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STATE DEPARTMENT SECURITY—1963—65
THE OTEPKA CASE—XII

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HEARINGS
BEFORE THE
COMMITTEE TO INVESTIGATE THE
OPERATION OF THE INTERNAL SECURITY
AND OTHER INTERNAL SECURITY LAWS
OF THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
EIGHTY-NINTH CONGRESS

SECOND SESSION

PART 14

Printed for the use of the Committee on the Judiciary



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STATE DEPARTMENT SECURITY-1963-65
THE OLYMPIA CASE-XII

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HUGH SCOTT, Pennsylvania

J. G. SOURWINE, *Chief Counsel*
BENJAMIN MANDEL, *Director of Research*

¹ Succeeded Olin D. Johnston, deceased.



RESOLUTION

OCTOBER 8, 1964.

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.

Frank L. Auerbach
David I. Belisle
William O. Boswell
Edwin A. Burkhardt
Abram Chayes
William J. Crockett
Victor H. Dikeos
Allyn C. Donaldson
Frederick G. Dutton
Thomas Ehrlich
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Henri G. Grignon
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Eugene Krizek
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Seymour Levenson
Raymond A. Loughton
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Lawson A. Moyer, Jr.
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Otto F. Otepka
George James Pasquale
Richard I. Phillips
John F. Reilly
Joseph E. Rosetti
Hon. Dean Rusk
Abba P. Schwartz
Terence J. Shea
Charles Shinkwin
Frederick W. Traband, Jr.
Thomas Valenza
William Wieland
Hessel E. Yntema, Jr.

Dated October 28, 1964.

JAMES O. EASTLAND, *Chairman.*
THOMAS J. DODD, *Vice Chairman.*
OLIN D. JOHNSTON.
JOHN L. MCCLELLAN.
SAM J. ERVIN, JR.
ROMAN L. HRUSKA.
EVERETT MCKINLEY DIRKSEN.
KENNETH B. KEATING.
HUGH SCOTT.



RESOLUTION

October 8, 1964
Resolved, by the Internal Security Subcommittee of the Senate Committee on the Judiciary, That testimony 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 principal and made public.

RESOLUTION

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.

Approved July 6, 1965.

- JAMES O. EASTLAND, *Chairman.*
- THOMAS J. DODD, *Vice Chairman.*
- JOHN L. McCLELLAN.
- SAM J. ERVIN, JR.
- BIRCH BAYH.
- GEORGE A. SMATHERS.
- ROMAN L. HRUSKA.
- EVERETT MCKINLEY DIRKSEN.
- HUGH SCOTT.



JAMES O. EASTLAND, Chairman.
 THOMAS J. DODD, Vice Chairman.
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 SAM J. ERVIN, Jr.
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 GEORGE A. SMATHERS.
 ROMAN L. HRUSKA.
 EVERETT MCKINLEY DIRKSEN.
 HUGH SCOTT.

FOREWORD

This is part 14 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—XII." The Internal Security Subcommittee previously conducted and published a series of hearings in 1961 and early 1962 dealing with the same subject matter.

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

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—XII

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

TUESDAY, MAY 21, 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, at 10:45 a.m., in room 2300, New Senate Office Building, Senator Thomas J. Dodd, vice chairman, presiding.

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

(Mr. Reilly was previously sworn.)

* * * * *

Mr. SOURWINE. All right, sir. Let me move along here.

In the appropriations hearing, if you will look at pages 539, 540, and 541, the State Department got from Congress in fiscal 1961 \$499,699 for research and development of electric equipment for use in security activities. There was \$1,373,000 asked for fiscal 1962 and \$1,200,000 received for fiscal 1962. Can you tell us how much the Office of Security actually got for research and development of equipment?

Mr. REILLY. I note from the pages to which you refer me that only a half million dollars was allocated for this purpose.

Mr. SOURWINE. Can you tell us who determined that allocation?

Mr. REILLY. That is determined by the Bureau of Administration.

Mr. SOURWINE. And that is the money that you told us earlier was needed to pay salaries elsewhere in the Department?

Mr. REILLY. Or to cover additional travel outside of Security Evaluations.

Mr. SOURWINE. The congressional appropriation of it for the purposes of research and development of electronic equipment for use in security activities, I take it, was not an earmarking; was not so regarded by the Department, at least.

Mr. REILLY. This antedates my being with the Department. I don't know whether it is appropriate for me to comment.

Mr. SOURWINE. All right. Well—

Mr. REILLY. I note Mr. Rooney's comments, however.

Mr. SOURWINE. Well, if you don't want to comment, you don't have to. I didn't mean to ask comments as much as for fact.

Mr. REILLY. Well, I can't say how the Department regarded it, not being a part of the Department at that—

Mr. SOURWINE. Well, if they had regarded it as an earmarking, they wouldn't have used it for another purpose, would they?

Mr. REILLY. I would take that to be the case, yes.

Mr. SOURWINE. That is why I phrased my question that way.

You will note, on page 541, the Office of Security asked for \$325,000 for fiscal year 1963, for research and development of security equipment. Do you know how much they got?

Mr. REILLY. It looks as if we are getting the whole thing.

Mr. SOURWINE. Was all of it allocated to the Office of Security by the Bureau of Administration?

Mr. REILLY. It is, yes, sir.

Mr. SOURWINE. For the purposes that Congress—

Mr. REILLY. As you know, we get our allocations on a quarterly basis, so until you get the fourth quarter allocation, I don't want to say we got absolutely every penny. I can assure you I am fighting for every penny and have every reason to believe I will get it.

Mr. SOURWINE. For the purposes that Congress appropriated it for?

Mr. REILLY. Yes.

Mr. SOURWINE. Is the research and development program on security equipment handled by a separate division?

Mr. REILLY. Yes. The Division of Technical Services.

Mr. SOURWINE. What else does this Division do, if anything?

Mr. REILLY. In addition to research and development, it is also responsible for our oversea engineering program. We now have established testing centers, engineering centers, in Frankfurt and Beirut. We are getting underway with one in Panama. And we have approval for one in the Far East. We are trying to find suitable space.

Mr. SOURWINE. Who heads this Division?

Mr. REILLY. Mr. Elmer Hill.

Mr. SOURWINE. Elmer D. Hill?

Mr. REILLY. Yes.

Mr. SOURWINE. What is his present grade and salary?

Mr. REILLY. His present grade is a Foreign Service Reserve Officer, class 4, and his present salary is \$12,610.

Mr. SOURWINE. What is Mr. Hill's background, if you know?

Mr. REILLY. Prior to coming with the Department of State Mr. Hill was with Stanford Research where he was working in this particular field. As a matter of fact, one of the classified devices he developed while there has been very helpful to us in our program, and if we could go off the record, because this is classified, I would like to tell the chairman about it.

Mr. SOURWINE. Just answer one question, if you please.

Mr. REILLY. Surely.

Mr. SOURWINE. When did he come with the Department here?

Mr. REILLY. He came to the Department shortly before I arrived there.

Mr. SOURWINE. Excuse the interruption.

Mr. REILLY. I don't mean to take the chairman's time. I——

Senator DODD. No. No.

Mr. SOURWINE. May we go off the record, Mr. Chairman?

Senator DODD. Yes.

(Discussion off the record.)

Mr. SOURWINE. Back on the record.

Do you know how much of the money allocated in fiscal years 1961, 1962, and 1963, for research and development and the purchase of new equipment has actually been spent for that purpose?

Mr. REILLY. In 1963 it will be \$325,000. A similar figure for 1962. I do not have 1961 figures with me.

Mr. SOURWINE. Do you know how much has been spent for new equipment?

Mr. REILLY. For fiscal year 1963 we will spend \$884,000.

Mr. SOURWINE. Perhaps I didn't hear correctly. I had asked earlier for the figure of the amounts actually spent for research and development and the purchase of new equipment, and I thought you gave a figure of \$325,000.

Mr. REILLY. I misunderstood your question. I'm sorry. I was separating out in my own mind the research and development figures.

Mr. SOURWINE. What you gave us was a research and development figure?

Mr. REILLY. Yes; and to that should be added the amount of additional equipment.

Mr. SOURWINE. Now, could you give us the equivalent figures for 1961 and 1962?

Mr. REILLY. 1961, I do not have with me, and I don't have it for 1962, as a broken out figure in our—I would be happy to supply it.

Mr. SOURWINE. Would it be in order to ask that Mr. Reilly provide us with figures showing the total amount appropriated in each of the 3 fiscal years, 1961, 1962, 1963, first for research and development; second, for the purchase of equipment, and the total amount spent in each of those 3 years for each of those two purposes?

