is any further information in case A, B, C, and D, and so on, ad infinitum?

"Answer. Yes.

"Question. As a practical matter you cannot do that, can you?

"Answer. No, sir.

"Question. If you had this information flowing through your division, flowing through the Office of Security, I presume that you would have, and have in the past, made it a practice to relate it to other current activities of the Office and of the Division and to make such notes of it for future reference as you think might be useful to the work of the Office and Division?

"Answer. Yes, sir; and at the same time seeing to it that the data which was of primary interest to the other bureaus was sent without delay to the other bureaus.

"Question. Well, you are now touching upon another point which I will come back to."

Would you agree with that testimony, sir, and if not, how do you disagree with it?

Mr. REILLY. Well, to sum it up, that is Mr. Otepka's opinion. I don't agree with it. The Office of Security is getting from the same unit wherever it is located the exact same service it got yesterday. We are getting that today. The same people are reading the same type of report. They are experienced people. They are aware of our needs, as opposed to the needs of other areas in the Department. And they are promptly routing this material to us, just as they did when they were part of us.

They are physically at the moment located in exactly the same offices.

Mr. SOURWINE. All right, sir.

Mr. REILLY. For example, a good part of the information that we get which is of interest in the Office of Security relates to possible threats to the Secretary or visiting dignitaries. This is promptly turned over to Protective Services people.

Mr. SOURWINE. Isn't it true that in the description of this intelligence function given to the House Appropriations Subcommittee it was stressed that the reports dealt with espionage, subversions, and violations of internal security laws?

Mr. REILLY. Those reports still come to us. They come to us through direct liaison. I couldn't conceive of Mr. Hoover's representative bringing a potential espionage matter to this unit, handling it that routinely. He would come in and see me or would come in and see Mr. Orrick under the earlier arrangements.

Mr. SOURWINE. In other words, intelligence reports do not all go to the new place? Some of them still come to you?

Mr. REILLY. Just as they did in the past. Mr. Sourwine.

Mr. SOURWINE. Well then, the entire intelligence reporting function wasn't transferred out? Is that right?

Mr. REILLY. And was never in that one unit. Not to draw out the thing, on Mr. Schwartz's liaison, the act merely refers to his having direct liaison with the Commissioner of Immigration and with the Federal Bureau of Investigation and Central Intelligence Agency. It doesn't say that he should be the only one in the Department of State who should have such liaison nor has that ever to my knowledge been the case. Both the agency and the Bureau would take matters to the interested area of the Department. There may be things in political affairs, for example, that are most important to a particular political desk, but I have no need to know. The Bureau would take it to the Under Secretary for Political Affairs, Mr. Alexis Johnson.

Mr. SOURWINE. You mean the Bureau decides where they are going to take their information?

Mr. REILLY. Based on guidelines furnished by us. It is a mutually worked out——

Mr. SOURWINE. The FBI makes this decision where they are going to take it within the State Department?

Mr. REILLY. Yes; within the agreed ground rules.

Mr. SOURWINE. And you allow them to do this?

Mr. REILLY. Yes.

Mr. SOURWINE. Rather than have one place in the State Department where it all comes in and then someone decides where it should go?

Mr. REILLY. These are matters of immediate importance. The more routine ones come into this intelligence processing unit.

Mr. SOURWINE. Who decides whether it is routine?

Mr. REILLY. The Bureau makes that determination.

Mr. SOURWINE. I offer for the record at this time also a letter from Mr. J. Edgar Hoover to the chairman of this committee, dealing with this matter. You might care to see it, sir. There is in here a conflict between what Mr. Hoover says and what Mr. Reilly said. I won't attempt to ask Mr. Crockett to resolve it, but just let it go into the record.

Senator DODD. All right.

(The document referred to follows:)

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, D.C., July 19, 1963.

Hon. JAMES O. EASTLAND,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: In response to your letter of July 17, 1963, please be advised that the FBI maintains daily liaison with the Department of State and that all information which we receive relating to matters of interest to that Department is promptly disseminated.

At the specific request of the State Department, the FBI complies with the following procedure in disseminating this information:

(1) Intelligence data is furnished to the Director of the Bureau of Intelligence and Research.

(2) Data of a personnel and/or administrative nature is given to the Deputy Assistant Secretary of State for Security.

In many instances, our liaison personnel also furnish information directly to the Office of the Secretary of State. After this initial dissemination is made, the internal responsibility of bringing our memorandums and reports to the attention of appropriate State Department officials is, of course, a matter for that Department's personnel.

Sincerely yours,

J. EDGAR HOOVER.

Mr. CROCKETT. I personally don't see the conflict, but if you say there is one, there perhaps is one. But I think this is——

Mr. SOURWINE. Mr. Reilly said, sir, that the Bureau decided where its material would go, who it should go to, and Mr. Hoover says the responsibility for internal dissemination is with the State Department, which I think is correct.

Mr. CROCKETT. But Mr. Reilly also said there were guidelines in the State Department. I don't know.

Mr. SOURWINE. I didn't mean to be argumentative about it at all.

Mr. CROCKETT. I do know that the information from the Bureau on personnel security matters comes to my office and therefore in the Office of Security. The larger issue, what you might call intelligence, does go to the other area.

TESTIMONY OF HARRY M. HITE, EVALUATOR, DIVISION OF EVALUATIONS, DEPARTMENT OF STATE

THURSDAY, MARCH 5, 1964

Senator Roman L. Hruska presiding.

Also present: J. G. Sourwine, chief counsel; Benjamin Mandel, research director; Robert McManus, research analyst; and Frank W. Schroeder, chief investigator.

(Mr. Hite was previously sworn.)

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Mr. SOURWINE. Mr. Hite, Scott McLeod, the former Administrator of the Bureau of Security and Consular Affairs and Mr. Roger Jones, the Deputy Under Secretary for Administration, testified before this subcommittee in 1961 and 1962, respectively, that great reliance is placed on the judgment of evaluators in the Office of Security.

Let me ask you: Have your conclusions ever been changed by the Director of the Office of Security or by any of his assistants within recent date, to your knowledge?

Mr. HITE. By "changed" you mean my own individual work amended or corrected?

Mr. SOURWINE. Yes.

Mr. HITE. Only on one occasion, Mr. Sourwine.

Mr. SOURWINE. What was that?

Mr. HITE. This occurred in October of last year. I had evaluated a Presidential case which went forward through my supervisor, Mr. Loughton, and from Mr. Loughton it went to Mr. Belisle. Apparently Mr. Belisle disagreed with my evaluation of that particular case and changed it.

I say "apparently" because I was not aware of the changes that were made on that case until a month later when my supervisor called it to my attention.

Mr. SOURWINE. You say he changed it?

Mr. HITE. Yes, sir.

Mr. SOURWINE. Your findings?

Mr. HITE. Yes, sir.

Mr. SOURWINE. You don't mean he entered in the file a notation of his disagreement with you; you mean he physically changed what you had written?

Mr. HITE. Yes, sir.

Mr. SOURWINE. Underneath which appears your signature.

Mr. HITE. Yes, sir.

Mr. SOURWINE. So that the change appears, then, over your signature?

Mr. HITE. Yes, sir.

Mr. SOURWINE. And thus it is a matter for which you on the record would be responsible?

Mr. HITE. Yes, sir.

Mr. SOURWINE. Were there any other changes?

Mr. HITE. Well, he deleted part of my evaluation, my conclusions on the case.

Mr. SOURWINE. Were those adverse conclusions?

Mr. HITE. No, sir; they were not adverse conclusions.

Mr. SOURWINE. Did he insert anything in place of what he deleted?

Mr. HITE. No, sir; he left it——

Mr. SOURWINE. What was the effect of the deletion; to make the case better or worse, to make the finding more or less favorable?

Mr. HITE. It made the finding more favorable.

Mr. SOURWINE. For the individual?

Mr. HITE. For the individual.

Mr. SOURWINE. Now, this is not in accordance with established procedure, is it?

Mr. HITE. No, sir; definitely not.

Mr. SOURWINE. Is it the general practice in a security case that, where there is disagreement by a superior, he notes his disagreement?

Mr. HITE. Yes, sir.

Mr. SOURWINE. And everybody who reaches a conclusion and puts it down is responsible for it and that conclusion is supposed to remain in the file?

Mr. HITE. Yes, sir.

Mr. SOURWINE. Permanently?

Mr. HITE. That is right.

Mr. SOURWINE. And in this case this was not so?

Mr. HITE. That is right.

Mr. SOURWINE. Did you protest?

Mr. HITE. I protested to my immediate superior. I indicated that my protest at that time was rather academic since the case had been acted on by that time.

Mr. SOURWINE. How long was it before you found out about this change?

Mr. HITE. A little more than a month, I believe.

Mr. SOURWINE. And by that time the man had been cleared?

Mr. HITE. Yes, sir.

Mr. SOURWINE. What is the name of the individual?

Mr. HITE. I am sorry, Mr. Sourwine, I feel that under my admonitions, I could not reveal the name.

Mr. SOURWINE. Well, you have given us names of several other security cases. Why can't you give us this?

Mr. HITE. Well, those cases where I felt that I could give you the names were those that had been discussed fully before this committee, before. I must express some confusion over what I can tell you, frankly, and what I cannot tell you.

Mr. SOURWINE. We sympathize with you in your dilemma. But how do you know this is a case that has not been discussed before this committee? You are not privy to what has happened before the committee?

Mr. HITE. No, sir. Of course I don't know that.

Mr. SOURWINE. And of course the transcripts of testimony have been furnished to the Department of State. Do you know whether copies of those transcripts have been made for the permanent records of the Department?

Mr. HITE. No.

Mr. SOURWINE. Have you seen a Department copy of records of hearings before this committee?

Mr. HITE. In the Wieland case I did; yes, sir.

Mr. SOURWINE. That was not the committee transcript, that was a Department copy of it?

Mr. HITE. Yes, sir.

Mr. SOURWINE. And so you feel that, under your obligation to the Department, your instructions require you to withhold the name of the individual whose security evaluation by you was changed by Mr. Belisle?

Mr. HITE. Yes, sir.

Senator HRUSKA. As far as you know that person is still in Government service?

Mr. HITE. Oh, yes, sir.

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TESTIMONY OF RAYMOND A. LOUGHTON, DEPARTMENT OF STATE

WEDNESDAY, JULY 29, 1964

The subcommittee met, pursuant to recess, at 10:35 a.m., in room 2300, New Senate Office Building, Senator Thomas J. Dodd, vice chairman, presiding.

Also present: J. G. Sourwine, chief counsel.

For the Department: Richard A. Frank, observer.

Senator DODD. The committee will be in order.

Mr. SOURWINE. Mr. Loughton is our next witness.

Senator DODD. Do you solemnly swear that the testimony you give before this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LOUGHTON. I do.

Mr. SOURWINE. Would you please give the reporter your full name and your official position, if any, with the Department of State?

Mr. LOUGHTON. Raymond A. Loughton, L-o-u-g-h-t-o-n. As far as my official position is concerned, I am on full-time assignment at the Foreign Service Institute studying Spanish.

Mr. SOURWINE. What is your title or official position, designation?

Mr. LOUGHTON. Well, the last job I had, I was an administrative officer, GS–14, in ARA, which is Inter-American Affairs, State Department.

Mr. SOURWINE. You still hold that grade as a 14, do you not?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. And the title of administrative officer?

Mr. LOUGHTON. I assume so.

Mr. SOURWINE. Your job description has not been changed?

Mr. LOUGHTON. So far as I know, but I'm not in the job that I last held under that title.

Mr. SOURWINE. I understand. You are 48 or 49 years old?

Mr. LOUGHTON. Yes, sir; 48.

Mr. SOURWINE. You have 26 or 27 years in Government service?

Mr. LOUGHTON. I am in my 30th year.

Mr. SOURWINE. You spent how many years as a security officer?

Mr. LOUGHTON. Fifteen, more or less.

Mr. SOURWINE. You entered on duty with the Department of State on July 30, 1961?

Mr. LOUGHTON. Yes.

Mr. SOURWINE. By transfer from the Department of Defense, where you had served as Assistant Director of Security for the Office of the Secretary of Defense during a period from 1953 to 1961?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Mr. Chairman, I believe it would save time rather than go over this—I had intended to go over it, but I think it would save time if we simply offered for the record Mr. Loughton's job description.

Do you identify that as a copy of your job description, Mr. Loughton?

Mr. LOUGHTON. This is the former job description in security; yes, sir, personnel security.

Mr. SOURWINE. You have a new job description now?

Mr. LOUGHTON. Yes; I do.

Mr. SOURWINE. Can the committee be furnished a copy of your new job description?

Mr. LOUGHTON. In telephone conversation with Mr. Frank last night, I was advised of some limitations, one being, furnishing documents to the subcommittee.

Mr. SOURWINE. Mr. Frank is here.

Isn't this within the exception, that a job description would be like his rating, his performance rating? It would be something he could supply?

Mr. FRANK. If Mr. Loughton has a personal copy of that, I would see no objection to his furnishing it.

Mr. SOURWINE. If he doesn't have a personal copy, is there any problem you see in getting one from the Department?

Mr. FRANK. Not at all, sir. I notice that we have several things you have requested in the last few weeks. Perhaps we could combine all these in one letter.

Mr. SOURWINE. That could be done as a form of proceedure?

Mr. FRANK. I shall do all I can personally to see to it that these things are supplied.

Mr. SOURWINE. I try not to ask for things where I know we can't have it.

Senator DODD. I understood Mr. Frank to say that there would be no problem.

Mr. FRANK. I see no problem.

Mr. SOURWINE. May that go along with this job description?

Senator DODD. Surely.

(The document referred to follows:)

Foreign Service

Optional Form 8
July 1955
U.S. CIVIL SERVICE COMMISSION
Chapter P2, Federal Personnel Manual
Sub-18

1-SY-176
OCS

POSITION DESCRIPTION

1. Check one: Dept'l ☒ Field ☐
2. Official headquarters: Washington, D.C.
3. Reason for submission: (a) If this position replaces another (i. e., a change of duties in an existing position), identify such position by title, allocation (service, series, grade), and position number: NEW POSITION; (b) Other (specify): New Position
4. Agency position No.: S-10702
5. C. S. C. certification No.: 080.10
6. Date of certification: 7/13/61
7. Date received from C. S. C.

5. CLASSIFICATION ACTION

ALLOCATION BY	CLASS TITLE OF POSITION	CLASS: Service	Series	Grade	INITIALS	DATE
a. Civil Service Commission						
b. Department, agency, or establishment	Supv. Personnel Security Spec.	GS	080	14		
c. Bureau	Subject to review in one year					
d. Field office						
e. Recommended by initiating office	Supervisory Personnel Security Specialist	GS	080	14		

9. Organizational title of position (if any): Chief, Special Operations Staff
10. Name of employee (If vacancy, specify V-1, 2, 3, or 4): Vacancy
11. Department, agency, or establishment: Department of State
a. First subdivision: Bureau of Security and Consular Affairs
b. Second subdivision: Office of Security
c. Third subdivision: Office of the Deputy Director
d. Fourth subdivision: Special Operations Staff
e. Fifth subdivision:

12. This is a complete and accurate description of the duties and responsibilities of my position
(Signature of employee) (Date)

13. This is a complete and accurate description of the duties and responsibilities of this position
(Signature of immediate supervisor) (Date)
Title: Deputy Director

14. Certification by head of bureau, division, field office, or designated representative
(Signature) 7/13/61 (Date)
Title: Assistant Deputy Director

15. Certification by department, agency, or establishment
(Signature) (Date)
Title: Chief, Classification and Wage Studies

16. Description of duties and responsibilities

Supervisory Controls Exercised Over Incumbent

Incumbent receives only general policy guidance from Deputy Director, GS-15, Office of Security, in carrying out exceptionally difficult and highly complex special operations of a confidential nature designed constantly to secure maximum security of the Department of State and its citizens abroad against possible espionage, subversion and other criminal activities of its personnel.

Job Requirements

Incumbent must possess and maintain a comprehensive knowledge of the following:

1. Laws of the United States relating to the prevention of espionage, subversion, and other criminal acts detrimental to the internal security of the United States; court decisions concerning such activities.

2. Security measures, underground operations, propaganda programs, and modus operandi of foreign and domestic organizations or movements which are or may

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be directed against personnel of the Department in the United States or at the missions abroad with the intent to undermine or harm the national security.

3. Policy directives of the United States Intelligence Community (e.g. National Security Council, Department of State, Federal Bureau of Investigation, Central Intelligence Agency, National Security Agency, Department of Defense, and the Atomic Energy Commission) established for the safeguarding of intelligence and other information affecting the national defense.

4. Executive orders and rules and regulations relating to the investigation and clearance of applicants and employees of industry and the civilian and military branches of the Federal Government for access to classified defense information.

5. Special investigative techniques to detect and develop evidence of possible subversion by employees of the Department of State.

Major Duties and Responsibilities

As assistant to the Deputy Director, incumbent supervises a staff of officers and clerical employees, GS-13 and below, in the initiation, development and implementation of the following operations:

1. Continuing research, analysis and systematic review of current and non-current information, files, and records in various bureaus of the Department and in other departments and agencies regarding applicants and employees of the Department to determine (a) the existence of unresolved information which may reveal patterns of infiltration of the Department by subversive persons, and (b) the detection of applicants or employees who may have undergone significant changes in character or ideology or have committed serious indiscretions by virtue of which any such persons may be a security risk; individual reviews are periodically made of unusually sensitive functional areas of the Department and of delicate cases of persons such as incumbents of Presidential Appointee positions or potential candidates for Presidential appointment who may have access to highly sensitive classified information or documents; reviews may be extended as required by the interests of national security to other areas or persons.