Senator DODD. Yes.

Mr. SOURWINE. Can you do that, sir?

Mr. REILLY. Surely. I will be happy to supply it.

Mr. SOURWINE. May it go in the record at this point when supplied?

Senator DODD. Yes.

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

Amount appropriated in each of 3 fiscal years: 1961, 1962, and 1963, for research and development, purchase of equipment, and total amount spent for each purpose in each of the 3 years

	Allo- cated 1961	Spent 1961	Allo- cated 1962	Spent 1962	Allo- cated 1963	Spent 1963
Research and development-----	\$500,000	\$499,699	\$200,600 1 270,000	\$200,545 1 269,056	\$325,000	\$450,906
Subtotal-----			470,600	469,601		
Equipment-----	151,300	151,236	610,500	610,472	880,000	760,624
Total-----	651,300	650,935	1,081,100	1,080,073	1,205,000	1,211,530

¹ Financed from end-of-year funds.

Mr. SOURWINE. Mr. Reilly, what is Mr. Hill's responsibility in this area? Is it broad and overall?

Mr. REILLY. He is responsible for the—as head of the Division, he is responsible not only for the research and development program and an education and training program in the technical field, but also is responsible for the overall supervision of some 31 engineers we now have in the overseas—

Mr. SOURWINE. Does he hire and fire?

Mr. REILLY. I hire and fire.

Mr. SOURWINE. Do you rely on Mr. Hill's recommendations in that regard within his shop?

Mr. REILLY. Among others. Not exclusively. I rely on what is in the man's file.

Mr. SOURWINE. Does Mr. Hill make decisions on what will be spent and what for?

Mr. REILLY. Subject to my concurrence.

Mr. SOURWINE. Does he use contractors?

Mr. REILLY. Yes; he does.

Mr. SOURWINE. Is that also subject to your concurrence?

Mr. REILLY. Yes.

Mr. SOURWINE. Have you had any complaints about Mr. Hill's personal misconduct in the United States or while he was on any assignment abroad?

Mr. REILLY. I did receive one complaint; yes.

Mr. SOURWINE. What was the nature of the allegations against Mr. Hill?

Mr. REILLY. On the occasion—may I ask whether I can answer off the record, and then let the Chair determine, since we are getting into personal information.

Senator DODD. Yes. I think that is wise.

(Discussion off the record.)

Mr. SOURWINE. Can you tell us how much of the program of research and development that is financed by these appropriations that we have been talking about has been contracted out to private industry?

Mr. REILLY. All of it. We don't undertake to manufacture anything ourselves.

Mr. SOURWINE. How about research and development?

Mr. REILLY. Research and development; the men will work with an idea, then when they are ready to come up with a rough model, they will talk to the various companies in this country who have particular skill in this field.

Mr. SOURWINE. Well, are you saying that actual research and development is contracted out or that the ideas are developed in the State Department shop, in Mr. Hill's division, and are then made the subject of production contracts outside?

Mr. REILLY. No. Both take place. There is research and development done for us by private firms knowledgeable in the field.

Mr. SOURWINE. How much of the program of research and development has been contracted out?

Mr. REILLY. The greater part of it.

Mr. SOURWINE. Who are the contractors?

Mr. REILLY. Robert Keller Associates, Ace Engineering, H. R. B. Singer.

Mr. SOURWINE. Can you name the town in each instance, just to be sure the identification is complete?

Mr. REILLY. Robert Keller Associates is in Manchester, N.H. Ace Engineering Machinery is Huntington Valley, Pa. H. R. B. Singer, State College, Pa. Barkley & Dexter, Fitchburg, Mass. Sanford Research Institute, Menlo Park, Calif.

Mr. SOURWINE. Do they have a large contract?

Mr. REILLY. \$31,500.

Mr. SOURWINE. I didn't mean to ask for the amount. I meant in comparison with some of the others. Is it about the same size? That doesn't sound very large.

Mr. REILLY. It isn't. H. R. B. Singer would be the largest.

Mr. SOURWINE. How much does that run since we are giving figures?

Mr. REILLY. This is both equipment and research and development. Now—

Mr. SOURWINE. That is right.

Mr. REILLY. I am going to ask the reporter to strike the figures, because what I gave you by way of the figures—the companies are correct—were equipment figures, and that is not what you asked me for.

Mr. SOURWINE. That is all right. They can stand with the understanding that they are equipment figures, and you can give me the research and development figures.¹

Mr. REILLY. All right. Now, do you want them for both years, fiscal year 1962 and 1963?

Mr. SOURWINE. I don't think it is necessary unless the chairman wants it. I am just trying to get a picture of how this is farmed out.

Mr. REILLY. Well, let's use fiscal year 1963 figures, then.

Senator DODD. Why don't you give both?

Mr. REILLY. All right, sir. The first is the aeronutronic division, Ford Motor Co., Newport Beach, Calif. In fiscal year 1962 they did research and development projects in the amount of \$58,644, and for fiscal year 1963 the figure is \$123,407.

¹ See letter below.

Barkley & Dexter Laboratories, Fitchburg, Mass., for fiscal year 1962, \$40,680.

Senator DODD. You appear to be having some trouble. Why don't you submit it? Would that be easier for you?

Mr. REILLY. Mr. Chairman, I will be happy to submit the figures, yes. In order to submit the papers I brought with me, I would have to do it with the understanding that they are classified, because they, in addition, describe the research project. If you simply want the figures—

Mr. SOURWINE. I avoided the research project.

Mr. REILLY. I will be happy to go on the record, furnish you anything. I am not trying to withhold anything.

Mr. SOURWINE. If you will furnish the list with the names, addresses, and totals as you were giving them.

Mr. REILLY. I will be delighted to do that.

Mr. SOURWINE. While you are at it, if there is a list, can we have that also for equipment?

Mr. REILLY. Yes.

Mr. SOURWINE. In case you didn't cover all those.

Mr. REILLY. I did not. I realized—

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

The letter of January 8, 1964, from Assistant Secretary Dutton to Senator Eastland contained a list of the contractors to whom contracts were awarded during fiscal year 1963 for research and development projects and for the procurement of technical security equipment. Included in this listing were the name and address of the contractor, amount of the contracts, and the contract number. The total amount spent for Research and Development contracts in fiscal year 1963 was \$450,906 and \$760,624 for security equipment.

The following data relates to contracts for R. & D. awarded by the Department in fiscal year 1962:

<i>Contractor and address</i>	<i>Amount</i>
1. Aeronutronic Division, Ford Motor Co., Newport Beach, Calif.....	\$58, 644
2. Barkley & Dexter Laboratories, Fitchburg, Mass.....	24, 180
	16, 500
3. Bissett-Berman Corp., Santa Monica, Calif.....	43, 823
4. Diamond Antenna & Microwave Corp., Winchester, Mass.....	39, 879
5. HRB Singer, Inc., State College, Pa.....	64, 296
6. Aeronutronic Division, Ford Motor Co., Newport Beach, Calif.....	70, 865
7. Bissett-Berman Corp., Santa Monica, Calif.....	15, 920
8. HRB Singer, Inc., State College, Pa.....	120, 000
9. Sylvania Defense Laboratories, Mountain View, Calif.....	15, 494
Total.....	469, 601

Mr. SOURWINE. I have one final question about the contractors. I see the time is getting along here.

What security clearance do they have or do their employees have before they let the contract?

Mr. REILLY. They are handled under the Department of Defense industrial securities program for us. They are cleared facilities.

Mr. SOURWINE. That is, DOD clears them before you let the contract?

Mr. REILLY. That is correct.

Mr. SOURWINE. What do you do, confine yourself to DOD-cleared contractors or do you negotiate with somebody and then ask DOD if they will give them a clearance?

Mr. REILLY. We get into the classified area, yes, and ask that they be given a clearance, rather than duplicate our own industrial security.

Mr. SOURWINE. Who handles this matter of clearances? Is that Mr. Hill's responsibility or one of his responsibilities?

Mr. REILLY. It is Mr. Hill together with Mr. Robert McCarthy of the Division of Domestic Operations.

Senator DODD. Who heads up that section in DOD, do you know? Is that Mr. Yarmolinsky?

Mr. REILLY. Yarmolinsky? He is the overall but I don't know who heads the industrial security program itself. There is one contractor who may not have a defense clearance but they are working on a totally nonclassified project. They have come up with a portable X-ray machine for us which is very helpful.

Mr. SOURWINE. Mr. Chairman, how far can you go today?

Senator DODD. 1 o'clock.