2. Spot reviews cases of employees evaluated by other functional areas to detect possible deliberate subjective trends on the part of evaluators; assures that completely objective, accurate and thorough evaluations are made in all cases and that evaluations are consistent with Department regulations and the national security.

3. From a review of questionable cases of individuals and from collated information on modus operandi of subversive organizations determines the operational needs for encompassing special qualifications and requirements for components of various categories of sensitive positions; identifies particular needs in areas which unresolved information and directs appropriate investigations as necessary recommends reassignment of suspected persons or the institution of removal action.

4. Establishes and maintains liaison with managerial or supervisory personnel of the following organizations who specialize in the development, collection, and evaluation of intelligence and counter-intelligence information regarding subversive activities in the United States Government by civilian or military personnel which might affect the security interests of the Department of State.

(a) Bureau of Intelligence and Research, Department of State.

(b) Federal Bureau of Investigation.

(c) Office of Special Investigations, Department of the Air Force.

(d) Counter Intelligence Corps, Department of the Army.

(e) Office of Naval Intelligence, Department of the Navy.

(f) Intelligence Office, Potomac River Naval Command.

(g) Military District of Washington, Department of the Army.

(h) Director, Security Division, Atomic Energy Commission.

(i) Investigations Division, United States Civil Service Commission.

(j) Assistant Commissioner for Inspection and Security, Bureau of Internal Revenue, Treasury Department.

(k) Special Services Bureau, Metropolitan Police Department, Washington, D.C.

(l) United States Senate and House of Representatives permanent and temporary investigating committees and subcommittees.

(m) State investigating committees and commissions.

Develops and obtains pertinent information from these organizations regarding internal security and concerning policies of these organizations without appropriate authorization of significant problems concerning Foreign Nationals as required when current problems are involved.

5. Maintains continual liaison with the responsible division heads in the Department's Office of Security furnishing guidance and other pertinent information on current problems and difficulties involved; assures the proper and accurate completion of investigations initiated.

6. Develops and assures the implementation of plans for the consolidation and correlation of information, files and records of current and non-current material concerning internal activities of government personnel from descriptions of the Office of Security; provides guidance to responsible heads of such departments regarding binding, files, filing guides, and the destruction of duplicate and extraneous documents for the most effective and timely utilization of record information by other functional areas of the Office of Security.

7. Composes studies, analyses and reports of findings using responsible establishment of new or the revision of existing policies, methods, procedures, and techniques based on such findings for investigative, security indoctrination, or security education purposes.

8. Recommends trends, changes of policy, objectives, plans and methods of legal or illegal foreign intelligence organizations and secret police operating in the United States and abroad which may concern the exploitation for espionage or subversion of personnel of the Department of State or members of their families.

Mr. SOURWINE. Would you outline for us briefly your experience as a security officer, Mr. Loughton?

Mr. LOUGHTON. Yes, sir. I have been in the program since the inception of Executive Order 9835, starting out with the Civil Service Commission as an examiner——

Mr. SOURWINE. What was the date of that order?

Mr. LOUGHTON. 1947, I believe.

Mr. SOURWINE. Issued by President Truman?

Mr. LOUGHTON. Yes, sir. With the Civil Service Commission, I was in the fourth region as a hearing examiner until the war broke out. I came back from Navy service in 1946 and resumed my position with the Investigations Division. Actually, I came back into the Investigations Division but very briefly; went into the security program with the advent of 9835, and remained in that until I went to FCDA as Personnel Security Branch Chief.

Mr. SOURWINE. What is FCDA?

Mr. LOUGHTON. Federal Civil Defense Administration, in 1951, where I stayed until 1953 as the Personnel Security Branch Chief, when I went to OSD as the Assistant Branch Director to Mr. George Gould.

Mr. SOURWINE. Mr. Loughton, you have had many years of training as an evaluator of security?

Mr. LOUGHTON. Many cases; yes.

Mr. SOURWINE. Many years and many cases?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Mr. Loughton, would you describe how you happened to obtain employment in the Department of State's Office of Security?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Did you seek the position and so forth? Tell us about it.

Mr. LOUGHTON. When I was with the Civil Service Commission, I met Mr. Otepka, who was in the Civil Service Reference Section working on research on various leftwing organizations for the Commission's file section under the old Executive Order 9835. He was of great service to me working on individual cases to ferret out information from our files on individual names and cases. We had occasional association as security men during the period that I was at FCDA and Department of Defense, culminating in close association in several cases that both the State Department and the Department of Defense were interested in. He asked me if I was interested in coming over to the State Department and I indicated that I was.

A year went by, but finally a transfer was arranged where I could come over and work with him on a program that was being established in the Department of State to refine the security processes there.

Mr. SOURWINE. Were you then brought over to the Department of State to fill a particular need in connection with a project then being begun?

Mr. LOUGHTON. I was so informed, Mr. Sourwine.

Mr. SOURWINE. It is your understanding that it was not just a case of finding a job, but that there was a job there for which Mr. Otepka considered you qualified?

Mr. LOUGHTON. Yes, sir. Before I considered the job, I read an

extensive term of reference pamphlet which was classified, outlining the areas that he wanted refined and improved, and because of my extensive experience in all three categories of security, including industrial security in the Department of Defense, he hoped that I would be able to supervise the actual scope of this new program that had been approved by, I think, Mr. Hanes in the Bureau of Security, Internal Security Affairs, and by Mr. Boswell, who was then the Director of Security.

Mr. SOURWINE. Mr. Loughton, what specific duties were you to perform in this State Department job when you went in?

Mr. LOUGHTON. Mr. Sourwine, they were quite wide in scope.

Mr. SOURWINE. Are they covered fully in this job description?

Mr. LOUGHTON. No, sir; they would be more properly covered in that term of reference paper which I described.

Mr. SOURWINE. Which you stated was a classified paper?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Do we want to try to ask for that or go ahead without it?

Senator DODD. I do not know. Do you need it? What is it?

Mr. SOURWINE. I would like to make the request, if the Department feels it can be furnished either as a classified paper or declassified for this purpose.

Senator DODD. Very well.

(Responding to the committee's request Assistant Secretary Lee wrote, in a letter to the chairman, dated October 7, 1964):

The "term of reference paper" which you mention is classified and considered highly sensitive. Because of this, the Department would prefer to have a Department official discuss this paper and the references in it to Mr. Loughton's specific duties with you at your convenience.

Mr. SOURWINE. Mr. Loughton, did your duties especially involve concentrating on the review or correlation of information relating to high-ranking officers of the Department of State and more particularly, prospective Presidential appointees?

Mr. LOUGHTON. Yes, sir; that was one of our salients, our points, spearheads. We had several.

I might say one was to improve the access of information within the Department. It was scattered. It had never been fully utilized. Mr. Boswell knew this and had asked Mr. Otepka to set up a system whereby we could gather all this, correlate it and collate it.

Mr. SOURWINE. That is the project that has often been referred to as the updating of security files of top-level personnel?

Mr. LOUGHTON. In part.

Mr. SOURWINE. It involved more than updating. It involved bringing information from scattered parts of the Department all together in one place?

Mr. LOUGHTON. And improving our file system so we would have immediate access to it when we wanted.

Mr. SOURWINE. Did it also involve having access to this material?

Mr. LOUGHTON. All of this, so it would be pertinent and accurate.

Mr. SOURWINE. This was undertaken by you pursuant to instructions to Mr. Otepka, who was then Deputy Director of the Office of Security, by John W. Hanes, Jr., who was Administrator of the Bureau of Security and Consular Affairs?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Was there a written instruction in this regard?

Mr. LOUGHTON. Yes, sir; the term of reference.

Mr. SOURWINE. That is what you referred to as the term of reference.

Mr. LOUGHTON. Yes.

Mr. SOURWINE. This project Mr. Hanes had ordered, Mr. Boswell had ordered, Mr. Otepka had brought you over to implement, was regarded as highly significant, was it not?

Mr. LOUGHTON. I thought it was, from the reputation—the State Department had been criticized for a number of years, and I thought that it was the most intelligent approach to the thing I had ever seen and was willing to try to tackle it as a real challenge in the security field. I felt we had kind of lost our emphasis in personnel security after 1956 and after the *Cole* v. *Young* case, and a few other Supreme Court cases and after a lot of other adverse decisions we had were reversed, when we were reviewing cases for the second and third times. I was getting discouraged and I thought this was a real clean broom.

Mr. SOURWINE. Mr. Loughton, what was the anticipated duration of this special project at the time you came over to undertake it?

Mr. LOUGHTON. Well, I didn't find out until a month or so later, when I was able to meet Mr. Boswell—for some reason or other, they were not anxious to see me when I got to the Department and it was a month before I met Mr. Boswell. He then told me it would be probably 1½ or 2 years.

Mr. SOURWINE. Was the project carried forward to completion?

Mr. LOUGHTON. No, sir.

Mr. SOURWINE. Was it suspended or abandoned?

Mr. LOUGHTON. Six weeks after I arrived, it developed that someone didn't want the project, that Mr. Otepka—it was rumored that he was to be reduced in force, that Mr. Jackson, who was supposed to be administrative officer under Mr. Boswell, had been brought in to take over his duties and that we had been brought in as a subterfuge to get Mr. Otepka out of the Deputy Director's position.

Mr. SOURWINE. At this point in time, we don't need to talk about what was rumored back then, because you know what happened.

Senator DODD. What year is this?

Mr. SOURWINE. It would have been 1962 and the end of 1961.

Was the project in fact suspended or abandoned in January 1962, following the 1962 reduction in force?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. That was the reduction in force which resulted in Mr. Otepka's reduction in force from Deputy Director?

Mr. LOUGHTON. Yes, sir, and they created a branch for me called the Special Review Branch.

Mr. SOURWINE. That was a few weeks after you came over?

Mr. LOUGHTON. No, sir; it was 6 months after.

Mr. SOURWINE. In other words, you had heard the first rumblings after you came over, after about 6 weeks, but you were allowed to go forward after 6 months?

Mr. LOUGHTON. In a fashion.

Mr. SOURWINE. You were impeded?

Mr. LOUGHTON. We didn't get the word to go forward from the front office.

Mr. SOURWINE. Did you have adequate staff?

Mr. LOUGHTON. Yes. Mr. Otepka had selected the staff.

Mr. SOURWINE. How far into it did you get—half of it, a third of it, a quarter of it, if you can estimate?

Mr. LOUGHTON. I can't very well estimate, because we took off in two or three directions. We only pulled—I don't remember. I don't suppose there is any limitation on my saying how many files we pulled, about 100 top level.

Mr. SOURWINE. The number is of no importance. Did you get far enough into the project to be able to form a conclusion respecting the worth of it and the desirability of its being completed?

Mr. LOUGHTON. Very much. About 20 percent we found needed a complete reworking, a reevaluation.

Mr. SOURWINE. Twenty percent of the cases you looked at?

Mr. LOUGHTON. Yes, sir.

Senator DODD. I suppose that means that—well, maybe I ought to ask you, what does it mean?

Mr. LOUGHTON. It means there was information within their files, sir, that brought them within the category of Executive Order 10450, information that came within the prescribed criteria under the order that we were to look at closely.

Mr. SOURWINE. You mean information not previously evaluated?

Mr. LOUGHTON. It had either been evaluated and not specifically indicated how far they had gone, or there should be other facets opened up and looked into.

Mr. SOURWINE. Was this information of a nature to indicate that the individuals concerned were or might be security risks?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. That is what you are talking about when you say 20 percent of the cases?

Mr. LOUGHTON. Yes.

Mr. SOURWINE. Do you know by whose order the project was suspended?

Mr. LOUGHTON. No, sir; I do not.

* * * * * * *

Mr. SOURWINE. You spoke of having been reassigned. What has been your major assignment under your reassignment?

Mr. LOUGHTON. To the Inter-American Affairs Section?

Mr. SOURWINE. Yes.

Mr. LOUGHTON. In March of this year.

Senator DODD. What do you do there?

Mr. LOUGHTON. Actually, Senator, it was a carryover from a project that had been assigned to us up in Security. We were working on another classified project not having to do with citizens, and of course, it was very touchy. We were given this project in ARA as a single project, whereas up in Security we had handled it as one among other things. When we were sent to ARA, they asked us to concentrate on this one project, and it was, as you know, classified; evaluation of a type, but not having to do with citizens of this country.

Mr. SOURWINE. Prior to that time, after the project folded up after the end of 6 months that you had come there to do, what was your assignment?

Mr. LOUGHTON. We are out of time, Mr. Sourwine. If you meant when I went to the State Department originally——

Mr. SOURWINE. You went to the State Department, about 6 months later, and in January 1962, the project that you had gone over there to work on was closed out.

Mr. LOUGHTON. I understand. My answer previously is not in good time.

Mr. SOURWINE. This is a different question. At that time, what were you then assigned to do?

Mr. LOUGHTON. We had a little bit of everything. The major assignment was Presidential appointment cases.

Mr. SOURWINE. You were evaluating the assignment of individuals currently considered for Presidential appointment?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Going a little further and bringing us up to March of 1964, the Washington Post of March 4, 1964, at page D4, reported that a task force of the Department of State was then scrutinizing the security files of 175 employees. Do you have knowledge of that?

Mr. LOUGHTON. I remember the article, yes, sir.

Mr. SOURWINE. Were you a part of that task force?

Mr. LOUGHTON. Not in my parlance.

Mr. SOURWINE. Do you know there was such a task force?

Mr. LOUGHTON. Yes, I read the paper.

Mr. SOURWINE. What was its function?

Mr. LOUGHTON. I don't know, sir. I assume this was done outside of Security. I had heard reports that Mr. Belisle was heading it up. The reason there is a little confusion on this point was later, we were asked to do a quick review for Ambassador Flake and Colonel French on a group of names that we thought might be in the category, and very quickly thereafter were taken off this project, because word came out that this group of men had been on this project. The reason that we were taken off, I think, is because this was supposed to be classified and no one was supposed to know.

Mr. SOURWINE. Mr. Loughton, what was this group of 175 employees? Were they a group taken at random, did the names have something in common, was it an old list, a new list? What do you know about them?

Mr. LOUGHTON. Well, these were all cases with adverse information in them that had been the thing that we were looking for when we first started out our special operation staff.

Mr. SOURWINE. How did this thing come together? Did somebody bring them together? Did Mr. Otepka bring them together?

Mr. LOUGHTON. It did develop that there had been a list in existence for a long time, which I had no part, incorporating some 250 names, of which this 175 were a part.

Mr. SOURWINE. What was the genesis of that list of 250?

Mr. LOUGHTON. I think Mr. Otepka could tell you. He was at the Department at that time and may have been partly responsible for drawing this list up. It was not drawn up during the period that I was at the Department.

Mr. SOURWINE. You don't know when it was drawn up or who drew it up?

Mr. LOUGHTON. No, sir.

Mr. SOURWINE. Did your group reevaluate any of those cases?

Mr. LOUGHTON. No, sir; we just audited them. We were told not to evaluate them, we were just given the categories in which these cases fell in the Executive order information.

Mr. SOURWINE. That is when you were asked to do this quick reaudit for Colonel French?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. You understood Mr. Belisle was in charge of this project. Do you know whether the cases were individually reevaluated or whether any of them were, or not?

Mr. LOUGHTON. No, sir; I do not.

Mr. SOURWINE. In the quick reaudit that you spoke of, were you permitted to make any recommendations concerning the disposition of each case?

Mr. LOUGHTON. No.

Senator DODD. I am afraid that I have to go. I have to be on the Senate floor.

Mr. SOURWINE. The witness may be excused temporarily, may he?

Senator DODD. Yes.

(Whereupon, at 12:04 a.m., the committee recessed.)

TESTIMONY OF HENRI G. GRIGNON, ASSISTANT DIRECTOR FOR PERSONNEL SECURITY, DEPARTMENT OF STATE

THURSDAY, AUGUST 6, 1964

Senator Thomas J. Dodd, vice chairman, presiding.

Also present: J. G. Sourwine, chief counsel.

For the Department: Richard A. Frank, observer.

(Mr. Grignon was previously sworn.)

* * * * * * *

Mr. SOURWINE. Is the Office of Security shorthanded at the present time?

Mr. GRIGNON. Well, our situation, from the personnel standpoint is this. Of course, we had a recent reorganization of the Security Office and this reorganization called for 274 positions. However, due to the imposition of personnel ceilings, we now have to live within 260 positions. So from just the position standpoint, yes, there is a squeeze.

Mr. SOURWINE. You are 14 men short of your authorized complement?

Mr. GRIGNON. Fourteen positions short.[1]

Mr. SOURWINE. Yes.

Mr. GRIGNON. And of the 260 positions, all the positions are not filled.

Mr. SOURWINE. Do you have any men on detail to supplement the positions authorized for the Office?

Mr. GRIGNON. Not from outside of the Office of Security. Just recently, I did detail two men from the field to come into headquarters to assist on the workload at headquarters.

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[1] Mr. Grignon requested that the following be made a part of the record of his testimony: "For clarification purposes, the reply of 14 positions short refers to the difference between the 274 positions called for in the reorganization and the 260 positions in the presently approved table of organization."

Mr. SOURWINE. Mr. Grignon, were these men assigned to do evaluation work?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. Were these men, in your judgment, competent evaluators?

Mr. GRIGNON. One of the gentlemen that was brought in was an experienced evaluator and he had worked in that particular position before. The other man showed qualifications in that direction, and actually, he is in a training period right now.

Mr. SOURWINE. Who are those two men?

Mr. GRIGNON. John and Dick Clemmons.

Senator DODD. Both of the same name?

Mr. GRIGNON. They are twins.

Mr. SOURWINE. Which is the qualified security evaluator, John or Richard?

Mr. GRIGNON. Richard.

Mr. SOURWINE. What was John's experience? Was he an investigator?

Mr. GRIGNON. He was an investigator in the Miami field office.

Mr. SOURWINE. Who has been running the Division of Investigations this past month?

Mr. GRIGNON. The Division of Investigations?

Mr. SOURWINE. Yes.

Mr. GRIGNON. Mr. Robert Berry is Chief of the Division.

Mr. SOURWINE. But he has been away for a month, hasn't he?

Mr. GRIGNON. He has been on annual leave last week and this week. Mr. Daley was the Acting Chief.

Mr. SOURWINE. Is that spelled D-a-l-y?

Mr. GRIGNON. D-a-l-e-y.

Mr. SOURWINE. Is that Donald Daley?

Mr. GRIGNON. Donald D. Daley.

Mr. SOURWINE. He is the Assistant Chief?

Mr. GRIGNON. The title they have given him is Deputy Chief.

Mr. SOURWINE. He is Deputy Chief of the Division of Investigations?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. And he has been acting in Mr. Berry's absence?

Mr. GRIGNON. He was acting last week in Mr. Berry's absence. This week in view of the situation with Mr. Gentile, I have pressed Mr. Daley into service to assist me directly and Scroggs is the Acting Chief—S-c-r-o-g-g-s.

Mr. SOURWINE. What is his first name?

Mr. GRIGNON. Raymond.

Mr. SOURWINE. He is the present Acting Chief of the Division of Investigations?

Mr. GRIGNON. This week; yes, sir.

Mr. SOURWINE. What is his administrative experience, if you know?

Mr. GRIGNON. His normal position is Chief of the Passport and Visa Branch.

Mr. SOURWINE. How many employees are there in that branch?

Mr. GRIGNON. This would have to be strictly a guess. I believe it is three. It is a small branch.

Mr. SOURWINE. How many employees are there in the Division of Investigations?

Mr. GRIGNON. If I remember the figure, it is 140, counting the field.

Mr. SOURWINE. Mr. Grignon, since you came with the Office of Security have you noticed any degree of confusion in the Office?

Mr. GRIGNON. The term, "confusion," I think would have to be described to me.

Mr. SOURWINE. Since I am asking you if you noticed it, if you say yes or no, you can describe your own understanding. That would be better. I can't impose mine upon you.

Mr. GRIGNON. Of course, the Office has been in a state of flux. There have been personnel changes. Of course, the situation of Mr. Otepka has led to certain internal situations. So, as a result of all this, yes, we have had to, so to speak, make arrangements to fill the gaps, and particularly in the Division of Evaluations, where Mr. Traband, as Deputy Chief of the Division, has been operating that Division. The Division of Investigations has not undergone as many changes, but they have had their problems with a backlog of investigative work which we are trying to maintain current.

Mr. SOURWINE. You had six or seven experienced evaluators transferred out of the Division of Evaluations; did you not?

Mr. GRIGNON. This took place before I was a member of the Department.

Mr. SOURWINE. Yes, but you are coping with the problem it created?

Mr. GRIGNON. Well, that is true. We did lose six or seven people.

Mr. SOURWINE. Out of how many total evaluators?

Mr. GRIGNON. Well, we have all together 26 positions in Evaluations.

Mr. SOURWINE. And you lost six or seven; Otepka would make seven or eight?

Mr. GRIGNON. Yes, that's true.

Mr. SOURWINE. Have you noticed in recent months any dissension in the Office of Security?

Mr. GRIGNON. No, I cannot say that. I haven't had any complaints brought to my attention.

Mr. SOURWINE. The Division is not encumbered by any differences of opinion with regard to the Otepka case with employees lining up on one side or the other?

Mr. GRIGNON. I have not—it hasn't been brought to my attention if that is a fact.

Mr. SOURWINE. Sir, do you consider investigators competent to perform security evaluations?

Mr. GRIGNON. Well, my understanding on that, sir, is that according to Civil Service Commission regulations, it is possible to assign an investigator to an evaluator's position. The converse, however, is not true. Regardless, though, if any investigator were to be assigned to the position of evaluator, his background and experience would have to be looked into to make sure that although he has performed as an investigator, he would be suitable to perform the duties of an evaluator.

Mr. SOURWINE. Does it take substantial training and experience to make a good evaluator, a competent evaluator?

Mr. GRIGNON. I would say so; yes, sir.

Mr. SOURWINE. You have, yourself, had experience in evaluation work?

Mr. GRIGNON. Some; yes, sir.

Mr. SOURWINE. And what was your background in that?

Mr. GRIGNON. I was, before my appointment with the Department of State, of course, with the Central Intelligence Agency and I was with them for 13 years in the Office of Security.

Mr. SOURWINE. How much of that time did you spend doing evaluation, in the sense of personnel evaluation rather than evaluation of intelligence?

Mr. GRIGNON. The only period that I could state that would fall in that category would be a period when I was a desk supervisor handling applicant investigations. However, I did not actually write up the evaluations themselves.

Mr. SOURWINE. You didn't do the work yourself?

Mr. GRIGNON. No; I did not.

Mr. SOURWINE. For how long a period were you in that evaluation supervisor's desk?

Mr. GRIGNON. This was approximately May of 1952 to September of 1952.

Mr. SOURWINE. Yes, sir.

Would you be able to tell us how many or approximately how many investigators in the Division of Investigations today are competent evaluators?

Mr. GRIGNON. No; I would not.

Mr. SOURWINE. Do you know of any?

Mr. GRIGNON. I'm familiar with Mr. Clemmons' situation.

Mr. SOURWINE. He is not in the Division of Evaluations today; is he?

Mr. GRIGNON. He is the one we brought in on temporary duty.

Mr. SOURWINE. He is now in Evaluations?

Mr. GRIGNON. Yes, on temporary duty.

Mr. SOURWINE. Do you consider him a competent evaluator?

Mr. GRIGNON. According to the record and the word I have received from his former supervisor, I would.

Mr. SOURWINE. Has he had any experience in evaluations before you detailed him into Evaluations?

Mr. GRIGNON. Yes, sir; that is the story that was given to me by the Deputy Chief.

Senator DODD. We shall have to recess now for the moment. We shall set another date.

(Whereupon, at 11:15 a.m., the committee recessed subject to the call of the Chair.)

TESTIMONY OF RAYMOND A. LOUGHTON

WEDNESDAY, AUGUST 12, 1964

Senator Thomas J. Dodd, vice chairman, presiding.

Also present: J. G. Sourwine, chief counsel.

For the Department: Lawrence H. Hoover, Jr., observer.

Senator DODD. Come to order.

Mr. SOURWINE. Mr. Loughton is our witness today.

Mr. Loughton, you have testified here before?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. And you were sworn?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. We were discussing, I believe, at the time we discontinued your testimony when you were last here, the 175 cases which were under review or which were involved in a project of some sort with which Mr. Belisle was connected. Do you remember this?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. I believe you had indicated that Mr. Belisle was in charge of this project?

Mr. LOUGHTON. I don't know, Mr. Sourwine, this to be true. The report came downstairs that he was. But only through corridor gossip.

Mr. SOURWINE. It came downstairs from where?

Mr. LOUGHTON. From the Department.

Mr. SOURWINE. From Mr. Crockett's office?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Are these 175 cases, purportedly, the remaining employees still in the Department out of the some 250 cases which were identified as potential security risks by Scott McLeod in 1956?

Mr. LOUGHTON. That was my understanding.

Mr. SOURWINE. So far as you know, what Department officials, either in or out of the Office of Security at the present time, are familiar with these 250 cases or with these 175?

Mr. LOUGHTON. Well, because of many transfers, I would only know one or two. Mr. Otepka; Mr. Hite had been there before and knew of——

Mr. SOURWINE. That is Harry Hite?

Mr. LOUGHTON. Harry Hite had been there before and knew of many cases.

Mr. Billy Hughes——

Mr. SOURWINE. Billy?

Mr. LOUGHTON. Yes, he used the name B-i-l-l-y, Hughes, H-u-g-h-e-s. I don't think any in my immediate office other than those three.

Mr. SOURWINE. Was Mr. Otepka at one time working on a project of updating the security files on these cases?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Do you know who was working with him?

Mr. LOUGHTON. Again, the only two that I knew—there may have been others before I went with the Department—the only two would be Mr. Hughes and Mr. Hite.

Mr. SOURWINE. Is it your understanding, Mr Loughton, that the project now with which Mr. Belisle is connected is a continuation of what Mr. Otepka was doing, or do you understand that there is some different purpose involved in the present project?

Mr. LOUGHTON. Well, as I understand now, Mr. Belisle is no longer on this project. But this, again, is just gossip. But the project he was on was a different project.

Mr. SOURWINE. How was it different?

Mr. LOUGHTON. So far as I know, it was a higher level, a special board that was looking into just these cases, had no other assignment so far as I know.

Mr. SOURWINE. And was it reviewing these cases to make some kind of a security decision, or was it simply updating the material as Mr. Otepka had been doing, or just what was this higher level board doing, if you know?

Mr. LOUGHTON. I don't know. I have no official knowledge of the board's function at all.

Mr. SOURWINE. How do you know that the project was any different from what Otepka was engaged in?

Mr. LOUGHTON. I say this only because I know Mr. Otepka had many other responsibilities at that time in supervising the Evaluations Division.

Mr. SOURWINE. I meant with respect to these 175 cases only, when I asked that question.

Mr. LOUGHTON. I cannot give you an informative answer to that question.

Mr. SOURWINE. In other words, you don't know just what was being done by this special board with which Mr. Belisle was connected?

Mr. LOUGHTON. No, sir; I heard only rumors.

Mr. SOURWINE. With respect to these 175 cases?

Mr. LOUGHTON. I heard only rumors.

Mr. SOURWINE. Did you have any reports that the board was examing these cases from the standpoint of determining how bad they were or what explanation might be given with respect to them if the Department was called upon?

Mr. LOUGHTON. No, sir; I really don't. I only understood that their action was reactionary, from the criticism that had been made of these cases laying dormant so long.

Mr. SOURWINE. In other words, the matter had been pulled out into the light again because of the activities of this committee and some newspaper comment?

Mr. LOUGHTON. Yes, sir.

* * * * * * *

Mr. SOURWINE. Mr. Loughton, do you feel there has been an erosion of the dedicated and competent security officers and evaluators in the Department today?

Mr. LOUGHTON. I have told Mr. Crockett and Mr. Porter this. Yes, sir; I do.

Mr. SOURWINE. Explain that, would you please?

Mr. LOUGHTON. Well, on the occasion that I went to see Mr. Crockett to complain about my relationships with Mr. Belisle, I told him what was happening, that we were getting no flowback from the front office on cases we worked on, we had no precedent to use. He, of course, realized the importance of this, asked me for cases, and said he would look into it and for me not to do anything until I heard from him next.

Mr. SOURWINE. When did the erosion or elimination of the competent and dedicated security officers, you might call them the old line security officers in the Department, begin?

Mr. LOUGHTON. Well, it had already taken place when I got there, according to Mr. Otepka. This was partly taken up in this term of reference.

Mr. SOURWINE. Some of them were gone already?

Mr. LOUGHTON. And there was no teaching program, no upgrading program for the evaluators to keep on top of things. They were given very little consideration, were kept in their what I called ivory towers and weren't brought out into the light, weren't given indoctrinations and orientations that I felt they needed. The erosion, I think, took place years before I got to the Department.

Mr. SOURWINE. Now, how many security officers in this category were transferred out of the Office of Security for the special project that you went to in March of this year?

Mr. LOUGHTON. Five and myself.

Mr. SOURWINE. Six altogether?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. Out of how many such officers in the Division of Evaluations?

Mr. LOUGHTON. Well, actually, they were the cream of the crop. They were—three were 13's and they were the only—they were three of five 13's. Really, the top evaluators that they had.

Mr. SOURWINE. Mr. Otepka had already been detailed out before that time?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. The Office of Security, I think it has been established, was shorthanded even before those men had transferred out to carry its workload of evaluations?

Mr. LOUGHTON. Yes, sir. This was the reason that they advanced for not giving us training and sending the men out for orientation.

Mr. SOURWINE. Do you know what has been done, if anything, to replace these men that were transferred out?

Mr. LOUGHTON. No, sir; not officially.

Mr. SOURWINE. You say not officially. Do you know unofficially?

Mr. LOUGHTON. Well, I get reports when I meet my old staff members, from time to time. I don't think anything actually has been done. They have brought a few men in from the field on temporary details but they have not restaffed to my knowledge.

Mr. SOURWINE. Are those men that they have brought in trained evaluators?

Mr. LOUGHTON. No, sir; not to my knowledge.

Mr. SOURWINE. What were they doing before they were brought in to do this evaluation work?

Mr. LOUGHTON. Well, generalizing, they were field men involved in investigations work, for the most part.

Mr. SOURWINE. So investigators have been brought in to act as evaluators?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. How many; do you know?

Mr. LOUGHTON. Oh, I could think back. I remember four or five; I don't know of any more than that.

Mr. SOURWINE. Mr. Loughton, have you observed any changes in the security practices and procedures of the Department of State since you have been there which have impaired the effectiveness of the personnel security program?

Mr. LOUGHTON. Well, again, I would have to say the very treatment that we got in Evaluations impaired our evaluations program by not getting full coordination and support and getting cases back indicating wherein we had gone astray in evaluating, or where we should take a different approach. Not having this correlation impairs the evaluations program right off the bat.

Mr. SOURWINE. Was there, while you were with the Department, an increase in the granting of waivers of preappointment investigations?

Mr. LOUGHTON. Well, I know this from reading the papers; yes, sir. This was not in my department, though.

Mr. SOURWINE. Was there, while you were with the Department, a change of procedure under which, through the adoption of the so-called short-form investigation report, investigators were given evaluating functions?

Mr. LOUGHTON. Yes.

Mr. SOURWINE. That was because the near decision as to what is derogatory information is an evaluative function?

Mr. LOUGHTON. Yes, the purpose was to eliminate backlogs so they tried to clear out the short form.

Mr. SOURWINE. Well, the elimination of a backlog is not adequately accomplished if you do it by some means which does not properly process the cases at the same time, is it?

Mr. LOUGHTON. That is clear.

Mr. SOURWINE. For instance, the committee had testimony a long time ago about a large number of immigrant cases running into many hundreds, not to say thousands—I don't recall the exact number—which were in a backlog and these were eliminated simply by an arbitrary order that any case that had been there a certain number of years should be marked "dead" and shipped out. This statistically eliminated the backlog, but it didn't accomplish any work.

Was a similar situation growing or did it exist in the Office of Security with respect to the elimination of backlog?

What I am trying to say is, and perhaps I should rephrase it this way: Was the backlog cut down at the expense of proper security evaluation?

Mr. LOUGHTON. I can't answer that officially. This is in Mr. Otepka's bailiwick. I just don't know.

Mr. SOURWINE. Well, you are a trained and experienced security officer. Do you consider an investigator who has not been trained in security work as competent to make a decision, even on whether information is derogatory?

Mr. LOUGHTON. No, sir.

Mr. SOURWINE. It is true, is it not, that it might be possible to secure a very favorable report on, say, a job applicant from an individual and yet have the mere fact of that favorable report a derogatory factor if the individual were known to be, for instance, a Communist-connected individual?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. And unless an investigator had a wide knowledge of persons in the subversive field who were known subversives, or known Communists, he might very well interview several with regard to an applicant and get favorable comments from all of them and not know that the fact of that multiplicity of favorable comments from such individuals was a derogatory factor.

Mr. LOUGHTON. That is true.

Mr. SOURWINE. Mr. Loughton, do you believe that personnel security practices and procedures in the State Department can be improved?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. What improvements would you suggest?

Mr. LOUGHTON. I told you the time I was here before, the best looking approach I have ever seen was the term of reference that brought me to the Department and which wasn't implemented, which wasn't followed through on. It was staffed, everything was set up to go, and then it was suspended.

Mr. SOURWINE. Have you made any suggestions for improvements in the practices or procedures in the personnel security field in the State Department?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. To whom did you make them?

Mr. LOUGHTON. Mr. Otepka.

Mr. SOURWINE. Did you make them in writing or orally?

Mr. LOUGHTON. Several I made in writing. Most would be oral, from day-to-day work.

Mr. SOURWINE. Would it be possible to furnish the committee with copies of any written memorandums in the nature of suggestions for improvement in procedures which you made?

Mr. LOUGHTON. Yes, sir. If I can get back into some of the files which I have since sent back to Security.

Mr. SOURWINE. Well, these files are still available in the Department, are they not?

Mr. LOUGHTON. Yes.

Mr. SOURWINE. Mr. Chairman, may the order be that we request these memorandums from the Department?