* * * * *

TESTIMONY OF ROBERT J. McCARTHY, SECURITY OFFICER,
DEPARTMENT OF STATE

WEDNESDAY, JUNE 19, 1963

Senator Thomas J. Dodd, vice chairman, presiding.

Present by leave of the subcommittee: Senator Edward M. Kennedy.

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

(Mr. McCarthy was previously sworn.)

* * * * *

Mr. SOURWINE. Mr. McCarthy.

Senator DODD. Would you please be sworn? Do you solemnly swear that the testimony you will give before this subcommittee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. McCARTHY. I do.

Mr. SOURWINE. Your full name, sir?

Mr. McCARTHY. Robert J. McCarthy—Joseph.

Mr. SOURWINE. And your address?

Mr. McCARTHY. 2793 73d Place, Hyattsville, Md.

Mr. SOURWINE. And what is your place in the State Department?

Mr. McCARTHY. Security Officer.

Mr. SOURWINE. In the Office of Security?

Mr. McCARTHY. In the Office of Security.

Mr. SOURWINE. And how long have you worked for the State Department?

Mr. McCARTHY. Thirteen years.

Mr. SOURWINE. And before that, were you with the Government?

Mr. McCARTHY. Veterans' Administration.

Mr. SOURWINE. For how long?

Mr. McCARTHY. About 4 years.

Mr. SOURWINE. Were you in security work there?

Mr. McCARTHY. No, sir.

Mr. SOURWINE. Have you been in security work all the time you have been with State?

Mr. McCARTHY. Yes, I have.

Mr. SOURWINE. You are experienced in evaluations?

Mr. McCARTHY. I have done a considerable amount of evaluation.

Mr. SOURWINE. Over what period of years have you done that?

Mr. McCARTHY. I believe over 5 or so, not counting the past year, the 5 previous years.

Mr. SOURWINE. Mr. McCarthy, you are in the Division of Domestic Operation?

Mr. McCARTHY. That is correct.

Mr. SOURWINE. Who is in charge of that Division?

Mr. McCARTHY. Mr. Rosetti.

Mr. SOURWINE. Do you, Mr. McCarthy, directly supervise in any respect, the work of Mr. Elmer D. Hill?

Mr. McCARTHY. In no way, shape, or form.

Mr. SOURWINE. Do you share any responsibilities with him?

Mr. McCARTHY. I work in cooperation with him to the extent that he is a requesting officer to award contracts to U.S. industry involving classified information. And within the Division.

Senator DODD. What?

Mr. McCARTHY. The awarding of contracts to U.S. industry involving classified information. And within the Division of Domestic Operation. I have been asked to coordinate the industrial security program.

Mr. SOURWINE. You then are the person basically responsible for the so-called industrial clearances?

Mr. McCARTHY. To see that persons and firms who are going to have access to classified information have had clearances.

Mr. SOURWINE. Does that include contractors on research and development projects?

Mr. McCARTHY. That would include contractors on research and development projects.

Mr. SOURWINE. Are you familiar with Mr. Hill's activities in connection with such contracts and the clearances of such contractors?

Mr. McCARTHY. Yes, I am.

Mr. SOURWINE. Are you familiar with all the clearances granted by Mr. Hill?

Mr. McCARTHY. He does not grant clearances. He merely puts out a contract to a firm, a facility, and it is incumbent upon him to know, before he releases any classified information, that the people who are about to receive it have appropriate clearances.

Mr. SOURWINE. He has never granted any clearances?

Mr. McCARTHY. He has never granted any clearances.

Mr. SOURWINE. And the letting of a contract is not in any sense a clearance?

Mr. McCARTHY. No, it is not.

Mr. SOURWINE. Does the letting of a contract itself give a contractor access to classified information?

Mr. McCARTHY. Not necessarily. Well, not necessarily in the pre-contract negotiations or in the early phases of development.

Mr. SOURWINE. I see.

Mr. McCARTHY. Not necessarily.

Mr. SOURWINE. Do you know of any instances in which this matter of being sure of the clearances of contractors, specifically in connection with research and development projects, has been mishandled?

Senator DODD. Before you——

Mr. McCARTHY. Yes.

Senator DODD (continuing).—answer that question, do I understand correctly that Hill's job is merely to select competent contractors?

Mr. McCARTHY. That is right, Senator.

Senator DODD. And whether or not this concern is cleared is someone else's problem?

Mr. McCARTHY. He would then request, or, through his office would request me to determine——

Senator DODD. All right.

Mr. McCARTHY (continuing).—whether there is a clearance.

Senator DODD. That is what I wanted.

Mr. McCARTHY. And I would then make this determination basically from the central index file at Fort Holabird, Md.

Senator DODD. That is all he is—a contracting officer?

Mr. McCARTHY. Basically, this is true.

Senator DODD. All right.

Mr. SOURWINE. Mr. McCarthy, would you tell us about a case or cases of mishandling which you say you know about?

Mr. McCARTHY. When I first returned from Venezuela I was asked to look into an exchange of letters between the Secretary of State and the Secretary of Defense whereby the Secretary of State authorized the Department of Defense to act for, and in behalf of, the Department of State in the release of classified information to U.S. industry. This exchange of letters had really been signed approximately 8 months before, approximately, let us say within the last year, and nothing had happened concerning this exchange of letters, within the Department. Therefore, everybody within the Department, not just Mr. Hill's operation—everybody—were releasing contracts. Basically we were getting a clearance through Mr. Otepka's evaluation or determining there was a clearance on file at the Central Index File. But there was no followup on this sort of situation. So when I did go into Mr. Hill's shop—because my basic feeling was if we were going to do anything we ought to start it in Security, and Mr. Hill is part of the security operation, I went to his shop to determine how he knew that the people with whom he was dealing had clearances—I found he knew they had clearances because of some prior contracts. And I felt that there were two or three things wrong with this. One, that although somebody may have a clearance on a prior contract, subsequently the firm could have been sold to the Soviets, and that we just cannot continue on the basis of an old clearance.

Therefore, with Mr. Hill's permission, one day I went into his office and took all of the classified contracts, and I—he gave me complete access to them—wrote to all of the firms stating we were sending them a letter in lieu of Form DD-254, which is a Department of Defense form, which in effect would place the contract under the Department of Defense security program. There would be inspections, people would be able to see that the details were being handled right and only people who have clearances are handling information.

Mr. SOURWINE. How long ago was this?

Mr. McCARTHY. Six months, perhaps. I am not certain.

Mr. SOURWINE. You think that action corrected the situation?

Mr. McCARTHY. Yes, I feel thoroughly that action corrected the situation.

Mr. SOURWINE. How many contracts were issued to contractors then?

Mr. McCARTHY. Only about seven at that time.

Mr. SOURWINE. And in how many of them were released contracts without proper clearances or without proper evidence that they had clearances?

Mr. McCARTHY. I cannot answer that question because my interest wasn't so great as to whether it had been handled improperly before. My interest was to see it was handled correctly now.

Mr. SOURWINE. I see. You knew the others were done on the wrong basis and you wanted to get them on the right basis?

Mr. McCARTHY. I knew our program belonged in the Department of Defense and no matter what the clearance, even if it was the best clearance in the world, there was no inspection authority. Only in the Department of Defense.

(At this point Senator Kennedy left the hearing room.)

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TESTIMONY OF ELMER DEWEY HILL, RESERVE FOREIGN SERVICE
OFFICER, DEPARTMENT OF STATE

TUESDAY, JULY 9, 1963

Senator Roman L. Hruska presiding.

Also present: J. G. Sourwine, chief counsel; Samuel J. Scott, assistant counsel; Warren Littman, associate counsel; Alan McArthur, associate counsel; Frank W. Schroeder, chief investigator.

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

* * * * *

Senator HRUSKA. Mr. Hill, will you come forward? Is Mr. Leahy representing you?

Mr. HILL. No, he is not representing me. I thought it would perhaps be helpful if he were here, so he could take notes if the occasion should arise.

Senator HRUSKA. Any objection, Mr. Sourwine?

Mr. SOURWINE. I have no objection.

Senator HRUSKA. Will the witness be sworn, please.

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. HILL. I do.

Senator HRUSKA. Thank you.

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

Mr. HILL. Elmer Dewey Hill.

Mr. SOURWINE. And your address, sir?

Mr. HILL. 824 New Hampshire Avenue NW., Washington, D.C.

Mr. SOURWINE. And you are employed by the Department of State?

Mr. HILL. Yes, sir.

Mr. SOURWINE. In what capacity?

Mr. HILL. I am a Foreign Service officer, a Reserve Foreign Service officer. My job is to administer the technical phase of the oversea security program for the Department of State.