Senator DODD. Yes.*

Mr. SOURWINE. Mr. Loughton, have you had any contacts with Ambassador Flake?

Mr. LOUGHTON. Yes, sir.

Mr. SOURWINE. How many?

Mr. LOUGHTON. Three or four interviews, possibly more, because of this project that I spoke to you about that we had had for 3 days under his direction.

Mr. SOURWINE. Can you tell the subcommittee what was the gist of your conversations with Ambassador Flake?

Mr. LOUGHTON. As I recall, the first interview was classified. I can't remember clearly my instructions on this point when we were all told to cooperate with Ambassador Flake and with Mr. French. But it involved all the aspects of the Otepka case. We were all interviewed extensively the first time. I told them, just like I'm telling you, the situation.

Mr. SOURWINE. Well, now, without calling upon you for any classified information involving anything Ambassador Flake said to you, can you tell us whether you expressed any opinions concerning security practices to Ambassador Flake?

Mr. LOUGHTON. It was the time, I thought, to tell him just how I felt. As a matter of fact, he asked me specifically.

Mr. SOURWINE. And did you tell him?

Mr. LOUGHTON. I told him right down the line.

Mr. SOURWINE. What were the opinions about security practices which you expressed to Ambassador Flake?

Mr. LOUGHTON. Well, I told him we needed better evaluators, they needed better training, orientation, better correlation with the policy people. I told him we needed better access to the files, we needed better investigations and more support.

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*State Department advised by letter Sept. 16, 1965, Mr. Loughton assigned Guadalajara, Mexico, and search of Department files failed to locate any memorandums on the subject written by Mr. Loughton.

Mr. SOURWINE. One more question and we'll conclude with you, sir. Is there anything that you have not said which you feel you should say or would like to say in the interest of better security in the Department of State?

Mr. LOUGHTON. Well, I think for better security, Government-wide, it is time that Congress came out with a law that would give continuity to the security program. I think that we have been, in Evaluations, asked to do an impossible job with vacillating policies with each administration. And the criticism that has been brought on the evaluators themselves by doing jobs and then asking them to go back and do them over again and come up with a different decision, without spelling out exactly what they want, has been an undue burden.

Mr. SOURWINE. Let me get one thing clear. You used the phrase: "vacillating policies with different administrations." Did you mean to imply that this was in any sense a political matter and changed when a new administration came in, or did you mean to say this was a continuing situation which went on through a number of administrations?

Mr. LOUGHTON. Well, I have no deep political sense really. I suspect it is both.

Mr. SOURWINE. Did you have such changes and such vacillations during periods within a single administration?

Mr. LOUGHTON. Surely.

Mr. SOURWINE. It was, then, a continuing situation?

Mr. LOUGHTON. From the very beginning. You know how 9835 was devised. We had the Remington case; we sent it up to the Loyalty Review Board. They said: "But we agree that he was once disloyal, but there is no grounds for present disloyalty."

So they reversed the case. Such things as this just changed the program overnight.

Senator DODD. Did you say that evaluators were asked to reevaluate and reach a different conclusion?

Mr. LOUGHTON. Sure. This was expected.

Senator DODD. Well, this is an important point, I think. Was an evaluator actually instructed to reach a different conclusion?

Mr. LOUGHTON. Not specifically. They always say, "I don't want to interfere with your decision on this matter, but only use this information; don't go back into the case."

Senator DODD. I don't know quite what that means.

Mr. LOUGHTON. It is just a presumption. You say: "If I can't go back into the case, I have to rate the man eligible, whereas he was rated ineligible before."

If this matter was *res judicata* in 1950, you don't have material to rate the man ineligible. If you don't use this, my hands are tied, I can't come out with a sound recommendation.

Senator DODD. Let's see if I can get this more specifically. Assuming now that I am an evaluator and I have made an evaluation of Mr. X and you approach me and suggest that I reevaluate Mr. X—do I understand you correctly?

Mr. LOUGHTON. Yes, sir.

Senator DODD. Then you suggest that my reevaluation be based on new information?

Mr. LOUGHTON. Normally, a new investigation would be made, Mr.

Senator, and this would come to you with the case and say: "Now, does this new information change the picture any?"

We would say, "No," and they would say, "Why not?"

You would go back to the old information and say: "Because of this, he was rated on this old information adversely."

He would say: "Just the new information. That is closed."

Mr. SOURWINE. You used the term, *res judicata*, a moment ago. Do you mean in the legal sense, and you have used the policy and the evaluators have been asked to conform to the policy that when a man has once been cleared, nothing that happened prior to that time is ever to be considered again?

Mr. LOUGHTON. No, sir; but we are to take a fresh look at these things from time to time.

Senator DODD. It is rather difficult to talk about it, I suppose, to make it sensible. You would have to talk about a specific case.

Mr. SOURWINE. May I assume one, Senator? I think I can reach what you are getting at.

Assume the case of a man whom the Evaluations Division recommends for separation on strong security grounds, and assume that the head of the Office of Security has concurred in this recommendation. Assume further that thereafter, at a higher level in the Department, the man is ordered cleared. Has it been the policy, or is it now the policy that, in a reconsideration of the case thereafter, evaluators may not go back into the material which caused the original recommendation for separation on security grounds?

Mr. LOUGHTON. Well, you see the point, Mr. Sourwine. You have to oppose the Department if you go back and say: "I don't agree with their former rating here."

Mr. SOURWINE. This isn't a case of a rating, because the evaluation was adverse but the ruling was to clear.

Senator DODD. I don't think you make a very good record on this, talking about it in these general terms.

Mr. SOURWINE. I understand. There are a number of such cases as I outlined.

Senator DODD. I am sure there are. It is hard to say we can come to any conclusion about it in these terms. New information could change a situation, radically change it. I say, as a general discussion, I do not think it answers this.

Mr. SOURWINE. Very good.

I have no more questions, Mr. Chairman.

Senator DODD. Do you not agree?

Mr. SOURWINE. Sir, I would certainly agree with what the Chairman says. I think I could also agree with the witness that there might be a case where the new information might not change the situation, unless it furnished an excuse.

Senator DODD. It might be both. That is my point. It could change it, it could not change it. But factually, we do not get anywhere by just talking about it in those terms.

You say, "Well, here is a case where the facts were these." The new information in no wise changed these facts. Yet we were told to restrict our evaluation to the new information. Then you have something.

Mr. SOURWINE. May I discuss something off the record, Mr. Chairman?

Senator DODD. Yes.

(Off-record discussion.)

Senator DODD. I must leave.

Mr. SOURWINE. I understand. I think we can release this witness.

Senator DODD. Yes.

(Witness excused.)

Senator DODD. We will stand in recess.

(Whereupon, at 9:05 a.m., the subcommittee recessed.

TESTIMONY OF HENRI G. GRIGNON

FRIDAY, AUGUST 14, 1964

Senator Roman L. Hruska presiding.

Also present: J. G. Sourwine, chief counsel, and Benjamin Mandel, director of research.

(Mr. Grignon was previously sworn.)

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Mr. SOURWINE. Sir, because this will be useful to the committee in connection with its consideration of standards in the security field, and since you have qualified yourself on the basis of your former testimony as a man with many years of experience in this field, I would like to ask a few questions about Executive Order 10450 and its application.

You are familiar with that order, are you not?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. This is the order which was issued by President Truman, or is this Mr. Eisenhower's order?

Mr. GRIGNON. That was President Eisenhower's order.

Mr. SOURWINE. And, under that order, what are the grounds for separation of an employee in the Department of State?

Mr. GRIGNON. That would be an employee who was found to be disloyal, of poor character.

Mr. SOURWINE. Are you through?

Mr. GRIGNON. Well, there are other provisions in there that have to be assessed in connection with the information that is received from investigation.

Mr. SOURWINE. But the two grounds for dismissal under 10450 are, if I understand you correctly, disloyalty and poor character?

Mr. GRIGNON. And then we have to give consideration to morals aspects.

Mr. SOURWINE. Would that go to the question of poor character?

Mr. GRIGNON. It is involved with that, sir.

Mr. SOURWINE. Would that go to the question of disloyalty?

Mr. GRIGNON. Not necessarily. It would depend on whether or not the man had compromised himself and made himself subject to coercion.

Mr. SOURWINE. Are there other points you are required to consider under Executive Order 10450?

Mr. GRIGNON. We would consider suitability as it applies to the man's loyalty. There are certain suitability factors that also have to be considered from a personnel standpoint.

Mr. SOURWINE. I am a little bit lost there because you may have used the word "suitability" in two different ways. Would you explain what you mean by saying that you have to consider suitability as regards loyalty?

Mr. GRIGNON. Well, suitability I believe I consider to be very difficult to define. In fact, I also feel that there is a lot of clarification that should take place in the field of suitability.

Mr. SOURWINE. Do you think Executive Order 10450 is unclear on this point?

Mr. GRIGNON. Well, it leaves a lot to interpretation. There are also the medical aspects of the individual.

Mr. SOURWINE. You say "a lot to interpretation." You don't mean it leaves a lot to be evaluated under known standards? You mean, first there has got to be an interpretation of what the standards are before you can do any evaluating under them? That is, the problem, as I understand you are saying, is interpreting 10450 with regard to what is suitability.

Mr. GRIGNON. I don't know that there have ever been any fixed standards established on suitability.

Mr. SOURWINE. I see. What are the suitability factors named under 10450, if you know?

Mr. GRIGNON. I am sorry. I do not know.

Mr. SOURWINE. You administer this Executive order, don't you?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. As Acting Director in the Office of Security and Acting Deputy Assistant Secretary for Security, which you are?

Mr. GRIGNON. Acting Deputy Assistant Secretary for Security; yes, sir.

Mr. SOURWINE. You are the top official in the Department directly concerned with the administration of 10450?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. Do you know when Executive Order 10450 was promulgated?

Mr. GRIGNON. In 1953.

Mr. SOURWINE. And all the time since 1953 have you been engaged in security work which involved the administration of this order or the execution of duties based on this Executive order?

Mr. GRIGNON. In that context I could not say "Yes."

Mr. SOURWINE. How much of that time have you been dealing with matters which involved the administration of this Executive order?

Mr. GRIGNON. I have been closely allied to it through my security work during that period, but I never had the responsibility for discharging the responsibilities under the Executive order.

Mr. SOURWINE. Were you ever a security evaluator?

Mr. GRIGNON. In my previous testimony I indicated that as a desk supervisor, I did handle applicant cases. However, I did not write the evaluations themselves.

Mr. SOURWINE. No. But didn't you, in that position, have to know and understand the contents of Executive Order 10450?

Mr. GRIGNON. Yes, sir. But more—this was in 1952. This was before 10450.

Mr. SOURWINE. I see. So you have not, until you became assistant to Mr. Gentile, had a position which required you to know the contents and the interpretation of Executive Order 10450.

Mr. GRIGNON. Not in all of its applications; no, sir.

Mr. SOURWINE. I see. And I presume that your testimony would indicate, and I will ask you if you mean to indicate, that some of the aspects which you have not been required to know and administer are the aspects of suitability and criteria for suitability under the order.

Mr. GRIGNON. On the criteria of suitability, I have become more involved with that since my appointment to the Department. Prior to that time I was not too involved.

Mr. SOURWINE. Are you assured 10450 says anything about suitability?

Mr. GRIGNON. I do not know whether the term itself is used; no, sir.

Mr. SOURWINE. What does the order say about suitability if it says anything?

Mr. GRIGNON. I am not sure, sir.

Mr. SOURWINE. How does that Executive order affect suitability if it affects it at all?

Mr. GRIGNON. Well, I would think that the suitability factors developed in the course of an investigation would have to be assessed against the character of the individual. In addition to that, some of the suitability factors may be of interest to the Medical Division.

Mr. SOURWINE. Under Executive Order 10450?

Mr. GRIGNON. Yes, sir. I would think so, yes.

Mr. SOURWINE. 10450?

Mr. GRIGNON. 10450.

Mr. SOURWINE. Now, when you speak of suitability, do you consider that as a factor, under one of the two causes for separation which you told us comprise Executive Order 10450; that is, disloyalty or bad character?

Mr. GRIGNON. This is where the area is gray.

Mr. SOURWINE. I see.

Mr. GRIGNON. On the application of standards for suitability.

Mr. SOURWINE. Are you meaning to say that a suitability factor might go to the question of disloyalty or might go to the question of bad character, either one?

Mr. GRIGNON. It depends on the facts developed in connection with the suitability. It could not [1] happen.

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[1] (EDITOR'S NOTE.—The following letter was received by the subcommittee:)

SEPTEMBER 18, 1964.

Mr. HENRI G. GRIGNON,
Assistant Director for Personnel Security,
Department of State,
Washington, D.C.

DEAR MR. GRIGNON: All of the changes in your testimony requested by your letter of Aug. 31, 1964, have been made with the exception of your request for deleting the word "not" in the third line on p. 4154. Since the context of the transcript indicates that you probably did say "not", and since the next question of committee counsel indicates that counsel heard you say "not", and since leaving this word in the record where it now appears cannot possibly be misleading because your answer was corrected immediately thereafter, the particular deletion you have requested will not be made.

The information concerning who will occupy certain space to be vacated by the Office of Security, provided in the third paragraph of your letter, has been ordered included in the record at the proper place.

Thank you for your cooperation.

Sincerely,

THOMAS J. DODD,
Vice Chairman, Internal Security Subcommittee.

cc: Hon. Robert E. Lee, Acting Assistant Secretary for Congressional Relations.

Mr. SOURWINE. What could not happen?

Mr. GRIGNON. I say it could happen.

Mr. SOURWINE. Either way?

Mr. GRIGNON. I would think so; yes, sir.

Mr. SOURWINE. Are the suitability factors to be considered different when you are considering them in connection with determining a question of loyalty or disloyalty from what they are when you are considering a question of bad character?

Mr. GRIGNON. Well, loyalty, of course, is most important in the security evaluation.

Mr. SOURWINE. Yes, sir.

Mr. GRIGNON. And if there are suitability factors that would have an effect upon loyalty, that is of grave importance.

Mr. SOURWINE. I see.

Mr. GRIGNON. But I believe that the suitability factors involved in moral character would also have great weight.

Mr. SOURWINE. Yes, sir. What is the basic question to be determined in deciding whether a man is to be dismissed under Executive Order 10450 because of bad character? Where do you draw the line?

Mr. GRIGNON. I think this question is academic in a case of the State Department because——

Mr. SOURWINE. You mean you do not have any bad character cases there?

Mr. GRIGNON. If I may continue, because of this reason. As I have found—at least I have been told—that there has never been an applicant discharged under Executive Order 10450 in the last 5 or 6 years, at least, in the Department.

Mr. SOURWINE. That may be true. It is interesting to have your information on that point. Who told you this?

Mr. GRIGNON. This was given to me by Mr. Traband, Deputy Chief of the Division of Evaluations.

Mr. SOURWINE. That is Fred Traband?

Mr. GRIGNON. That is right.

Mr. SOURWINE. T-r-a-b-a-n-d?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. Never been discharged because of bad character, you say, or never been discharged under 10450?

Mr. GRIGNON. Dicharged under 10450. May have been discharged but not under 10450.

Mr. SOURWINE. Can a man be discharged for bad character otherwise than through 10450?

Mr. GRIGNON. Yes, sir. Through personnel recourses.

Mr. SOURWINE. Would that be a suitability discharge as disassociated—if you do disassociate it in your mind, as it appears you do—from a bad character discharge?

Mr. GRIGNON. I do not know how personnel handles the actual discharge.

Mr. SOURWINE. No, no. I am asking you how Security handles it. Do you mean to imply that the Office of Security is not interested in the bad character discharges?

Mr. GRIGNON. Oh, yes. And this——

Mr. SOURWINE. Or that the Office of Security is not interested in suitability discharges?

Mr. GRIGNON. Yes. This information which is accumulated ordinarily from our security investigations is passed over to the Office of Personnel, and the case is referred to them for disposition.

Mr. SOURWINE. In what kind of a case?

Mr. GRIGNON. In the suitability cases that we are discussing.

Mr. SOURWINE. Do you mean suitability cases which are not bad character cases?

Mr. GRIGNON. I am talking about suitability cases.

Mr. SOURWINE. Yes, sir.

Mr. GRIGNON. That pertains principally to conduct, but even in other types of cases of which I have been apprised, where there could be poor character on the part of the individual. Those have also been referred to the Office of Personnel for disposition.

Mr. SOURWINE. Does the Office of Personnel make decisions with respect to whether an employee should be separated on grounds of bad character under Executive Order 10450?

Mr. GRIGNON. I think what we have to point out here is that there is a close working relationship between the Office of Security and Personnel.

Mr. SOURWINE. Oh, I am sure that is true, but the responsibility for decisions must rest somewhere.

Mr. GRIGNON. And in addition to this, there is also a personnel panel which is composed at a high level within the Department who is also involved in these cases for a decision on disposition.

Mr. SOURWINE. You mean a panel under and reporting to the Personnel Office?

Mr. GRIGNON. No, sir. This is a panel reporting to the Deputy Under Secretary of State for Administration.

Mr. SOURWINE. Not a panel reporting to the Deputy Assistant Secretary for Security?

Mr. GRIGNON. No, sir.