Mr. SOURWINE. Do you have a title?

Mr. HILL. It is the Chief, Division of Technical Services.

Mr. SOURWINE. Of what bureau or office?

Mr. HILL. Office of Security.

Mr. SOURWINE. Office of Security. It comes under Mr. Wright?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Mr. Hill, what has been your experience in Government employment?

Mr. HILL. I have had no experience in Government employment before taking this position.

Mr. SOURWINE. How long have you been with the Department?

Mr. HILL. I joined the Department in January of 1962.

Mr. SOURWINE. From private industry?

Mr. HILL. From a university. I was an employee of Stanford University.

Mr. SOURWINE. Were you teaching there?

Mr. HILL. No, I was a member of their research staff.

Mr. SOURWINE. I see.

Mr. Hill, what has been your education?

Mr. HILL. I hold a bachelor of science degree and a master of science degree in the field of electrical engineering.

Mr. SOURWINE. From what college or colleges?

Mr. HILL. Both from Stanford University.

Mr. SOURWINE. Are you a native of California?

Mr. HILL. Yes, sir.

Mr. SOURWINE. A real native son?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Mr. Hill, at the time you left Stanford to come with the Department of State, what was your annual compensation?

Mr. HILL. It was approximately \$12,000 in salary, and about \$3,000 additional in consulting fees.

Mr. SOURWINE. The research you were engaged on had to do with electronics?

Mr. HILL. Yes. Yes, sir.

Mr. SOURWINE. Did you come to the Department in the capacity of Chief of the Division of Technical Services?

Mr. HILL. No, I did not.

Mr. SOURWINE. What was your first job with the Department?

Mr. HILL. It was to take an assignment overseas as officer in charge of an oversea laboratory.

Mr. SOURWINE. Where was that, what country?

Mr. HILL. Frankfurt, Germany.

Mr. SOURWINE. And how long were you there?

Mr. HILL. I did not take that assignment.

Mr. SOURWINE. I see.

Well, what, then, was your first job with the Department, sir?

Mr. HILL. I was engaged in familiarization with the Department and with monitoring of certain industrial contracts.

Mr. SOURWINE. Were you with, then, the Division which you now head?

Mr. HILL. Yes, sir.

Mr. SOURWINE. So that you have been with the Division of Technical Services since you came with the Department?

Mr. HILL. Yes, sir.

Mr. SOURWINE. What happened to your oversea laboratory job? How did that come to fold up?

Mr. HILL. At the time I joined the Department, I learned that my superior was planning to leave his position and to assume other duties in the Department of State. I learned this a month or so after joining. He was, therefore, looking for someone to replace him.

Mr. SOURWINE. I see. So this was an opportunity you both were seeking, I guess.

Mr. HILL. Yes, sir.

Mr. SOURWINE. Mr. Hill, you are an electrical technician?

Mr. HILL. I am a professional electrical engineer.

Mr. SOURWINE. And familiar with research?

Mr. HILL. Yes.

Mr. SOURWINE. Are you familiar with the technique by which it is possible to compromise a telephone instrument without having access to the instrument?

Mr. HILL. There are certain techniques where this is possible under certain conditions.

Mr. SOURWINE. More than one?

Mr. HILL. Yes.

Mr. SOURWINE. More than one technique?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Can you describe one of them?

Mr. HILL. The information is highly classified. I hesitate to do so.

Mr. SOURWINE. How high is it classified?

Mr. HILL. It bears the classification of secret.

Mr. SOURWINE. Is this not something that most electrical engineers would know if they worked in this field of electronics?

Mr. HILL. Do you refer to the general field of electronics or to the particular field?

Mr. SOURWINE. I am talking to the particular field of—how shall we describe it—electronic attack, electronic interception of communications, and so forth.

Mr. HILL. Well, that is a rather highly specialized field.

Mr. SOURWINE. Do you think that the principle by which one compromises a telephone instrument without having access to the instrument is known only to the State Department or known only to Government agencies?

Mr. HILL. I do not know the extent to which it is known.

Senator HRUSKA. Would counsel yield?

Mr. SOURWINE. Surely.

Senator HRUSKA. Mr. Witness, I am sure neither counsel nor the acting chairman would be interested in the divulging of any secret information.

The question, as I understand it, was whether you could describe principles by which a telephonic communication can be—the instrument can be compromised.

Am I correct, Mr. Counsel?

Mr. SOURWINE. That is right. And without having access to the instrument.

Senator HRUSKA. Without having access to the instrument. Magazines are full of that stuff. Books are written on it. It is free and common information all over the world.

Now, is there something about your particular position that leads you to think that you cannot favor us with a little discussion of that particular type of thing and the principles involved and the methods that are used without getting into secrecy?

Mr. HILL. May I consult with Mr. Leahy?

Senator HRUSKA. Certainly.

Mr. LEAHY. Mr. Chairman, could I make this suggestion:

That, insofar as a description of the technique, perhaps if the witness could go off the record and no record were made of the actual technique, that might obviate the problem?

Mr. SOURWINE. I am not interested in getting the technique on a record.

Mr. LEAHY. Could I just be off the record?

Senator HRUSKA. Yes.

(Discussion off the record.)

Senator HRUSKA. Back on the record.

Mr. SOURWINE. You have told us, while off the record, that your job, the job of your Division, is not to bug telephones; that you never participate in this; that you are developing a counter for this, correct?

Mr. HILL. Yes. Yes, sir.

Mr. SOURWINE. Well, has a counter been developed for any of the forms of attack against a telephone without access to the instrument?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Has a counter been developed with the technique of using RF current to activate the instrument?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Did you develop this counter?

Mr. HILL. No, sir.

Mr. SOURWINE. All right.

What is the smallest portable recorder which has ever been developed, Mr. Hill, or is that classified?

Mr. HILL. I am considering your question, sir.

One must distinguish the purpose for which the recorder is intended. There are tape recorders which have been developed which are of the size of a package of cigarettes.

Mr. SOURWINE. That is the smallest you know of?

Mr. HILL. No, sir; there are even smaller. But their application is more limited, as the size becomes smaller.

Mr. SOURWINE. What is the smallest portable recorder which has been developed, to your knowledge?

I will make that question easier. The "what" might seem to call for a designation of the instrument. I am merely asking what is the size of the smallest portable recorder which has been developed, to your knowledge.

Mr. HILL. Well, I would like you, then, sir, to define what you mean by a recorder, because, in order to answer that question accurately, I must have accurately in mind what you are thinking of when you say "recorder."

Mr. SOURWINE. I mean an electronic device which will permanently or temporarily record sound for recapture through playback or other means.

Mr. HILL. Do you mean sound which occupies the normal speech spectrum?

Mr. SOURWINE. You asked me for a definition. I gave you one. Just answer the question under the basis of my definition.

Mr. HILL. The size and complexity of a recorder depends very much upon the bandwidth of the sound that is being recorded.

Mr. SOURWINE. Yes, sir.

Mr. HILL. Sound bandwidths of a few cycles per second occupy—require recorders of much less size than bandwidths much greater than this. The complexity of a recorder is very much of a function of this bandwidth factor.

Now, without specifying that bandwidth factor, I cannot give you an exact answer to your question.

Mr. SOURWINE. Has a recorder been developed to record sound of waves of a few per second?

Mr. HILL. Yes; yes, sir.

Mr. SOURWINE. What is such a recorder used for?

Mr. HILL. It has a variety of uses. It can record any electrical phenomenon of a few cycles per second. These may take the form of telemetering signals—for instance, those which are used in a satellite or guided missile.

Mr. SOURWINE. That is very interesting. Such recorders have been developed—how small?

Mr. HILL. A recorder used for instrumentation purposes, a fairly sizable recorder, I would say something on the order of rectangular dimensions the size of that pad, roughly a foot by 8 inches, 4 inches deep.

Mr. SOURWINE. That is as small as they have been made?

Mr. HILL. For that type of recorder, yes, sir.

Mr. SOURWINE. Now, in the area of sound audible to the human ear, how small have they been developed? That is not precise, I know, because human ears differ in their receptivity.

Mr. HILL. I have seen experimental versions of recorders which are roughly the size of a book of matches.

Mr. SOURWINE. Did your office have anything to do with developing this?

Mr. HILL. No, sir.

Mr. SOURWINE. What important developments, if any, have been achieved by your division under your administration?

Mr. HILL. We have developed a 25-to-1,000 megacycle, all solid state panoramic receiver. This receiver is unique in that it produces a panoramic display of over 100 megacycles. We have produced a means for automatically recognizing clandestine transmissions when they are received by such a receiver. We have produced devices to perform analyses of telephones to determine whether they have been compromised. We have developed microphone detectors of various kinds.