Mr. SOURWINE. And such a panel, or panels of this nature, make, do they, decisions with respect to whether an employee should be separated on grounds of bad character under Executive Order 10450?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. They do. Are you involved in making recommendations to them for their decision or do they make it themselves?

Mr. GRIGNON. There are several components that are involved in making, presenting cases to this panel. The Office of Security is one. The Office of Personnel is another.

Mr. SOURWINE. I would think, sir, that if bad character is a ground for separation under Executive Order 10450, as you have told us, certainly the Office of Security would then have to waive its jurisdiction with respect to the kind of bad character which constituted a security factor before anybody else could make a decision about separation on a kind of bad character which does not involve, or is not, a security decision. Am I wrong about this?

Mr. GRIGNON. Well, it is not a case of waiving. I think it is more of a case of having a joint understanding as to how the case will be disposed of.

Mr. SOURWINE. You mean that you and the personnel people, or your office and the Personnel Office people, will get together and decide who has the proper jurisdiction in this thing?

Mr. GRIGNON. I think it is more the decision as to the proper and most expeditious way of handling the case.

Mr. SOURWINE. You handle the separation case in whichever way is the most expeditious under the circumstances?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. Can you tell us, sir, what are the specific suitability factors under Executive Order 10450?

Mr. GRIGNON. I cannot, sir.

Mr. SOURWINE. Can you tell us what—would you read my last question back?

(The question requested was read by the reporter.)

Mr. SOURWINE. That is what I thought I said. I misspoke myself. I am sorry. And I made you reiterate what you had already testified to. I apologize.

Mr. GRIGNON. That is all right, sir.

Mr. SOURWINE. I meant to ask whether you can tell us what are the security factors under Executive Order 10450.

Mr. GRIGNON. Well, we are talking about loyalty.

Mr. SOURWINE. Yes, sir.

Mr. GRIGNON. Character.

Mr. SOURWINE. Yes, sir.

Mr. GRIGNON. Many compromising situations which would lead to coercion on the part of an individual.

Mr. SOURWINE. Which one of these two facets would that come under, the loyalty-disloyalty decision or the good character-bad character decision?

Mr. GRIGNON. That could possibly be influenced by the facts in the case.

Mr. SOURWINE. I see. It might be under one; it might be under another?

Mr. GRIGNON. Possibly.

Mr. SOURWINE. I see. How far do you go in investigating, in the case of an applicant for employment in the State Department, concerning whom there is information involving subversive activity by the employee?

Mr. GRIGNON. I would say that that has to be checked out to the infinite degree.

Mr. SOURWINE. Your standard is to carry that investigation to the ultimate?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. You do not quit when you have a substantial amount of evidence or enough to prove that he has engaged in subversion? You go all the way and try to find out just what he has done and just how far he has gone along that line? Is that what you are testifying?

Mr. GRIGNON. Again, it depends on the individual facts in the case. It is difficult to give a broad statement.

Mr. SOURWINE. Well, I am just trying to understand your statement. I am not complaining that it is broad or narrow. I had understood you to say that you went all the way to the ultimate degree in an investigation in one of these cases which involved an applicant for employment, who did have in his file initially a record—again at or near the beginning of the investigation—of information indicating he had engaged in subversive activity.

Mr. GRIGNON. I see.

Mr. SOURWINE. And I am trying to find out what you mean by "going all the way" or "ultimate degree." What is "all the way"? What is the "ultimate degree"?

Mr. GRIGNON. Well, apparently the question is raised in connection with an applicant.

Mr. SOURWINE. Yes, it was.

Mr. GRIGNON. And in that particular instance, once the first indications are shown that there have been subversive activities on the part of the applicant, then that case would have to be referred to the Federal Bureau of Investigation under their loyalty responsibilities.

Mr. SOURWINE. I see. Just as soon as there is any indication in the file of possible subversive activity, you make it an FBI case under your regulations?

Mr. GRIGNON. As soon as a determination can be made that there is an indication of subversive activities; yes, we would have to refer——

Mr. SOURWINE. Who would make the determination that there is an indication of subversive activity?

Mr. GRIGNON. Well, I have not had a case come up in this category since I have been with the Department.

Mr. SOURWINE. You mean you have never seen an employee applicant case which involved allegations of subversive activity or possible subversive activity by the employee?

Mr. GRIGNON. I know of such cases. However, since I have been in the Department, I have not seen a case where this has happened where we have referred it to the Federal Bureau of Investigation.

Mr. SOURWINE. Well, that is different from saying you have never seen such a case since you have been in the office, isn't it?

Mr. GRIGNON. I—[pauses].

Mr. SOURWINE. Which is the fact, that since you have been in your position as assistant to Mr. Gentile, you have never seen an applicant case which involved allegations of possible subversive activity; or that you have never seen such a case which you referred to the FBI?

Mr. GRIGNON. I have never seen such a case that has been referred to the FBI by the State Department, and I have seen—I am knowledgeable of two cases where as a result of the national agency name checks that were conducted, that the FBI did take over the case.

Mr. SOURWINE. Well, I am not concerned with whether they took it over but with whether, since you have been in your position as Assistant Director of the Office of Security, or Acting Director, or as assistant to Mr. Gentile, you have seen any employee applicant case which involved allegations of possible subversive activity by the employee. Since you have already said you did not see such a case which was referred to the FBI, what is left of the question is: Did you see such a case which you did not refer to the FBI?

Mr. GRIGNON. I actually see very few applicant cases, and I cannot recall seeing one in which subversive activities were noted.

Mr. SOURWINE. I thought that was probably the case in view of your earlier answer, but you had made the distinction, and I wanted to get the record clear on it.

Mr. GRIGNON. This is since I have been in the Department.

Mr. SOURWINE. Yes. Why did you make the distinction? Do you know, or was it just something that came out without intending to make a distinction?

Mr. GRIGNON. No. Over the period of my career in security, I, of course, am knowledgeable of certain cases where subversive activities were involved.

Mr. SOURWINE. Certainly.

Mr. GRIGNON. And this was what I was referring to, not to the specific period I was in the Department of State.

Mr. SOURWINE. The distinction seemed to be turning on whether you had referred the case to the FBI. That is not what you intended?

Mr. GRIGNON. I am not too clear that I understand your point.

Mr. SOURWINE. You did not intend to make a distinction between employee applicant cases which involved subversive activity allegations which had been referred to the Bureau and such cases which had not been referred to the Bureau?

Mr. GRIGNON. If I understand your question correctly, the answer would be no, sir.

Mr. SOURWINE. You did not intend to do so. All right.

Is there any limit prescribed by law or Executive order with respect to the length that the Security Office may go in a security investigation?

Mr. GRIGNON. Well, normally we go back 15 years in a man's life.

Mr. SOURWINE. That is a long way back.

Mr. GRIGNON. Or at least back to age 18. And the normal investigation verifies citizenship, education, employment.

Mr. SOURWINE. Does a man have to be a citizen to work for the State Department?

Mr. GRIGNON. Under Civil Service Commission rules the man has to be a citizen of the United States to work for the U.S. Government.

Mr. SOURWINE. I see. Does he have to be a citizen to be employed as an officer in the Foreign Service or as FSR or FSS?

Mr. GRIGNON. I never actually read the law on that, but I would presume that that would also be applicable.

Mr. SOURWINE. I see. Go ahead.

Mr. GRIGNON. We also would interview references, neighborhood checks would be conducted, credit checks would be conducted, police checks, national agency name checks would be appropriate.

Mr. SOURWINE. What I am trying to get at is merely a question of how far you pursued this matter of possible or alleged subversive activity where there is an original allegation in one of these cases of possible subversive activity. How far do you pursue that matter in your investigation before you make some disposition of the case?

Mr. GRIGNON. Well, once the case would indicate subversive activities on the part of the applicant, at that point the decision would have to be reached to transfer the case to the Federal Bureau of Investigation.

Mr. SOURWINE. I see. And it would not come back to you? You do no more investigating with regard to it.

Mr. GRIGNON. My understanding is that it becomes a loyalty case for the FBI to handle.

Mr. SOURWINE. Well, they do not make decisions with respect to loyalty cases, do they?

Mr. GRIGNON. Well, from there it would probably be taken up by the Attorney General for prosecution, if necessary.

Mr. SOURWINE. I see. It would not come back to the State Department for you to handle to make a decision with regard to the loyalty matter?

Mr. GRIGNON. Well, there again it depends upon the facts that are developed. I would imagine in the course of the FBI investigation, if the allegations or the indications were not substantiated by their investigation, they might, I would presume, refer it back to the Department.

Mr. SOURWINE. Well——

Mr. GRIGNON. On the other hand——

Mr. SOURWINE. And they might not, in other words. They would have a discretion?

Mr. GRIGNON. On the other hand, if they do obtain facts that would indicate prosecution, I would presume that it then would be turned over to the proper components of the Department of Justice for prosecution.

Mr. SOURWINE. I see. Let me be sure I understand this now. I think I do. Have you said that, in the case of an employee applicant concerning whom there are allegations or information of possible subversive activity, it would go to the FBI which would then determine, on the basis of its investigation, whether the charges were substantiated and if they were not, would refer the matter back to you, or might, in their discretion, not do so; and that, if the FBI investigation establishes disloyalty, it would then be referred to the Attorney General for prosecution?

Mr. GRIGNON. I do not know whether or not the FBI actually makes a decision in the matter, but the two cases which give me an indication in that direction which I referred to previously where they picked up the case as a result of a national agency name check, those cases were referred back to us for evaluation following the completion of their investigation.

Mr. SOURWINE. I see.

Mr. GRIGNON. Based apparently on the fact that they did not feel that there was information developed that would require referral for prosecution.

Mr. SOURWINE. You say apparently they did not feel that. You mean the Bureau indicated, in referring the matter back to you, that it did not feel there had been anything developed to justify prosecution?

Mr. GRIGNON. All they do as I understand it is just to send us—just to return—just to send us their investigative reports.

Mr. SOURWINE. Well, how do you know what their conclusion was then as to whether there should be prosecution?

Mr. GRIGNON. The fact that they return the investigative reports to us would indicate that the matter is returned to us for adjudication and evaluation.

Mr. SOURWINE. And from that you would conclude that the Bureau had decided there was not enough there to support prosecution?

Mr. GRIGNON. I would presume so; yes.

Mr. SOURWINE. I see.

Had these two cases you mentioned, which you say the Bureau got through a name check, been referred to the Bureau by your office initially?

Mr. GRIGNON. No, sir; this is where I made the distinction.

Mr. SOURWINE. I see.

Mr. GRIGNON. It is that when we conduct a name check, the FBI,

depending upon whatever information they may have in their files, has the opportunity to pick up the case as a loyalty case on their own.

Mr. SOURWINE. I see; take it away from you?

Mr. GRIGNON. Take it away from us.

Mr. SOURWINE. I see. And in two cases they did do this?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. And then subsequently returned the cases to you?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. I see.

Mr. GRIGNON. On the other hand, if we in our normal investigation do obtain information which indicates that there is loyalty aspects to the case of an applicant, then we also have, of course, the responsibility to refer the case to the FBI. This is the type of case——

Mr. SOURWINE. For their determination as to whether it should be prosecuted?

Mr. GRIGNON. For their investigation. How they handle it internally within the Department of Justice, I do not know.

Mr. SOURWINE. That would depend on the results of the FBI investigation?

Mr. GRIGNON. I would presume so.

Mr. SOURWINE. If they deem there is enough there for prosecution, they could turn it over to another branch of the Department for prosecution, or if not, they could return it to you?

Mr. GRIGNON. I would presume so; yes.

* * * * * * *

Mr. SOURWINE. Mr. Grignon, do you consider investigators in the Division of Investigations competent to perform security evaluations?

Mr. GRIGNON. I believe I covered that question last week in my testimony.

Mr. SOURWINE. If you think you covered it adequately, I will stop. Mr. Chairman, I wonder—may I go off the record?

(Discussion off the record.)

Mr. SOURWINE. Did you, sir, ever, yourself, have a conference with Mr. Otepka?

Mr. GRIGNON. No, sir.

Mr. SOURWINE. You never met him face to face?

Mr. GRIGNON. No, sir.

Mr. SOURWINE. Is Mr. Belisle still employed by the Office of Security?

Mr. GRIGNON. I do not know whether he actually occupies one of our positions at the present time. He may.

Mr. SOURWINE. All right.

Do you know the work Mr. Belisle is performing at the present time in Mr. Crockett's office?

Mr. GRIGNON. He is the Executive Director, I believe is the title that has been given to him.

Mr. SOURWINE. The question only calls for a yes or no. Not meaning to limit you, but all I am asking now is do you know what work he is performing?

Mr. GRIGNON. Yes.

Mr. SOURWINE. Can you tell us if he is performing security functions?

Mr. GRIGNON. In a way, since he is the Executive Director of the Personnel Panel.

Mr. SOURWINE. As a matter of fact, he is in charge of a project for reviewing some 175 security cases of top level Department employees, isn't he?

Mr. GRIGNON. I am not familiar with that.

Mr. SOURWINE. You do not know that he is reviewing security cases?

Mr. GRIGNON. My understanding is that it is in connection with his work with the Personnel Panel.

Mr. SOURWINE. Well, this Panel is charged with reviewing a group of security cases of top level people, isn't it?

Mr. GRIGNON. The Panel is charged with the review of any case that may be brought to its attention.

Mr. SOURWINE. All right.

Mr. GRIGNON. Either by the Office of Security, Office of Personnel——

Mr. SOURWINE. Can you bring cases to this board's attention?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. On your own discretion?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. Have you been given any guidelines as to what kind of cases you may bring to this Panel or send to this Panel or should bring or send to this Panel?

Mr. GRIGNON. No written guidelines.

Mr. SOURWINE. Have you been told orally about this?

Mr. GRIGNON. It is more of an understanding.

Mr. SOURWINE. All right. What is your understanding?

Mr. GRIGNON. Any case which requires resolution at a higher level should be brought to this Panel's attention.

Mr. SOURWINE. You mean the Office of Security is abdicating its function of making decisions and recommendations in the security field?

Mr. GRIGNON. No. It is not a case of abdication. It is a case of close coordination with the other components of the Department that are involved with personnel as well as with our superiors.

Mr. SOURWINE. You have been told, if I understand your testimony correctly, that any security case involving resolution at a higher level, meaning higher than you, should go to this Panel.

Mr. GRIGNON. That is correct.

Mr. SOURWINE. Is this Panel then put in the line of command for determination of security cases immediately above you and between you and the Secretary?

Mr. GRIGNON. It could be said that it is between the Office of Security and the Secretary but——

Mr. SOURWINE. It is above you?

Mr. GRIGNON. In this sense, that Mr. Crockett is the chairman of this Panel.

Mr. SOURWINE. All right. What I am trying to get at is whether this involves a change in the procedure in the handling of security cases. Does it?

Mr. GRIGNON. I would say so.

Mr. SOURWINE. You have not always had such a Panel?

Mr. GRIGNON. No. This is a recent innovation.

Mr. SOURWINE. Now, ordinarily isn't it true that a security case only goes upward from you—when it has come to you—if you decide ad-

versely to the employee, because, if you decide favorably to the employee, you have authority to clear him?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. So you are then under instructions, are you, to send to this Panel of which Mr. Belisle is the executive secretary every security case that you do not clear, every case which comes to you that you do not clear?

Mr. GRIGNON. Not specifically in that sense.

Mr. SOURWINE. I think that what I have said is accurate, and I will point out to you why, but I am not trying to force you to agree with me. You have said that you were to send up every security case which required determination at a higher level than you. The only security cases which do require such determination are cases where you make a finding adverse to the employee and which have been decided adversely to the employee all the way down to the level of the Chief of the Division of Evaluations. Isn't that right?

Mr. GRIGNON. I think the term that should be used is security resolution. What happens——

Mr. SOURWINE. It is a determination of the case, isn't it?

Mr. GRIGNON. Well, what happens is that a case will come up for decision as to which course of action the Department of State should take, and at these panel hearings, panel meetings, an agreement is reached as to which course of action will be taken to dispose of the case.

Mr. SOURWINE. You mean the Panel decides.

Mr. GRIGNON. Sometimes they will require further investigation. Other leads could be followed through. It may be indicated that the individual should be discharged by the preferment of charges or may be discharged through the personnel channel.

Mr. SOURWINE. Well, the Panel then has a wide discretion in this area?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. It can make a decision along any one of these lines you have indicated?

Mr. GRIGNON. Correct.

Mr. SOURWINE. And it might or might not come back to you depending on the——

Mr. GRIGNON. Right.

Mr. SOURWINE. Are cases ever sent forward to this Panel from a level below you?

Mr. GRIGNON. No. They are prepared——

Mr. SOURWINE. Can someone below you make a decision to send a case to the Panel?

Mr. GRIGNON. He can make a recommendation to that effect.

Mr. SOURWINE. Without you seeing it?

Mr. GRIGNON. No. The recommendation to the Deputy Assistant Secretary for Security who then would indicate "Yes," this is a type of case that should go to the Panel.

Mr. SOURWINE. In other words, you, in the position you are now occupying, would make that decision?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. The Chief of the Division of Evaluations cannot make it?

Mr. GRIGNON. No, sir.

Mr. SOURWINE. And no one else below you can make the decision and send the case to the Panel without consulting you?

Mr. GRIGNON. That is right, sir, from the Office of Security.