Mr. SOURWINE. All right, sir.

Now, will you tell us what part you have played in the development or invention, if that word applies, of any of these things you have mentioned. How about the solid state panoramic receiver. What was your part in developing that?

Mr. HILL. I monitored the contract.

Mr. SOURWINE. What does that mean?

Mr. HILL. These developments that I have referred to were accomplished by various industrial organizations.

Mr. SOURWINE. I see.

Outside the Department of State?

Mr. HILL. Outside the Department of State.

Mr. SOURWINE. I see.

Under contract?

Mr. HILL. Under contract.

Mr. SOURWINE. Contract calling for developments in a particular area?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Research, and so forth?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And when you say you monitored the contract; what do you mean?

Mr. HILL. The monitoring of contracts is a vital part of the function of the Division of Technical Services. The monitoring of a contract involves keeping a close watch over the activities of the contractor during the term of the contract in order to determine whether the contractor is carrying out the kind of work which was originally contracted for.

Mr. SOURWINE. Does this mean you control his work in any way?

Mr. HILL. Not directly. But we do keep track of his performance as judged by progress reports and by the hardware that he delivers.

Mr. SOURWINE. I see.

You do not tell him what to do—how to go about his research?

Mr. HILL. Not directly.

* * * * *

Mr. SOURWINE. You spoke of contractors, Mr. Hill. How are contractors on the research and development program on security equipment cleared?

Mr. HILL. At the present time this is accomplished by the Department of Defense.

Mr. SOURWINE. How long has that situation endured?

Mr. HILL. Oh, approximately 8 months.

Mr. SOURWINE. And prior to that time, how were the contractors cleared?

Mr. HILL. They were handled by State.

Mr. SOURWINE. Who cleared them?

Mr. HILL. Well, I think it is important to distinguish between the clearance of the contractor's facility and the personnel employed by the contractor.

Mr. SOURWINE. Go ahead. If you think it is important, explain it to us.

Mr. HILL. Yes, sir. The contractor's personnel generally have been cleared by DOD.

Mr. SOURWINE. Even during the period prior to 8 months ago?

Mr. HILL. Yes, sir, because contractors invariably have had previous contracts, defense contracts, and, as a consequence, their personnel have been cleared.

Mr. SOURWINE. Well, you mean that you regarded a contractor as clear and his personnel as clear if he had had a previous defense contract?

Mr. HILL. No; there were established procedures. However, this was handled by the Division of Evaluations. The personal security is not a matter of my immediate concern. I accept their endorsement.

Mr. SOURWINE. All right.

Now, the other distinction you wanted to make was what?

Mr. HILL. The contractor's facility—that is, his ability to properly secure and safeguard classified material—is also a matter of DOD concern.

Mr. SOURWINE. Well, how was that cleared?

Mr. HILL. In the same way, by DOD inspection of the site.

Mr. SOURWINE. Well, what is the distinction you wanted to make that was so important?

Mr. HILL. I thought it was important. I am sorry if you do not.

Mr. SOURWINE. Well, I am just asking you to explain what the distinction is. I do not see it yet. It seems to me that the two kinds of security are cleared in exactly the same way by DOD.

Mr. HILL. Yes.

Mr. SOURWINE. So what is the distinction?

Mr. HILL. Well, there are, after all, two different things: people and buildings.

Mr. SOURWINE. Yes.

But my question had only been how were they cleared, and there is no distinction in how they are cleared, is there, Mr. Hill?

Mr. HILL. Apparently not.

Mr. SOURWINE. I am just asking you for the fact, not for what is apparent. It is not apparent. It is not apparent, except what you tell us.

Prior to this period 8 months ago, when you say there was a change, is it true that the facilities and the personnel were both cleared by DOD in the case of contractors to whom you awarded contracts?

Mr. HILL. Prior to 8 months ago—well, I believe that is substantially correct; yes, sir.

Mr. SOURWINE. Well, in what respect, if any, is it incorrect?

Mr. HILL. I do not know, sir.

Mr. SOURWINE. You do not know of any way in which it is incorrect?

Mr. HILL. Well, to this extent: If a contract had been let by State with a contractor who had not previously established a facilities clearance, then, prior to this period, it would have been State's responsibility to inspect his premises.

Mr. SOURWINE. Did you award any such contracts?

Mr. HILL. Yes; I believe there was one award.

Mr. SOURWINE. One award to a person who had not previously had a defense contract?

Mr. HILL. Well, I wish to change that. No, sir. I did not award any such contracts.

Mr. SOURWINE. You did not?

Mr. HILL. No, sir.

Mr. SOURWINE. There was one awarded before you were Chief of the Division?

Mr. HILL. Yes, sir. There were many, actually, of course.

Mr. SOURWINE. The one that you recall; who examined the premises in that case?

Mr. HILL. Well eventually, it turned out to be DOD.

Mr. SOURWINE. Well, who investigated the premises before the contract was awarded?

Mr. HILL. Well, the contract was an unclassified contract except for about 15 percent of its total, which was involved in the latter portions of the contract. So, therefore, although the contract was let without facilities clearance, there was no need for a facilities clearance until such time that classified work was being generated on the contract.

Mr. SOURWINE. Mr. Hill, I am sure some of what you just said is useful information. But the question was: When was the contract awarded?

Mr. HILL. I believe it was in July.

Mr. SOURWINE. Of what year?

Mr. HILL. Of 1962.

Mr. SOURWINE. And when did DOD inspect the facilities?

Mr. HILL. The early part of this year.

Mr. SOURWINE. Did you order that done?

Mr. HILL. It was handled by DOD.

Mr. SOURWINE. Well, how did they come to do it?

Mr. HILL. Well, there is a mechanism, a channel, by which this is accomplished.

Mr. SOURWINE. Do you know what that mechanism and channel is, sir?

Mr. HILL. That is handled by the Division of Domestic Operations; Mr. McCarthy is the individual who handles this.

Mr. SOURWINE. Mr. McCarthy brought the Defense Department into the picture?

Mr. HILL. Yes.

Mr. SOURWINE. At the time you awarded the contract, the facilities had not been inspected; is that right?

Mr. HILL. I did not award the contract, sir.

Mr. SOURWINE. I am sorry.

When did you go into the Division as Chief?

Mr. HILL. September.

Mr. SOURWINE. Of 1962?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And what did you do between September of 1962 and the time that Mr. McCarthy acted to try to see that the facilities of this contractor were checked?

Mr. HILL. I addressed a memo to the Division of Evaluations which was handling industrial security at that time.

Mr. SOURWINE. They had the responsibility, did they, for checking these facilities?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Were they supposed to do it before or after you award contracts?

Mr. HILL. In the case of this contract, they should obviously do it before any classified material is generated on the contract.

Mr. SOURWINE. The contract was awarded, then, and it was not done. Do you know if notice of the award was given to the Office of Security—Division of Evaluations?

Mr. HILL. Well, it was done; yes, sir. A notice was given.

Mr. SOURWINE. By Mr. McCarthy, or by you, when you sent your memo, or earlier?

Mr. HILL. I believe it was done by me, when I sent my memo.

Mr. SOURWINE. It has not been done earlier. It has not been done earlier—they could not very well have examined it earlier, could they?

Mr. HILL. Well, I do not know what transpired earlier, because I was not Division Chief earlier.

Mr. SOURWINE. You told us you knew about this contract?

Mr. HILL. Yes.

Mr. SOURWINE. Who was Division Chief when it was awarded?

Mr. HILL. My predecessor, Mr. Iams.

Mr. SOURWINE. Jack Iams; that is right?

Mr. HILL. Yes.

Mr. SOURWINE. So Mr. Iams awarded this contract?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And, so far as you know, he did nothing to notify the Division of Evaluations, whose duty it would have been to examine the facilities, that he was considering the award of the contract or that he had, after awarding it, in fact awarded it?

Mr. HILL. I am not aware of what action he took.

Mr. SOURWINE. Now, you say that you have not awarded any contracts to any contractors who were not already Defense contractors; is that right?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And you regarded the fact that a firm or individual was already a Defense contractor as a clearance sufficient to permit you to award a contract to that firm or individual?

Mr. HILL. No, sir; that is handled through a rather complex mechanism set up by the Department of Defense by which we first establish whether the contractor is in fact cleared and his personnel are cleared and so on before awarding a contract. And, as a matter of fact, even before advertising a classified request for bid.