Mr. SOURWINE. Now, no security case can come to you unless all the decisions below you, down to the level of the Chief of the Division of Evaluations, have been adverse to the employee, isn't that correct?

Mr. GRIGNON. Oh, not necessarily.

Mr. SOURWINE. You mean that there is somebody below you who can make an adverse decision stick without giving you a chance to review it?

Mr. GRIGNON. No. Any time that someone below the level of the Deputy Assistant Secretary for Security makes an adverse decision, then that case, of course, has to come to the Deputy Assistant Secretary for Security.

Mr. SOURWINE. All right. And if somebody below you makes a decision favorable to the employee, if that man is at or above the level of the Chief of the Division of Evaluations, he can clear him.

Mr. GRIGNON. That is correct.

Mr. SOURWINE. In which case it would not come to you?

Mr. GRIGNON. However, in such cases it would be incumbent upon the Division of Evaluations to bring the matter to our attention.

Mr. SOURWINE. Would it? When was that put into effect?

Mr. GRIGNON. If I were in position of the Division of Evaluations and there were certain factors in the case which were borderline and on which I felt I needed some help, that avenue for the utilization of the Personnel Panel would be available.

Mr. SOURWINE. That is a different thing. A subordinate can always ask his superior for advice or guidance, but I am talking about a determination. If the man who is Chief of the Division of Evaluations at any particular time, or acting in that capacity, finds favorably on the case, he does not recommend approval and send it to you. He clears the man, doesn't he?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. So that all you ever get referred to you for determination or action are cases which have been decided adversely below?

Mr. GRIGNON. That is correct, except——

Mr. SOURWINE. And you have told us that every case which comes to you which requires determination at a higher level has to go to the Board, is that not right? If it has come to you and you have the case, and if you know the case has to be determined or resolved at a higher level, you are required to send it to the Board. Is that not what you told us?

Mr. GRIGNON. We make the decision based on the individual facts in the case.

Mr. SOURWINE. I understand. But, if your decision is that the case has to have determination at a higher level, then you have to send it to the Board, am I right about that?

Mr. GRIGNON. Not necessarily. We can use that access or we can go directly to Mr. Crockett and on in to the Secretary.

Mr. SOURWINE. It is discretionary with you whether you use the Board?

Mr. GRIGNON. Depending on the facts.

Mr. SOURWINE. You have not been told by anybody to send all cases to the Board where they had to have resolution or determination at a higher level?

Mr. GRIGNON. No. I think that the answer to that is that, depending upon the individual facts, a determination is made as to whether or not the case should go to the Panel.

Mr. SOURWINE. That is made by you? With respect to cases which have come to you, the decision whether to send them to the Panel is made by you?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. And what are the criteria you have been told to use in making that decision?

Mr. GRIGNON. We have no written criteria.

Mr. SOURWINE. You have not, then, been told to refer to the Board or the Panel every case which comes to you and which you decide, or know, has to have a determination at a higher level than yours?

Mr. GRIGNON. I believe one thing that should be pointed out here is the fact that the Personnel Panel normally reviews the cases of actual employees in the Department.

Mr. SOURWINE. Yes.

Mr. GRIGNON. In the case of applicants, it would be an unusual type of case that would go through the Panel.

Mr. SOURWINE. I am talking only about employee cases. I understood that was all you were talking about with regard to the Panel. That was all you were talking about, wasn't it? You never refer an applicant case to the Panel?

Mr. GRIGNON. There have been cases where policy decisions have had to be referred to the Panel.

Mr. SOURWINE. In an applicant case?

Mr. GRIGNON. In connection with applicant cases.

Mr. SOURWINE. All right. All my questions were intended to comprehend employee cases.

Mr. GRIGNON. I would like to explain this. In the case of an employee, the case necessarily does not have to come out of the Division of Evaluations to go to the Panel.

Mr. SOURWINE. I understand that. You have already testified to that.

Mr. GRIGNON. It would come out of the Special Assistance Staff, where a good portion of the cases that the Security Office has referred to the Panel came from.

Mr. SOURWINE. You mean that the case will go to the Panel without an evaluation report?

Mr. GRIGNON. I do not know whether or not you understand the activities——

Mr. SOURWINE. I do not understand what you just said.

Mr. GRIGNON (continuing). —of the special assignment staff.

Mr. SOURWINE. No, sir. Would you tell us, please?

Mr. GRIGNON. The special assignment staff was established to review particularly cases of a counterintelligence nature, cases where there might be compromising of employee—of State Department employees.

Mr. SOURWINE. But these are all employee security cases.

Mr. GRIGNON. These are employee security cases, that is correct.

Mr. SOURWINE. All right.

Where is this organization that you are speaking of? Is it in the Office of Security?

Mr. GRIGNON. This is in the Office of Security.

Mr. SOURWINE. Under you?

Mr. GRIGNON. It answers directly to the Deputy Assistant Secretary for Security.

Mr. SOURWINE. Where does it get its cases, when it gets them before they have been to the Division of Evaluations?

Mr. GRIGNON. Well, it could come from a number of sources. Information that is developed during investigation, interrogations of employees.

Mr. SOURWINE. You mean this Board can just open up a security case on its own discretion on the basis of information that comes to its——

Mr. GRIGNON. That it has to look into; yes, sir.

Mr. SOURWINE. It can?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. And then it can send that case directly to the Panel of which Mr. Belisle is the executive secretary?

Mr. GRIGNON. Through the Deputy Assistant Secretary for Security.

Mr. SOURWINE. Without ever letting it go to the Division of Evaluations and without referring it to you. Is that right?

Mr. GRIGNON. No. It has to be referred to the Deputy Assistant Secretary for Security.

Mr. SOURWINE. To you as acting or to Mr. Gentile?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. But that is the only clearance?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. And it is referred to him, not for his clearance, but only for his permission to send it over to the Panel of which Mr. Belisle is secretary?

Mr. GRIGNON. For approval.

Mr. SOURWINE. Approval of sending it?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. Rather than expression of a determination of the case or resolution of the case by him?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. In other words, he does not have a chance, at the time he sees that case, to say, "I am going to clear the man." He can only say, "Send it to the Board," or "I do not think it is ready to go to the Board yet," is that correct?

Mr. GRIGNON. Depending on the facts again in the case, there might be a different approach taken by either Mr. Gentile or myself where we might feel that this additional investigation is necessary or further——

Mr. SOURWINE. But would you send it down to the Investigations Division, or would you send it back to this special branch and let them do the investigation?

Mr. GRIGNON. The special assignment staff can send out leads for investigations directly overseas, and most of these cases involve overseas.

Mr. SOURWINE. Who is the head of the special assignment staff?

Mr. GRIGNON. Currently it is an acting chief, Mr. Patrick Rice.

Mr. SOURWINE. Do you feel your testimony on this point is clear now? Are you satisfied with it?

Mr. GRIGNON. I believe so.

Mr. SOURWINE. What you have described, if the record reads as I heard your testimony, is contrary to every conception of good security and contrary to the protected rights of the employees of the Department of State.

* * * * * * *

Mr. SOURWINE. I have this final question. Mr. Grignon, are you familiar with a certain office under the control of, and used by, the Office of Security, which has been specially soundproofed and equipped?

Mr. GRIGNON. Yes.

Mr. SOURWINE. Are you thinking now in this connection about an office whose equipment includes concealed listening equipment?

Mr. GRIGNON. That is correct.

Mr. SOURWINE. Has this office been moved since the Office of Security occupied the new building in 1959?

Mr. GRIGNON. I only know its current location. I do not know where it was moved from in 1959 to where it is now.

Mr. SOURWINE. Is it contemplated to be moved again in the near future?

Mr. GRIGNON. Yes, sir.

Mr. SOURWINE. Do you know that it took a substantial amount of money, in the neighborhood or in excess of $5,000, to equip this room and that it would take a similar amount to equip a new room with the necessary acoustic material and the special devices, including listening devices?

Mr. GRIGNON. I presume it would cost money, but I am not familiar with the $5,000 amount indicated.

Mr. SOURWINE. Have you approved this move or had anything to say about it or was it all decided at a higher level and without any interposition by you of approval or rejection?

Mr. GRIGNON. Well, there has been a tremendous amount of moving around of offices in the Department in recent months.

Mr. SOURWINE. That does not answer the question.

Mr. GRIGNON. And we were one of the offices that was required to be displaced. And as a result, the space where this particular room is located is being made available to another component, and as a result, that office has to be moved from the——

Mr. SOURWINE. You say you were required to be moved. Who required this?

Mr. GRIGNON. Well, this is worked out by the General Services people.

Mr. SOURWINE. You had no voice in the matter, no chance to raise a protest if you wanted to?

Mr. GRIGNON. Oh, yes. We, of course, had an opportunity to be heard.

Mr. SOURWINE. Did you protest this move, especially with respect to this special room?

Mr. GRIGNON. The main complaint that we had about the move was not really in respect to this particular room but rather in connection with our file room which has special heavy equipment which I am sure the cost would be quite high in moving it.

Mr. SOURWINE. The present quarters of the Office of Security were built for your office, weren't they?

Mr. GRIGNON. That is my understanding.

Mr. SOURWINE. File room constructed to your specifications?

Mr. GRIGNON. That is my understanding.

Mr. SOURWINE. Are you getting a room as suitable or as satisfactory as the one you are moving out of?

Mr. GRIGNON. We would have preferred to stay where we are.

Mr. SOURWINE. You did protest the move?

Mr. GRIGNON. Yes. And we made our objections known in writing to the General Services people.

Mr. SOURWINE. And they overruled?

Mr. GRIGNON. Well, it was a case of having to work out the best arrangement from an overall Department of State viewpoint.

Mr. SOURWINE. GSA controls that, does it, or does the Department?

Mr. GRIGNON. I do not believe it is GSA. It is the General Services Office of the——

Mr. SOURWINE. Of the State Department?

Mr. GRIGNON (continuing). —of the State Department. At least they are the ones who are charged with the responsibilities.

Mr. SOURWINE. They have the power to make these moves without at least getting the approval of the people who are to be moved?

Mr. GRIGNON. Well, I do not know whether or not they have that power, but, as a matter of at least courtesy, they do consult with us, and we try to work out the best arrangement possible.

Mr. SOURWINE. I think that is nice of them.

Who is going into the special room and the file room that you now occupy, do you know?

Mr. GRIGNON. I do not know.

Mr. SOURWINE. You do not know what agency is moving in when you move out?

Mr. GRIGNON. No, sir.

Mr. SOURWINE. Is it an agency of the State Department?

Mr. GRIGNON. I presume it is.

Mr. SOURWINE. Is it an agency now housed in the State Department building?

Mr. GRIGNON. I really do not know.

Mr. SOURWINE. Can you answer that question for the record when you correct your testimony?

Mr. GRIGNON. I could attempt to determine who is going to move in.

Mr. SOURWINE. May that be the request?

Senator HRUSKA. That request will be considered an order.[1]

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[1] Mr. Grignon later informed the subcommittee that, "according to the General Services Division, the space to be vacated by the Office of Security in these areas will be occupied by the Bureau of Far Eastern Affairs of the Department of State and the Agency for International Development. The specific components of the Bureaus that will occupy the space mentioned has not yet been determined."

Assistant Secretary MacArthur subsequently informed the subcommittee, in his letter of Mar. 12, 1965, that "the room Mr. Grignon occupied is now occupied by the Division of Domestic Operation of the Office of Security. The fileroom is now occupied by the Office of Management."

Mr. SOURWINE. One final question. What is this special room which we have been discussing with the equipment, the accoustical soundproofing, the special concealed listening device, used for?

Mr. GRIGNON. This room that you specifically referred to is one of the offices of the Special Investigations Branch which——

Mr. SOURWINE. Not one of their offices. It is under their control, isn't it? There is nobody officed in that room, is there?

Mr. GRIGNON. No. It is their office space.

Mr. SOURWINE. What is it used for?

Mr. GRIGNON. It is used in connection with the interrogations which they conduct, principally in cases involving morals.

Mr. SOURWINE. Interrogations of whom?

Mr. GRIGNON. Employees of the Department ordinarily.

Mr. SOURWINE. I have no more questions, Mr. Chairman, of this witness.

Senator HRUSKA. Thank you. The witness is excused with the subcommittee's thanks for appearing here.

Mr. GRIGNON. Thank you very much.

(Witness excused.)

(Whereupon, a short recess was taken, after which the hearing was resumed.)

* * * * * * *

TESTIMONY OF WILLIAM J. CROCKETT

WEDNESDAY, SEPTEMBER 16, 1964

Senator Thomas J. Dodd, vice chairman, presiding.

Also present: J. G. Sourwine, chief counsel.

(Mr. Crockett was previously sworn.)

* * * * * * *

Mr. SOURWINE. Sir, I have an exhibit that I would like to show you. Do I correctly identify that as a memorandum recounting the Presidential directive for economy in your departments?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. And who is the signer of this letter?

Mr. CROCKETT. I am the signer of the memorandum that quotes the President's directive.

Mr. SOURWINE. Right. That memorandum shows on its face where it was directed?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Off the record.

Senator DODD. Very well.

(Discussion off the record.)

Mr. SOURWINE. I ask that this go into the record.

Senator DODD. No objection, if Mr. Crockett doesn't object.

Mr. CROCKETT. I am delighted.

(The document referred to follows:)

DEPUTY UNDER SECRETARY OF STATE FOR ADMINISTRATION,
Washington, August 10, 1964.

Memorandum for: All Ambassadors and principal officers, Assistant Secretaries and Bureau Directors.
From: William J. Crockett.
Subject: Cost reduction program.

The President, in a recent Cabinet meeting, has directed all agencies to:

"1. I want each of you to redouble your efforts to reduce the costs of your operations. This means that you should—

"Study and adapt to your operations the techniques which have been used in the Defense Department.

"Simplify your procedures. (There is almost always a simpler and more economical way of doing any job.)

"Streamline and tighten up your field organizations.

"Set up reasonable targets for productivity gains among your employees, and give them the help they need to meet these targets.

"Work with your contractors and suppliers to encourage greater cost-consciousness on their part.

"Honor and reward your employees for good management and cost reduction.

"2. *Tighten up your employment controls.*—We cannot allow our excellent record in the fiscal year just ended to be tarnished by an employment bulge in the early months of the new fiscal year which goes beyond the necessary seasonal increase. Within the next week or 10 days, I will be giving you new employment ceilings for the first quarter of this new fiscal year. I want you to assume now that these will be very restrictive ceilings, and I want you to start tomorrow to adjust your operations to the tightest possible staffing pattern.

"3. *Eliminate unnecessary publications.*—We have made some progress in eliminating nonessential Government publications. I ask you to redouble your efforts to strip down your list of publications to those which are really important and necessary.

"4. *Reduce the paperwork burden.*—We have also made some progress in reducing the paperwork burden on businessmen and others by eliminating unnecessary Government reports. (We are also interpreting this injunction to apply to all kinds of internal reporting, including political, economic, and administrative reports now being required from the field posts.) We are going to have to step up this effort. I would like each of you to talk to your subordinates and make clear to them that this is not a numbers game, but a deadly serious effort to hold to a minimum the reporting burden which the Government has to impose on the country."

He also said, among other things:

"I covet a reputation for good management. I want to feel, and I want each of you to feel, that we are spending the taxpayers' money as if it were our own.

"I know that Cabinet members and agency heads could not have achieved these results by waving a wand. I know that it took hard work, difficult decisions, late hours, and considerable anguish to accomplish what we did last year. I am grateful to all of you.

"Cost reduction campaigns will not work unless every employee is imbued with cost-consciousness * * * .

"I want this administration to have a tight fist and an open mind—a tight fist on money and an open mind to the needs of America."

In the next few days, we shall be discussing with you and your staff ideas and plans for accomplishing the President's objectives in the State Department.

For the past 3 years, good management and increased efficiency of operations have been our objectives. During that time, we made considerable improvements and savings. Much of this was possible because of your personal interest and support. I shall appreciate your thanking all the members of your staff for their cooperation of the past as well as for the future.

Let us make this but the beginning of our continuous efforts to "spend the taxpayers' dollars as if they were our own"—for they are.

Mr. SOURWINE. Can you tell us to what extent this economy drive may be used or is contemplated to be used as a basis for cutting down on security operations in the Department of State?

Mr. CROCKETT. First, Mr. Sourwine, I would like to say that this is not a new drive so far as the State Department is concerned. Ever since the Kennedy administration, the State Department has had a tremendous internal improvement management program.

I think we are the one agency in the Federal Government that has tried to get along in the past four appropriations without a single additional position request. We have looked at virtually every operation internally with the thought that if we can cut out something or reduce something, we will use those people to command the new functions. All of the Africa buildup has been virtually done through this management shift from marginal and nonessential activities to the more essential.

But certainly, it will apply to Security, it will apply to every office. And to the extent that there is anything being done in these offices that doesn't need to be done, and to the extent that there is a procedure that can be improved, to the extent that they are producing paper or reports or nonessential activities. It is not the motivation of this economy drive to cut out anything that is essential, whether it is in security or management. Or substance.

But it is the motivation of it to insure that, as conditions change, as our requirements change, that we don't just forget a little pocket over here and say well, that was required once upon a time. It is like finding a section in the Defense Department that is still purchasing horseshoe nails.

I mean this is what we are trying to get at, so that the spirit of this will apply to Security, as well as to all other offices.

On the other hand, it might have a positive application to Security in the sense that we consider Security one of our highest priority activities in the Department. And certainly, Security may be the benefactor in terms of having more money available to be put into it than we have had in the past. So I would say it applies to Security both ways.

Mr. SOURWINE. Sir, I didn't mean that there was motivation for the order along the lines that I inquired about, because the order, of course, was issued by President Johnson, wasn't it?

Mr. CROCKETT. Right.

Mr. SOURWINE. It was in that sense that I meant it was new.

Mr. CROCKETT. Yes, sir. But I want to call attention to the fact in my directive itself that I pointed out, that for the past 3 years, good management has increased the efficiency of the Department.

Mr. SOURWINE. Yes; you did.

Mr. CROCKETT. I mean in the sense that Mr. Johnson put out the order for the Federal Government, it was new. But, in the sense that we were just tagging ourselves onto his kite, I wanted everybody in the Department to know, and I wanted the record to show that this is not a new impetus to us. It is just a continuation of an old theme.

Mr. SOURWINE. Well, not to quibble about words, but, if the President, as he did here, endorses an idea that you are already working on it would give impetus to what you are trying to do?

Mr. CROCKETT. Yes, sir; and I was delighted to see it, because I felt a little bit like being lost in the wilderness, because not very many were pursuing this goal, I felt.

This just gave us a new impetus.

Mr. SOURWINE. Can you tell us what staff cuts are going to be made in the Office of Security or have been made since this order, if any?

Mr. CROCKETT. To my knowledge, there have been no staff cuts. To my knowledge, this order has not changed the Office of Security.

If I were predicting, I would predict that the Office of Security will get more people rather than lose people as the result of this kind of thing because, as I said, this has dual emphasis. One is that you take away from things that have less priority and the other is that you add to the things that are of higher priority.

For instance, automation is a very good example. We have automated many things over the past 3 or 4 years—automated Lookout Records and Lookout Books, and we have an idea that we may be able to automate the whole quota number system for our immigration control. At the present time, there are more than 1,600 man-years of work put in on quota control alone. If we can put a—centralize this through a central computer, I think we can do the job an awful lot better and save *x* number of man-years that then can be put in on more important higher priority—professional work that they need in the place of just a routine record.

Mr. SOURWINE. There is not much place for computers in security work, is there?

Mr. CROCKETT. Oh, I would say that in terms of decisionmaking, none. But in terms of making readily available vast amounts of information, of getting information available, of filing, recording, and data retrieval, there may be a vast area of opportunity here, Mr. Sourwine, that is not now possible in a manual system of files and cross-reference.

Mr. SOURWINE. That is an interesting idea, because it is very important in Security to keep your files. Files from 20 years back may be very valuable next year.

Mr. CROCKETT. Not only that, Mr. Sourwine, but of all the vast number of cross-references. Because of time you talk to an individual and you interview an individual, a whole series of names come out.

Now, it is virtually impossible to cross-check between 2 individuals—well, you can between 2, but you can't cross-check easily among 10,000 or 15,000 people the names that they give you, the references, the connections. And this kind of thing is possible through a computer system, where you have tremendous, fast——

Mr. SOURWINE. I see. And that would be the only way it would be possible?

Mr. CROCKETT. Yes, I think so. So I foresee a real possibility, not in the judgment and not in the valuation, but simply in the tools to help our people get their jobs done better.

Mr. SOURWINE. That is a problem in permutations and combinations, isn't it?

Mr. CROCKETT. Exactly. And they run beyond the human brain or the human hands or the human system to fathom unless you get a computer.

Mr. SOURWINE. Of course, if you have only 10 items and you want to relate each one to the other, I think your formula, assuming each one has a relationship with the other, shows that your groupings would be 10 plus 9, plus 8, plus 7, plus 6, and so forth.

Mr. CROCKETT. That is right. You see, even that number gets to where it would take days to run them all down.

Mr. SOURWINE. Yes. Now you are only able to cross-reference those things which, in somebody's judgment, are important enough to do the clerical work?

Mr. CROCKETT. That is right.

Mr. SOURWINE. With a computer, you could feed it all in, and it would all come out at the proper time?

Mr. CROCKETT. That is right. I think it has possibilities.

Mr. SOURWINE. It is a very interesting idea.

Mr. CROCKETT. This is what I mean in terms of exploring the possibilities. But I certainly agree with you, Mr. Sourwine, that you can't ever substitute machine or automation for investigation and for the judgment evaluations that are necessary.

* * * * * * *

EXCERPTS FROM HEARINGS BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS, FEBRUARY 19, 1965

(The following excerpts from hearings before the Committee on Appropriations of the House of Representatives, on February 19, 1965, respecting appropriations for the fiscal year 1966 operations of the Department of State subsequently were ordered inserted in the record:)

Mr. ROONEY. The next item, gentlemen, is entitled "Office of Security."

"*Increase statement, fiscal years 1965 and 1966*

	Positions	Amount
1965 obligations	236	$4,983,200
1966 estimate	266	9,964,400
Increase	+30	+1,981,200
Explanation of increase:		
Increased costs: Within-grade costs		9,000
New positions: Security	30	1,972,200
Total increase	30	1,981,200

"OFFICE OF SECURITY—DOMESTIC

"JUSTIFICATION

"Increases requested for 1966:

* * * * * * *

"*New positions*

	Positions	Amount
Security activities	30	$1,972,200

"The Office of Security is requesting 30 new positions. Eighteen of the positions are for personnel security functions—evaluation and investigation. The remaining 12 positions are for physical security functions—to broaden security coverage of buildings at home as well as overseas. Also for physical security purposes, funds are requested to reimburse the General Services Administration for 23 additional guards to be used in Washington and to reimburse the Department of Defense for 185 military personnel to be used for security activities. overseas.

"Following is a further detailed explanation by organizational unit.

"PERSONNEL SECURITY FUNCTIONS

"*Special assignments staff, five positions*

"Three officers and two clerks are required to strengthen this staff, located in the Office of the Deputy Assistant Secretary for Security. In view of the present workload and the past experience of this staff, it is planned to increase the present complement of three officers and one clerk to six officers and three clerks.

"J. Edgar Hoover, in his testimony before the House Subcommittee on Appropriations in January 1964 stated the Soviet intelligence agencies have assigned prime importance to the development of sources within such agencies as the Department of State, USIA, CIA, and FBI. Information available to the Department of State indicates the Soviets are not alone in their desire to effect personnel penetrations in the Department. Since the State Department and more particularly its Foreign Service personnel, are primary targets for these penetrations, the establishment of a counterintelligence staff capable of meeting this threat is of utmost importance. The present limited staff was established in 1964 to cope with this problem.

"It is planned to enlarge the special assignments staff so it can: (1) Coordinate closely with counterintelligence staffs of the other U.S. intelligence agencies, (2) investigate suspicious circumstances, associations, and activities of persons where there is evidence of an intelligence operation, (3) perform briefing of personnel in coordination with the education and training staff to alert employees of the security hazards in their assignments both domestically and abroad.

"*Division of Evaluations, five positions*

"It is proposed to establish a special staff to update security clearances of employees. This will require five additional positions—three evaluators and two secretarial supporting positions—for periodic evaluation of employee security files.

"This proposed branch stems in part from the authority cited in section 2 of Executive Order 10450 which requires the head of each agency to establish and maintain an effective program to insure that the retention of employees within his agency is clearly consistent with the interests of national security. During the period 1953–54 all security files of employees currently on the rolls at that time were examined, adjudicated, and investigations brought up to date where necessary. Subsequently, evaluations of employee security files have been made only on individuals in particularly sensitive positions, applicants for employment or reemployment and individuals on whom adverse information is received as required by section 5 of Executive Order 10450.

"The Department now proposes, with the establishment of this updating branch, to evaluate all employee files not adjudicated since 1954 and to reexamine them thereafter at 5-year intervals. It is estimated that of the Department's staff totaling 10,268 Americans, approximately 2,000 employee files will be evaluated each year.

"*Division of Investigations (field offices), eight positions*

"Six new field agent and two clerical positions will be required by the Division of Investigations to handle the additional investigative workload resulting from the Department's proposal to update employee security files. Under the State Department's appropriations, 10,268 employees are authorized. By considering the number of appointees investigated as the result of the attrition in the Department during the past 5 years and those employees who have received special clearances for very sensitive positions, it has been determined that the additionally requested positions would enable the Department to establish an updating program on a 5-year cycle.

* * * * * * *

"*Division of Foreign Operations, two positions*

"Two additional positions are requested for this Division, one for Washington backstopping of security activities in Africa and the other to serve as coordinator for security purposes between the security office and foreign building operations.

"Under present arrangements the Near East area officer at headquarters has had to serve a dual role in the assumption of the security backstopping responsibilities for Africa. The acceleration of U.S. activity in Africa during these past several years has far exceeded the capacity of the present staff to backstop satisfactorily the basic security requirements. As many of the new African na-

tions have acquired their sovereignty, new U.S. Embassies and consulates have been established, consular establishments have been elevated to Embassy status and other existing posts have been expanded. The backstopping at the headquarters level of the increased demands for security services and support cannot be met with the present staff.

"The coordinating officer will act as full-time liaison with foreign building operations on all construction or renovation projects—establishing categories of technical threat, determining the number and type of Seabees required for adequate supervision, and assisting during all phases of work to assure that the participation of the Office of Security is both adequate and continuous. The inception of a worldwide program for assuring security participation in all construction and renovation projects will require the full-time attention and services of an officer who is thoroughly familiar with all building projects as well as post-initiated renovations and minor improvements on a worldwide basis. This officer will also prepare country assessments of the technical threat at all posts where construction or renovation is planned by canvassing appropriate bureaus of the Department and other U.S. agencies when necessary.

"Additionally, this officer would be required to work closely with FBO and other interested Government agencies to insure that security requirements receive full attention in the initial planning for new construction.

"*Division of Technical Services, four positions*

"Several recommendations have been made by intelligence committees to broaden and accelerate our program overseas. The discovery of technical penetration of the Moscow and Warsaw Embassies has shown that such penetrations have occurred during the construction of new buildings or renovations to existing buildings. Dependent upon the degree of the threat and the sensitivity of the operations involved, the Department must henceforth either accomplish this work by American artisans or under close and constant American observation. This will be accomplished through the use of U.S. Navy Seabees and an expanded Marine security guard program. The installation of secure conference rooms and shielded enclosures at major and sensitive posts abroad must be accelerated in order to provide maximum security protection.

"Three professional positions and one secretarial position will be required in the Department to provide the necessary support for this accelerated technical security program abroad. One engineer would assist the research and development branch, another would assist in operations to coordinate the logistic and operational requirements of the secure conference room and shielded enclosure programs, and the third would provide technical support for the technical laboratory to speed the flow of technical supplies and equipment and special items to the field.

"Arrangements have been made to utilize 185 military personnel in construction and renovation projects overseas—155 Navy Seabees and 30 Marine guards.

"A team of 27 men on reimbursable loan from the Department of Defense composed of plumbers, carpenters, electricians, and plasterers would be distributed to the four regional technical centers to provide specialized construction assistance for (1) preparation of special rooms, (2) incurring damage and repair of target areas in demolition projects, (3) providing direct labor or supervision on renovation projects within sensitive areas, and (4) assisting technical security personnel in conducting routine technical inspections and thereby making immediate restorations of minor damage incurred during these inspections. The four regional technical centers are located at Frankfurt, Beirut, Panama, and Tokyo. Funds to reimburse defense for these 27 Seabees are requested in the budgets of the regional bureaus.

"The other 128 Seabees on reimbursable loan (for which funds are requested in the budget of the Office of Security) will be utilized to provide surveillance through close and constant observation of non-American workmen to prevent the planting of surreptitious listening devices on construction projects. During fiscal year 1966, approximately 15 major building and renovation projects around the world will be underway to which these 128 Seabees will be assigned, and in some cases will actually perform the finishing work in the sensitive area of project involved.

"For security purposes, the Department proposes to obtain 30 Marine guards for construction projects overseas. Few, if any, construction personnel remain on the location site during nonworking hours. This affords opportunity for hostile forces to plant listening devices in the building. Marine security guards would be assigned to a post where construction and renovation projects are underway to maintain rigid access control at all sites. Although Marine guards are presently assigned at oversea posts for security and access-control purposes during nonworking hours, the number is not sufficient to provide guard service on construction and renovation projects.

"*Basis for estimate*

"The total request of $1,972,200 is distributed by purpose as shown below:

	"Total	New positions	Seabees	GSA guards	Marine guards
Personnel compensation and benefits	$243,900	$243,900			
Travel	726,500	17,400	$686,500		$22,600
Other services	3,000	3,000			
Services of other agencies	963,400		685,000	$170,400	108,000
Services of working capital fund	12,200	12,200			
Supplies and materials	2,400	2,400			
Equipment	20,800	20,800			
Total	1,972,200	299,700	1,371,500	170,400	130,600

"The travel cost for Seabees includes $62,900 for the initial assignment of 27 Seabees to the four regional technical centers at an average of $2,330 per trip. The balance, or $623,600, is for travel and per diem for the other 128 Seabees to be assigned to approximately 15 different projects around the world. The $685,000 for services to other agencies includes a clothing allowance of $200 per man and pay allowances of $5,160 per man per year.

"The $170,400 for GSA guards includes $147,400 to reimburse GSA for the full salary cost of 23 additional guards and $23,000 for upgrading the 55 positions included in the present guard force.

"The $130,600 for Marine guards includes $22,600 for 43 change of station trips at the Marine Corps average of $525 per trip, and $108,000 for quarters, allowances, and other costs.

"OFFICE OF SECURITY

"*Permanent staff by organizational unit*

	Actual, fiscal year 1964		Estimate, 1965		Estimate, 1966		Increase	
	Number	Annual rate	Number	Annual rate	Number	Annual rate	Number	Annual rate
Office of Deputy Assistant Secretary for Security	12	$108,600	12	$150,170	18	$217,930	+6	+$67,760
Executive staff	30	197,795	30	204,165	30	205,275		+1,110
Division of Evaluations	22	184,290	22	196,505	27	242,725	+5	+46,220
Division of Foreign Operations	14	145,735	14	148,130	16	176,150	+2	+28,020
Division of Domestic Operations	12	132,710	12	135,250	17	174,300	+5	+39,050
Division of Technical Services	11	120,000	11	119,840	15	154,745	+4	+34,905
Division of Protective Security	17	162,400	17	167,275	17	167,905		+630
Division of Investigations	20	187,330	20	193,080	20	193,820		+740
Field offices	98	945,235	98	1,008,520	106	1,084,440	+8	+75,920
Total, Office of Security	236	2,184,095	236	2,322,935	266	2,617,290	+30	+294,355

"*Estimates by object class*

	Acutal, 1964		Estimate, 1965		Estimate, 1966		Increases requested for fiscal year 1966				
							Total		Within-grade Amount	Security	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount		Number	Amount
11 Personnel compensation:											
Permanent salaries:											
Positions and annual rate	236.0	$2,184,095	236.0	$2,322,935	266.0	$2,617,290	+30.0	+$294,355	$8,730	30.0	$285,625
Pay in excess of 52-week base		15,916		8,400		9,500		+1,100			1,100
Deduct:											
Lapse	−6.1	−63,096	−14.7	−145,635	−21.1	−209,290	−6.4	−63,655	−330	−6.4	−63,325
Pay act lapse		−49,448									
Add terminal leave	1.9	17,537	1.8	17,900	1.9	18,700	+.1	+800		.1	800
Total, permanent salaries	231.8	2,105,004	223.1	2,203,600	246.8	2,436,200	+23.7	+232,600	8,400	23.7	224,200
Miscellaneous salaries:											
Temporary and part-time employment	1.5	6,511	1.2	5,500	1.2	5,500					
Overtime and nightwork pay		34,865		34,800		38,100		+3,300			3,300
Total	1.5	41,376	1.2	40,300	1.2	43,600		+3,300			3,300
Total personnel compensation	233.3	2,146,380	224.3	2,243,900	248.0	2,479,800	+23.7	+235,900	8,400	23.7	227,500
12 Personnel benefits:											
Payments to other funds		156,143		161,300		178,300		+17,000	600		16,400
Awards				300		300					
Total, personnel benefits		156,143		161,600		178,600		+17,000	600		16,400
Total, personnel compensation and benefits	233.3	2,302,523	224.3	2,405,500	248.0	2,658,400	23.7	+252,900	9,000	22.7	243,900
OTHER OBLIGATIONS											
21 Travel and transportation of persons		471,982		529,500		1,256,000		+726,500			726,500
22 Transportation of things		14,579		10,000		10,000					
23 Rent, communications, and utilities		71,763		24,000		24,000					
24 Printing and reproduction		4,458		12,000		12,000					
25 Other services		553,009		592,500		595,500		+3,000			3,000
Services of other agencies		204,178		275,300		1,238,700		+963 400			963,400
Services of working capital fund				69,900		82,100		+12,200			12,200
26 Supplies and materials		64,275		180,100		182,500		+2,400			2,400
31 Equipment		467,197		884,400		905,200		+20,800			20,800
Total, other obligations		1,851,441		2,577,700		4,306,000		+1,728,300			1,728,300
Total, obligations		4,153,964		4,983,200		6,964,400		+1,981 200	9,000		1,972,200

CONTRACTS IN RESEARCH AND DEVELOPMENT

Mr. ROONEY. Do you have any contract operations in this area?