Mr. SOURWINE. Well, are you telling us that you did this in every instance where you awarded a contract: that you satisfied yourself that the contractor, personnelwise and facilitieswise, was cleared for security before you even accepted his bid?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Were all your contracts let under bids?

Mr. HILL. No, sir.

Mr. SOURWINE. Well, in how many cases did you take bids, cases of individual contracts? Roughly; I do not expect an exact figure.

Mr. HILL. Oh, roughly half, I would say.

Mr. SOURWINE. About half of them were negotiated contracts?

Mr. HILL. Yes, sir.

Mr. SOURWINE. In the case of these negotiated contracts, did you always, before negotiating the contracts, satisfy yourself that the contractor had been cleared both with respect to personnel and facilities for security?

Mr. HILL. I either did that, sir, or I did not discuss classified information with them.

Mr. SOURWINE. I see.

So that you can say, then, that you never let a contract in a case where the contractor, both with regard to facilities and personnel, had not been cleared for security?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Is it not true, Mr. Hill, that prior to some 8 months ago—about the time of Mr. McCarthy's action that you mentioned earlier—contracts were being let on the basis of prior clearances granted by the Department of Defense, and with no new examination with respect to personnel or equipment, based on the specific contract or the proximity of the award of the specific contract by your division?

Mr. HILL. That is a rather long sentence, sir.

Mr. SOURWINE. Did you understand it?

Mr. HILL. No, sir.

Mr. SOURWINE. If you did not understand it, it is too long. I will break it down.

Mr. HILL. Thank you, sir.

Mr. SOURWINE. Is it not true that, prior to a date about 8 months ago, neither the State Department nor the Department of Defense was in the practice of making separate inspections or investigations of a contractor before you awarded the contract?

Mr. HILL. You say before I awarded the contract?

Mr. SOURWINE. I am talking about the period between last September and the period when Mr. McCarthy, was it—

Mr. HILL. Yes.

Mr. SOURWINE (continuing). —got into the picture, which you told us about.

Mr. HILL. I do not know whether that is true or not. I would have to make a study of the contracts which were let in that period. I do not know that there were contracts which were let in that period. They may have been continuations of existing contracts.

Mr. SOURWINE. Well, Mr. Hill, I am not asking about something obscure here, at least it should not be obscure to you. You are the Chief of this Division.

Mr. HILL. Yes.

Mr. SOURWINE. You know about Mr. McCarthy's activities. Do you not know that Mr. McCarthy discovered a practice which he considered a poor security practice, or a bad security practice; that is, a practice of relying upon prior clearances, and not having clearances in each individual case, and that this practice was corrected?

Mr. HILL. That is a construction which you are placing upon it.

Mr. SOURWINE. Well, is it incorrect?

Mr. HILL. I would say that we decided to avail ourselves of DOD's very competent services and reestablished new procedures with regard to industrial security.

Mr. SOURWINE. That was about 8 months ago?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And the procedures prior to that time, had they involved any individual investigation of a contractor or prospective contractor by the Department of Defense in each instance before the contract was awarded by your division?

Mr. HILL. Well, as I say, you are questioning me about a rather narrow period of a few months, and I am not sure whether any contract during that period of time was actually let.

Mr. SOURWINE. All right.

Then, let us talk about the period under Mr. Iams, before you became Chief. That would cover the period of about a year, would it not?

Mr. HILL. About 8 months.

Mr. SOURWINE. About 8 months. You have only been with the Department 16 months?

Mr. HILL. Approximately.

Mr. SOURWINE. Well, this change which was made—you say “we”—I suppose you and Mr. McCarthy decided it, perhaps others in connection. Was Mr. Reilly there then, when that was decided?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Well, who did make that decision?

Mr. HILL. Well, I believe it was done by an exchange of letters between the Secretary of State and the Secretary of Defense.

Mr. SOURWINE. Oh; there was no decision until after the letter had been signed by the Secretary?

Mr. HILL. There was no decision after the letter had been signed.

Mr. SOURWINE. Up until the time—until he had signed it, there was no decision?

Mr. HILL. I do not know.

Mr. SOURWINE. Isn't this what happened, Mr. Hill:

That Mr. McCarthy found the practice existing, which he was not satisfied with, which he felt was poor security? This was taken up, probably with you, perhaps with others. And a new procedure was worked out, which did involve a specific examination in each instance.

Mr. HILL. No, sir.

I see it simply as a transition period between one system of security and another.

Mr. SOURWINE. I see.

In your opinion, was the former system adequate?

Mr. HILL. It is somewhat out of my field to pass judgment on procedural security matters. My field is technical security.

Mr. SOURWINE. Is it out of your field?

Mr. HILL. Yes, sir. My field is technical matters.

Mr. SOURWINE. I see.

Now, prior to this period of 8 months ago, you say you do not recall whether you ever awarded a contract?

Mr. HILL. In this narrow period of time, yes, sir.

Mr. SOURWINE. I see.

Did you ever do anything to bring about an investigation by the State Department or personnel of the State Department of either the facilities or the personnel of a prospective contractor before you awarded a contract?

Mr. HILL. I do not recall. I may have.

Mr. SOURWINE. Mr. Hill, how much money has been spent while you have been in the Department for the actual purchase of new security equipment? Again, I do not ask for a precise figure. Can you tell us approximately?

Can you furnish us with that figure?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Can you furnish us with the figure of how much has been appropriated for this purpose during the same period of time?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Can you furnish us with a statement respecting how the money allowed by Congress for research and development has been used?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And how much of it is represented by contracts awarded to private industry?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Is the identity of the contractors a classified matter?

Mr. HILL. No, sir.

Mr. SOURWINE. Can you furnish that information also and show the size of the contract in each case?

Mr. HILL. Yes, sir.

[EDITOR'S NOTE.—For data supplied by the State Department, see letters on pp. 1032 and 1034 and Crockett testimony on p. 1140.]

Mr. SOURWINE. Mr. Hill, in the fiscal year 1961, according to the committee's information, the State Department received from Congress for research and development of electronic equipment for use in security activities a total of \$499,699.

For fiscal year 1962, the Department asked for \$1,373,000 for this purpose, and got \$1.2 million.

It appears, from the best information we can get, that only \$583,000 of this amount was actually turned over to the Office of Security by the Bureau of Administration for research and development of equipment.

Is that approximately correct, according to the best of your knowledge?

Mr. HILL. This is fiscal year 1961?

Mr. SOURWINE. 1962, I am talking about now. The figure for 1961 was \$499,699.

For 1962, \$1,373,000 requested; \$1.2 million granted; but only \$583,000 actually turned over for research and development of equipment.

Senator HRUSKA. Off the record.

(Discussion off the record.)

Senator HRUSKA. Back on the record.

Mr. SOURWINE. I am concerned now not so much with the question of what was the appropriation for fiscal 1961, because you can give us that, if this figure is not correct. But I am concerned with the question of whether it is true that, for the fiscal year 1962, the Department asked for \$1,373,000; got \$1.2 million; and only \$583,000 was actually turned over to the Office of Security by the Bureau of Administration for research and development of equipment.

Mr. HILL. I recall a somewhat different figure.

Mr. SOURWINE. Well, do you know the incident—do you recall the fact that there was a good deal more than half of the amount appropriated which was not made available for the purpose for which it had been appropriated?

Mr. HILL. My figures do not seem to agree with yours. But I am not certain that mine are free from error, either.

Mr. SOURWINE. Will you give us your figures for the record?

Mr. HILL. Yes, sir, I can do that.

Mr. SOURWINE. All right.

And if you can, tell us what happened to the rest of the money that was not turned over to the Office of Security by the Bureau of Administration. If you cannot, simply say you cannot.

Mr. HILL. All right, sir.

Mr. SOURWINE. Do you know how much was received by your office for fiscal year 1963?

Mr. HILL. Yes, sir.

Mr. SOURWINE. How much?

Mr. HILL. \$884,000.

Mr. SOURWINE. How much was spent for that fiscal year?

Mr. HILL. Roughly the same amount.

Mr. SOURWINE. And how much have you requested for fiscal 1964?

Mr. HILL. \$1,029,000, plus \$325,000.

Mr. SOURWINE. You spent nearly all of the amount that was given you for the current fiscal year?

Mr. HILL. Yes, sir—that we received.

Mr. SOURWINE. The fiscal year that ended June 30?

Mr. HILL. Yes, sir.

Senator HRUSKA. Mr. Hill, what is that \$1,029,000—and then you added \$325,000. Are there two separate classifications?

Mr. HILL. Yes, sir.

Senator HRUSKA. What are they?

Mr. HILL. One is equipment and the other is research and development.

Mr. SOURWINE. Which is equipment?