Mr. GENTILE. No, sir. The only area where we get into contract is in our research and development program where we are doing research and have a technical program.

Mr. ROONEY. How many of those do you have? That is what I am talking about.

Mr. GENTILE. We have 10 contracts at the present time, sir.

Mr. ROONEY. For how much?

Mr. GENTILE. These contracts now are running to a total of $525,000. These are continuing contracts.

* * * * * * *

INCREASE REQUESTED

Mr. ROONEY. The insertions indicate that the request is in the amount of $6,964,400, which would be an increase of $1,981,200 over the amount for this activity in the current fiscal year.

REVISED REQUEST SUMMARY

We have a revised statement which I shall now insert in the record which indicates that the requested increase of $1,981,200 has been reduced to $1,682,100, a difference of $299,100.

(The statement follows:)

"OFFICE OF SECURITY

"Increase statement, fiscal years 1965 and 1966

	Original request		Revised request		Difference	
	Positions	Amount	Positions	Amount	Positions	Amount
1965 obligations	236	$4,983,200	236	$4,983,200		
1966 estimate	266	6,964,400	236	6,665,300	−30	−$299,100
Total, increase or decrease	+30	+1,981,200		1,682,100	−30	−299,100
EXPLANATION OF INCREASE						
Increased costs: Within-grade costs		9,000		9,000		
New positions: Security	30	1,972,200		1,673,100	−30	299,100
Total increase	30	1,981,200		1,673,100	−30	−299,100

Mr. ROONEY. What have you to say about this, Mr. Gentile?

GENERAL STATEMENT

Mr. GENTILE. Mr. Chairman, the biggest part of our budget increase is reflected in what we feel are necessary steps to be taken in connection with our program overseas to nullify the security threats we have come across as a result of finding of microphones in our Embassies in Warsaw and in Moscow.

Mr. ROONEY. Of course, we have been listening to this for many years now. What is new about this?

Mr. GENTILE. I think our experiences have shown that in the way we have handled our affairs in new construction and reconstruction projects overseas, we have let ourselves be open for a real chance to be "had" by the opposition.

I have a couple of microphones here, if any of the members, who have not seen them before, would care to look at them. We have been reanalyzing our program to come up with what, we think, is the only realistic way of stopping this kind of a threat against our installations overseas.

Mr. ROONEY. We heard the same words—how long ago, Mr. Crockett?—since we went down to the Department and looked over the things down there.

I recall that day well because that was the day you met us at the door and took a cool million dollars out of the request.

Mr. CROCKETT. Almost 5 years ago.

Mr. ROONEY. We heard the same story then that we are hearing today.

Mr. CROCKETT. That is right, Mr. Chairman. I suppose this will be a continuing story in terms of our counterefforts on this program.

Mr. ROONEY. It would appear that in your ambitious increase in this budget in connection with which you are endeavoring to impress us with these microphones, there is nothing new about microphones except that they may look a little different, but they are still microphones.

You want to put 30 new positions right here in Washington to find these microphones overseas; it that right?

Mr. GENTILE. No, sir. The 30 positions were not totally related to the microphones in Washington. Actually, 5 of those 30 positions would have been involved in the direct effort on microphones.

Mr. ROONEY. You did want 30 people which, on reconsideration, have now been stricken from your budget.

Mr. GENTILE. Yes, sir.

Mr. ROONEY. You are asking for how many additional personnel?

REIMBURSEMENTS FOR MILITARY AND GSA GUARDS

Mr. GENTILE. With the revisions, we are now asking for no additional personnel.

Mr. ROONEY. You are asking for 23 additional guards, are you not, and 185 military personnel overseas?

Mr. GENTILE. We are thinking here again, sir, of 30 staff-type positions whereas the others are not positions within the Department of State. The rest are on a reimbursable basis to the military or to GSA.

Mr. ROONEY. There is money in here for how many people?

Mr. GENTILE. 185 military and 23 GSA guards.

Mr. ROONEY. Please go ahead, Mr. Gentile, and make your case.

Mr. GENTILE. I would like to go off the record, Mr. Chairman, for a moment.

(Discussion off the record.)

SECURITY OF STATE DEPARTMENT BUILDING

Mr. GENTILE. We have a definite concern over the security of the Department of State building which generates requirements for 23 more guards. As our building stands now, and as was brought out by the American Legion in a study they did at the Department, it was well known to us before the——

Mr. ROONEY. The American Legion studied the Department?

Mr. GENTILE. Yes.

Mr. ROONEY. The American Legion post down there?

Mr. GENTILE. No.

Mr. ROONEY. Who engineered that one, you?

Mr. GENTILE. No, sir. The Secretary invited the American Legion in to do a complete survey of the Department, to see how they felt.

Mr. ROONEY. I have heard of a lot of things, but this is the greatest.

Mr. GENTILE. We are well aware that in our building we have no physical security whatsoever within the confines of the building. One can come in the building at 4 o'clock in the afternoon, have complete access to the whole building and can walk out at 8 o'clock the next morning. We do not have adequate protection, adequate shakedown of the building, or control of the facility after hours.

Mr. ROONEY. When did you find this out?

Mr. GENTILE. It became apparent to me right after I came on board the Department of State last year.

Mr. ROONEY. Did any event occur which brought this to the attention of yourself or anyone else?

Mr. GENTILE. No, sir; no specific event other than in connection with our Marine training program for the marine guards who go overseas to our embassies. In their training we bring them into the building for spot checks in the evenings. Considering the number of classified documents and safes unlocked that they find, we realize we have a serious problem, knowing that anyone can come into the building and wander the halls.

Mr. ROONEY. How many people do you have down there right now?

Mr. GENTILE. Within the State Department building itself?

Mr. ROONEY. Yes.

Mr. GENTILE. I do not know, sir, the exact number of people physically located in the State Department building.

Mr. CROCKETT. In the neighborhood of 7,000.

Mr. GENTILE. Six or seven thousand.

Mr. ROONEY. How many people do you have in your office in that building?

Mr. GENTILE. In my office, in the building, approximately 140.

Mr. ROONEY. How many others? When you say "140" you are speaking of your immediate office?

Mr. GENTILE. I am speaking of the Office of Security which includes employees working in physical security, evaluators, the men assigned to the field offices——

Mr. ROONEY. Memo-makers and the rest. How many people do you have by way of guards?

Mr. GENTILE. Right now the Department of State has 55 GSA guards.

Mr. CROCKETT. All they do is protect the entrances and exits.

Mr. GENTILE. At night.

Their only duties are fire watch and theft. They are controlled by GSA. Under our proposal here, we would control them, and we have discussed this with GSA. We would control the guards much in the same way as other sensitive agencies control their guards when they are doing security functions.

Mr. ROONEY. Will you please proceed, Mr. Gentile? Tell us about this $6 million request.

INCREASES REQUESTED

Mr. GENTILE. Our total requested increase actually is $1,673,100, other than the $9,000 for within-grade increases. In our total of $1,673,100——

Mr. ROONEY. You are asking for $6,665,300?

Mr. GENTILE. Yes; that is our total budget.

Mr. ROONEY. At the present time you have how much, $5 million? You had better start talking about this. You ought to be able to give us quite some security for $5 million. If so, tell us about it.

Mr. GENTILE. Our basic budget last year was $5 million.

TESTIMONY OF WILLIAM J. CROCKETT

TUESDAY, MAY 4, 1965

Senator Thomas J. Dodd, vice chairman, presiding.

Present: Senators Dodd and Birch Bayh.

Also present: J. G. Sourwine, chief counsel; Benjamin Mandel, director of research; and Frank W. Schroeder, chief investigator.

(Mr. Crockett was previously sworn.)

* * * * * * *

Mr. SOURWINE. Did you reject an offer of a job in order to stay in the State Department because you wanted to obtain the rank of career Minister?

Mr. CROCKETT. No, sir.

Mr. SOURWINE. Have you stated to anyone in the Department of State that you had done this?

Mr. CROCKETT. No, sir.

Mr. SOURWINE. What is your present employment status?

Mr. CROCKETT. I am the Deputy Under Secretary for Administration with the rank of career Minister.

Mr. SOURWINE. You are a Foreign Service officer?

Mr. CROCKETT. Of career Minister rank.

Mr. SOURWINE. You have the grade of career Minister?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. This is the second highest grade a Foreign Service officer may obtain?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. By obtaining that grade, have you achieved assurance with respect to the minimum salary which you will draw upon retirement?

Mr. CROCKETT. No, sir.

Mr. SOURWINE. Will you retain that grade even if you should be appointed elsewhere in the Federal service?

Mr. CROCKETT. No, sir.

Mr. SOURWINE. Will you always be a Foreign Service officer, either active or retired?

Mr. CROCKETT. Yes, sir. Unless I resign from the Service or am terminated from the Service.

Mr. SOURWINE. Would you be able to give even a rough estimate as to how many Foreign Service officers subscribe to the dogma that the Foreign Service must operate above and beyond the control of any other area of the Federal Government?

Mr. CROCKETT. I know of no Foreign Service officer today that subscribes to such dogma.

Mr. SOURWINE. This is our Exhibit CR–18. It is an Office letter dated September 18, 1964: "To: All Special Agents in Charge" with regard to "Security Updating Program." Are you familiar with that?

Mr. CROCKETT. No; this is the first time I have seen it.

Mr. SOURWINE. This is not, then, the authority for your program to reinvestigate and reclear all employees of the Department of State from a security standpoint?

Mr. CROCKETT. It might be.

Mr. SOURWINE. I thought it appeared to be the first written order in connection with this program.

Mr. CROCKETT. It may be. I would have to supply this. It may be, although a notice has gone out to all personnel offices.

Mr. SOURWINE. Will you supply that?

Mr. CROCKETT. Yes, sir; if a notice did go out other than the notice that appeared in the newsletter of April 1964 reminding all personnel of the updating program. This would be the notice I refer to.

Mr. SOURWINE. This is a very worthy program?

Mr. CROCKETT. Yes.

Mr. SOURWINE. This is marked "For limited official use." In your opinion, would that classification amount to one that would prohibit the committee from using this?

Mr. CROCKETT. No, and I see no reason why we should not declassify it.

Mr. SOURWINE. May this go into the record?

Senator DODD. What is it about?

Mr. SOURWINE. It is about their updating program, Senator.

Senator DODD. All right.

(The letter referred to is as follows:)

EXHIBIT No. CR–18

DEPARTMENT OF STATE,
OFFICE OF SECURITY,
September 18, 1964.

Office Letter No. C–64/19.

To: All Special Agents in Charge.
From: Deputy Assistant Secretary for Security.
Subject: Security Updating Program.

The Office of Security is initiating a reinvestigation program to cover all employees of the Department of State.

Investigations of this nature will bear the category classification of IA,12,10(U). In connection with the updating investigation procedure, the following instructions are listed:

1. Service file review

Each employee's Personnel file will be examined by a Special Agent who will summarize the incumbent's record with a brief paragraph if the file is clear of derogatory information. If the file contains derogatory information, such information should be reported in detail.

2. Employment

A supervisor, usually a Rating or Reviewing Officer, will be interviewed to cover a three (3) year history. In certain instances more than one supervisor will necessarily be interviewed to obtain the three year coverage.

3. Developed source and reference

One listed personal reference and one developed source will be interviewed.

4. Neighborhood

A neighborhood investigation will be completed to cover the past two (2) years of residence. In certain overseas areas where this coverage is not possible, appropriate Embassy sources will be interviewed.

5. Police and credit

Coverage will be obtained for the past two (2) years in the United States and at overseas points wherever feasible.

The above listed procedure will be followed on a routine basis where no derogatory information has been developed. In those instances where derogatory information is developed, the investigative procedure will be unlimited and all necessary investigative leads will be followed to resolve such issues.

In addition to the investigative procedures which have been listed, each incumbent will be given a National Agency Check by Headquarters.

The Security Updating Branch of the Division of Evaluations may also require specific investigative action based upon security file examinations prior to the time the investigation is scheduled by the Division of Investigations. In such cases, specific instructions will be given to the field offices concerned.

Mr. SOURWINE. Just a few questions about this, Mr. Chairman. Who will decide what is "derogatory information" developed by the five listed procedures?

Mr. CROCKETT. The investigating agent, the special agent in charge, the case supervisor at headquarters, and the evaluator who makes final adjudication. Any of them down the line can decide the information is derogatory and request more investigation to be conducted.

Mr. SOURWINE. Where derogatory information is developed, is it contemplated that the "unlimited" investigative procedure will include investigation of matters more than 2 years ago?

Mr. CROCKETT. Yes, if it is relevant.

Mr. SOURWINE. More than 5 years ago?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Of all matters raised by the employee's security file?

Mr. CROCKETT. Yes, if not previously resolved or adjudicated.

Mr. SOURWINE. Does the phrase "all necessary investigative leads" mean only investigative leads developed by the five-step procedure outlined in this letter, or does it really mean all investigative leads including those obtained from the employee's security files?

Mr. CROCKETT. It means all investigative leads including those obtained from the employee's security files, which have not been previously resolved.

Mr. SOURWINE. What is meant by "necessary investigative leads"?

Mr. CROCKETT. All leads necessary to resolve any questions.

Mr. SOURWINE. Who will decide which leads are necessary?

Mr. CROCKETT. Original decision will be made by the investigative agent, with review by the special agent in charge, case supervisor, or evaluator at headquarters.

Mr. SOURWINE. The following paragraph of the letter provides for national agency checks. Will this be done whether or not there is derogatory information uncovered as a result of the five-step procedure outlined in the letter?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Suppose there is no derogatory information obtained through any of the five steps, but there is derogatory information coming in as a result of the national agency checks. Will such information be investigated?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Will it be evaluated in connection with the updating of the case?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. The last paragraph of the letter authorizes the Security Updating Branch of the Division of Evaluations to require special investigative action "based upon security file examinations prior to the time the investigation is scheduled by the Division of Investigations."

Does that mean that any requirement for specific investigative action must be made by the Security Updating Branch before the Division of Investigations has scheduled an investigation of the particular employee?

Mr. CROCKETT. The review of each employee's investigative file by the Security Updating Branch prior to requesting the Investigative Division to initiate an updating investigation is an office procedure established to (1) ascertain which files need updating and, in those cases where updating is found necessary, to (2) determine whether the file contains any information of specific interest. This review is not for the purpose of limiting the inquiry to the outlined steps but to expand it as desirable or necessary.

Mr. SOURWINE. Does that mean that the examination of security files on which specific investigative action may be based must be completed before the Division of Investigations has scheduled investigation of the particular employee?

Mr. CROCKETT. Generally, yes; however, whenever information is received which requires immediate investigation, and the file is found to require updating, the updating investigation is also requested so as to cover all angles in one investigation. Certain types of intelligence information may be investigated separately.

Mr. SOURWINE. If neither, what does it mean?

Mr. CROCKETT. I believe this was answered in reply to your previous questions.

Mr. SOURWINE. Who heads the Security Updating Branch?

Mr. CROCKETT. Miss Josephine R. DiBlasi, who has been employed with the Office of Security for 17 years, is Acting Chief of the Security Updating Branch.

Mr. SOURWINE. Who are the security officers, if any, who constitute as personnel?

Mr. CROCKETT. None at present, other than Miss DiBlasi. However, if necessary, she may call on the services of all officers in the Division of Evaluations.

Mr. SOURWINE. What other personnel is there in the Security Updating Branch?

Mr. CROCKETT. A secretary. I would like to make clear that this is a special program created for this purpose and a continuing program of the entire Office of Security.

Mr. SOURWINE. How many positions are set up in that Branch, and expected to be filled?

Mr. CROCKETT. Three; a junior officer position is vacant.

Mr. SOURWINE. How are they to be filled?

Mr. CROCKETT. It is expected that the junior officer position vacancy will be filled from within the Department, possibly and preferably from within the Office of Security or by recruitment of a qualified individual.

Mr. SOURWINE. Who will give the "specific instructions" to the field offices in cases where the Security Updating Branch may require special investigative action?

Mr. CROCKETT. The case supervisor in the Division of Investigations.

Mr. SOURWINE. This letter provides for an "updating" procedure, not for reinvestigation; right?

Mr. CROCKETT. Yes, primarily, but the investigation may be expanded to a reinvestigation at any time when information indicates it is warranted.

Mr. SOURWINE. The first numbered paragraph: this refers clearly to personnel files? Not security files?

Mr. CROCKETT. Yes, to the personnel files and not security files.

Mr. SOURWINE. Personnel files do not contain security data?

Mr. CROCKETT. Personnel files do not contain investigative reports, but certainly contain information that ought to be and is considered in the total evaluation under Executive Order 10450.

Mr. SOURWINE. Who will decide which "developed source" to interview?

Mr. CROCKETT. The investigating agent.

Mr. SOURWINE. Just what is meant by "developed source"?

Mr. CROCKETT. Any source who is in a position to provide information and has not been designated by the subject.

Mr. SOURWINE. Who will do this interviewing?

Mr. CROCKETT. The investigative agent.

Mr. SOURWINE. Read the fourth numbered paragraph: What will be comprehended in the "neighborhood investigation" provided for?

Mr. CROCKETT. Interviews with a minimum of two neighbors at each residence during the 2-year period.

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INDEX

NOTE.—The Senate Internal Security Subcommittee attaches no significance to the mere fact of the appearance of the name of an individual or an organization in this index.

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