Mr. HILL. The larger amount.

Mr. SOURWINE. Now, how much have you spent for equipment during fiscal 1963?

Mr. HILL. Well, as I indicated, substantially all that we received from our allotment, which is not necessarily the amount that we received from Congress.

Mr. SOURWINE. Now, I am a little confused. I thought you told us a moment ago that you received \$884,000 for fiscal 1963 and had spent all of it. I think that is the way the record will read.

Now, what is the fact?

Mr. HILL. You used the phrase "received by your office," and I interpreted that to mean money that we actually had in hand, rather than money which was appropriated to us.

Mr. SOURWINE. Yes.

You actually had in hand \$884,000?

Mr. HILL. Of which we spent—

Mr. SOURWINE. What was appropriated to you for fiscal 1963?

Mr. HILL. \$1,029,000.

Mr. SOURWINE. I see. The same amount that you are asking for?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Do you know what happened to the difference between the \$884,000 and the \$1,029,000?

Mr. HILL. No, sir, I personally do not.

Mr. SOURWINE. Your division justified the \$1,029,000, did it not?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Well, now, how much of that \$884,000 that you did get was spent for equipment?

Mr. HILL. Substantially all of it, sir.

Mr. SOURWINE. And has the equipment been received?

Mr. HILL. Some of it has.

Mr. SOURWINE. Most of it?

Mr. HILL. Well, I would like to point out that this recent fiscal year was a rather difficult one. A large amount of our money was not available to us to spend—for us to spend until the last part of the year.

Mr. SOURWINE. Why not?

Mr. HILL. I assume because there were other fiscal emergencies in the Department.

Mr. SOURWINE. You mean after Congress appropriated it, it was not available to you? When did it become available to you, this \$884,000?

Mr. HILL. Last month. Well, certain portions of it. The final amount became available last month.

Mr. SOURWINE. How much was available before last month?

Mr. HILL. Roughly half.

Mr. SOURWINE. Just half. You got \$400,000 last month, and they said, "Spend it quick, you have a month to go." Is that right?

Mr. HILL. Well, yes, sir.

However, we anticipated this, and hoped for the best, and, therefore, had made arrangements ahead of time so that we were not squandering the money.

Mr. SOURWINE. You mean you did not know until last month, until the final month of the fiscal year, how much you were going to get for equipment?

Mr. HILL. I was assured that we would get it all, and I operated on that basis.

Mr. SOURWINE. Did you get it all, or did you get only \$884,000 of it?

Mr. HILL. By "all," I meant the amount that we were originally entitled to get.

Mr. SOURWINE. Well, you were entitled to get what Congress appropriated, were you not?

Mr. HILL. I use the phrase to mean what the Office of Budget and Finance allotted to us.

Mr. SOURWINE. What the Office of Budget and Finance decided to allot you out of what Congress had appropriated for you, that is what you mean by "entitled"?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And they had allotted you \$884,000?

Mr. HILL. There does seem to be a discrepancy.

Mr. SOURWINE. And they did not give you at least half of it until the final month of the fiscal year?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Their allotment did not mean much, then, did it?

Mr. HILL. You are referring to Budget and Finance's allotment?

Mr. SOURWINE. Whoever it was that allotted the \$884,000.

Mr. HILL. Well, I—

Mr. SOURWINE. After Congress has appropriated it and the Bureau has allotted out of it what they think you should have, who else has to approve it before you can get it?

Mr. HILL. Mr. Reilly, of course.

Mr. SOURWINE. Well, was Mr. Reilly holding back this \$400,000?

Mr. HILL. No, sir.

Mr. SOURWINE. Well, who was?

Mr. HILL. I do not know, sir.

Mr. SOURWINE. You do not know. Well, who was it that kept promising you that you would get it?

Mr. HILL. The Office of Budget and Finance.

Mr. SOURWINE. Did they have control over whether you got it or not?

Mr. HILL. It would seem so.

Mr. SOURWINE. So that their allotment was just a future promise, a sort of a "maybe"?

Mr. HILL. It is possible to put it like that.

Senator HRUSKA. Mr. Hill, is there not a provision that not more than a specified percentage—I think it is 20 or 25 percent—may be spent in the last 60 days of any fiscal year?

Mr. HILL. You may be quite correct, sir. I am not aware of that provision.

Mr. SOURWINE. Anyway, you spent half of yours in the last month of the fiscal year, right?

Mr. HILL. Yes, sir.

Senator HRUSKA. Was it spent or simply obligated? It could not have been spent very well, could it, in 30 days?

Mr. HILL. Oh, yes, sir.

We prepared paperwork in advance, where there was contracting involved, and accomplished all the negotiations.

Senator HRUSKA. To the point of delivery?

Mr. HILL. No, sir.

Senator HRUSKA. Including delivery?

Mr. HILL. No, sir. No, sir.

Senator HRUSKA. Was it manufactured equipment?

Mr. HILL. In some cases, yes, sir.

Senator HRUSKA. So that it was obligated, but it was not spent. You cannot pay for the equipment until it is built or delivered, can you?

Mr. HILL. No, sir. And it was not obligated—it was not delivered, sir. I mean the paperwork connected with making a contract had been accomplished by us, and the negotiations involved as to what the contractor was going to make for us had been laid out in advance.

Mr. SOURWINE. I will tell you why I ask these questions, Mr. Hill. The committee's information is that the Department has been getting a good deal of money for research and development of new equipment and the purchase of new equipment, but that the field has not been getting any new equipment, or only a very small trickle. We have been told of instances in the field where they wanted a particular kind of instrument and had to haywire one up out of what they could find in the attic, because they simply could not get any new equipment out of Washington.

You must be aware of this situation.

I can understand it when I see that you did not get but half your money until the last month of the fiscal year. You cannot turn money into equipment and get it out to the field in 30 days.

I did want to explain this to you. If there is any comment you want to make about that situation, you should have a right to do it on the record before I move on to the next point.

Mr. HILL. I feel that the situation you have alluded to is not as serious as described. I think it has been exaggerated to you.

Mr. SOURWINE. Well, let us find out if it has been exaggerated.

Mr. Chairman, may we ask that the witness furnish for the record for the fiscal year 1963 the total amount of equipment delivered and transferred or shipped to the field?

Senator HRUSKA. Yes.

I think that would be pertinent information. Also, any requisitions or requests for equipment which were filed with the Department, and which were not filed or complied with. It happens that the acting chairman is on the Appropriations Subcommittee for the State Department, and we would be interested in this information, either now or then. I think this would be as good a time to get it as any.

Mr. HILL. Yes, sir.

What is it precisely you would like?

Senator HRUSKA. Requisitions or requests for equipment from the field made to your Department, and the compliance with such requisitions or requests for that type of equipment.

Mr. HILL. This is a great volume of paperwork, because that is our main business.

Senator HRUSKA. Could you, then, furnish us a list of the requisitions which were made and not filled? Would that be a great volume, too?

Mr. HILL. No, sir.

Senator HRUSKA. And if it is, it would kind of bear out what we had been getting by way of information, you see.

Mr. HILL. You may not find any.

Senator HRUSKA. Very well. If you can give us that assurance, and say that is what the record is, we would like that. However, we have information to the contrary. We would kind of like to match those things together.

Mr. HILL. Yes, sir.

Mr. SOURWINE. I would still like to have, Mr. Chairman, if your order may be clear, for the record, a tabulation of all of the equipment, new equipment, delivered to the field, purchased and delivered to the field, during fiscal year 1963.

Senator HRUSKA. Very well. It is so ordered.

Mr. SOURWINE. It may be that field people do not have the right to requisition new equipment, especially when the stuff is being newly developed. It may not be a stock supply that you can requisition.

Senator HRUSKA. Very well. If you will, Mr. Hill, get us that information: the deliveries made to the field during fiscal 1963 of this type of equipment.

Mr. HILL. Yes, sir.

(EDITOR'S NOTE.—See data on p. 1034 and Crocket testimony on p. 1141.)

Mr. SOURWINE. Mr. Hill, did you have anything to do with the elimination of Mr. George Pasquale from the Department's roster of employees?

Mr. HILL. I do not have the power to hire and fire.

Mr. SOURWINE. I know that, sir. The question was: Did you have anything to do with it?

Mr. HILL. Well, the Foreign Service has an elaborate system of evaluating their employees.

Mr. SOURWINE. Yes, sir.

Mr. HILL. As part of this, there is an annual efficiency report, which is written on an individual by his immediate supervisor. In addition to the efficiency report, there is a review written of the report by the person's secondary supervisor, the supervisor's supervisor.

Finally, we, back in the Division of Technical Services, write and use a report on the basis that—on the basis of the performance or the work that the person has done throughout the year, as we see it in our office.

We are in a position only to evaluate indirectly because we read reports and do not have personal contact with the individual.

To the extent that we write and use a report on all personnel, I had something to do with Mr. Pasquale's resignation.

Mr. SOURWINE. Did you write a report on Mr. Pasquale?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And did you find him competent or incompetent, satisfactory or unsatisfactory, in your report?

Mr. HILL. I found him unsatisfactory.

Mr. SOURWINE. Was that before or after Mr. Pasquale had made a complaint against you?

Mr. HILL. Well, that was before I was aware of his complaint.

Mr. SOURWINE. Before you were aware of it?

Mr. HILL. Yes, sir.

Mr. SOURWINE. I take it that that means it was after it was made, but before you learned of it?

Mr. HILL. He wrote a memo which, eventually, Mr. Reilly saw and kept on file. After I had the end user report on Mr. Pasquale, Mr. Reilly then showed me a copy of that memo.

Mr. SOURWINE. Now, Mr. Hill, you are aware of the nature of Mr. Pasquale's charges against you?

Mr. HILL. I believe so.¹

Mr. SOURWINE. Are they true in any respect?

Mr. HILL. No, sir.

Mr. SOURWINE. Did you, in fact, drink to excess at an embassy function?

Mr. HILL. I drink, but no more than Mr. Pasquale, or many of the other people attending.

Mr. SOURWINE. Well, the question was not intended to be comparative, sir. To put it quite baldly—and I do not mean to make this a charge, but only as a question—did you get drunk at an embassy function?

Mr. HILL. I would not say my behavior was such as to characterize me as drunk.

Mr. SOURWINE. On any occasion?

Mr. HILL. No, sir.

Mr. SOURWINE. Were you loud, abusive, and rude on any of these occasions?

Mr. HILL. No, sir.

¹ See Pasquale testimony starting at p. 1065.

Mr. SOURWINE. Now, on your recent trip abroad, did you have any unpleasantness, any incidents that might lead to complaints against you?

Mr. HILL. No, sir.

Mr. SOURWINE. You did not. There were no complaints against you, as far as you know?

Mr. HILL. No, sir.

Mr. SOURWINE. Now, you said that Mr. Pasquale's memorandum had been kept on file by Mr. Reilly. Do you know where he kept it?

Mr. HILL. No, sir.

Mr. SOURWINE. You do not know?

Mr. HILL. No, sir.

Mr. SOURWINE. Would you think it would be in Mr. Pasquale's file or in your file?

Mr. HILL. I do not know. It was not in my file.

Mr. SOURWINE. Well, where would charges against an individual belong in the State Department, if not in his own file?

Mr. HILL. I do not know how Mr. Reilly keeps his files.

Mr. SOURWINE. I see. He never said anything to you about whether these charges were going in your file, would be withheld from your file?

Mr. HILL. Oh, he did say something to that effect.

Mr. SOURWINE. What did he say?

Mr. HILL. He said that he considered them and decided that he would not put them in my file.

Mr. SOURWINE. I see.

Your personnel file, then, is incomplete?

Mr. HILL. Apparently not, in Mr. Reilly's view.

Mr. SOURWINE. I see.

Were you in Frankfurt on Easter Sunday, April 19, 1962?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Did you arrive in Frankfurt on that date for the purpose of conducting a technical inspection tour of various posts in Europe?

Mr. HILL. Yes, sir.

Mr. SOURWINE. On the evening of that day did Mr. York give a cocktail party in your honor?

Mr. HILL. He gave a cocktail party; yes, sir.¹

Mr. SOURWINE. I am referring to Frederick B. York, Foreign Service officer, who was in charge of the test center at Frankfurt, the regional test center, at that time.

Mr. HILL. Yes, sir.

Mr. SOURWINE. Do you recall whether, during that evening party, you became intoxicated?

Mr. HILL. I recall falling asleep, since I had been up many hours and was very fatigued.

Mr. SOURWINE. Is it true that you removed your coat, shirt, and tie so that you were wearing only your trousers and a T-shirt?

Mr. HILL. I had retired.

Mr. SOURWINE. Where?

Mr. HILL. To a bedroom.

¹ EDITOR'S NOTE.—The party for Hill at York's home was held on the Thursday before Easter Sunday—specifically on Thursday, Apr. 19, 1962.

Mr. SOURWINE. To a bedroom. And you had removed this clothing only after you entered the bedroom?

Mr. HILL. Yes, sir.

Mr. SOURWINE. And you did not come out of the bedroom?

Mr. HILL. I came out of the bedroom again much later in the evening.

Mr. SOURWINE. I see.

Mr. HILL. When most of the guests had gone home, and Mr. York and one or two other people were there.

Mr. SOURWINE. Is it true that you fell asleep on the couch and awoke about 3 a.m.?

Mr. HILL. I do not recall when I awoke, exactly.

Mr. SOURWINE. Is it true that during the party on that occasion, and after you had become intoxicated, you used vulgar and obscene words?

Mr. HILL. I do not believe that is true; no, sir.

Mr. SOURWINE. Have you been told that anyone has charged that it is true?

Mr. HILL. Mr. Pasquale has alleged that it is true.

Mr. SOURWINE. I see. You do not know of anybody else that said so?

Mr. HILL. No, sir.

Mr. SOURWINE. Was Mr. Pasquale at this particular cocktail party?

Mr. HILL. I believe he was, sir.

Mr. SOURWINE. Our information is that he was not.

Mr. HILL. It has been over a year.

Mr. SOURWINE. On Saturday, April 21, you went to Warsaw, accompanied by Mr. George Pasquale?

Mr. HILL. Yes, sir.

Mr. SOURWINE. You got to Warsaw and you were escorted by the Embassy security officer, Mr. Victor D-i-k-e-o-s.

Mr. HILL. Dikeos.

Mr. SOURWINE. Do I spell it correctly?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Mr. Dikeos and his wife gave a cocktail party at their home that evening for you and Mr. Pasquale?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Did you on that occasion become intoxicated?

Mr. HILL. No, sir.

Mr. SOURWINE. Did you on that occasion use vulgar and obscene words?

Mr. HILL. No, sir.

Mr. SOURWINE. Did you on that occasion break any cocktail glasses?

Mr. HILL. I do not recall, sir.

Mr. SOURWINE. Did you on that occasion extol the virtues of socialism and communism and proclaim that you, yourself, were an atheist?

Mr. HILL. No, sir, I do not believe so. But if we had been speaking of such things, it was a discussion where all manner of topics might have been discussed.

Mr. SOURWINE. I see.

Did you on Monday, April 23, at the Embassy, get into a heated argument with the Embassy administrative officer, Henry Boudreau?

Mr. HILL. I would not call it a heated argument. We definitely disagreed about a certain plan of action.

Mr. SOURWINE. You were not loud about it? You did not raise your voice?

Mr. HILL. No more than Mr. Boudreau.

Mr. SOURWINE. Well, how much did he raise his voice? Was he shouting?

Mr. HILL. No, sir, neither one of us were shouting.

Mr. SOURWINE. I see.

On the following Wednesday evening, April 25, 1962, did you go to the Krokodil, a Polish restaurant, which has an orchestra and dancing?

Mr. HILL. Yes, with George.

Mr. SOURWINE. Mr. Pasquale?

Mr. HILL. Yes, sir, with Mr. Pasquale.

Mr. SOURWINE. Now, prior to leaving for the Krokodil, did you purchase a bottle of sherry through the Embassy commissary?

Mr. HILL. Yes, George got a bottle of Scotch, I believe.

Mr. SOURWINE. Did you consume any of the Scotch?

Mr. HILL. No, sir, I drank sherry, I believe.

Mr. SOURWINE. Did you drink it all before you got to the Krokodil?

Mr. HILL. No, I do not believe I drank it all.

Mr. SOURWINE. How much of it did you drink—most of it?

Mr. HILL. No, sir, I believe I had a glass or two.

Mr. SOURWINE. When you got to the Krokodil, did you go to the orchestra leader and insist that you be allowed to play the piano?

Mr. HILL. The orchestra leader and I had quite a discussion. He was interested in American jazz. I wanted to demonstrate a jazz piece that he did not know. I sat down and played at the piano a little while.

Mr. SOURWINE. You are a pianist, a jazz piano player?

Mr. HILL. I play for my own amusement mainly.

Mr. SOURWINE. Have you ever taken piano instruction?

Mr. HILL. Yes, sir.

Mr. SOURWINE. Where?

Mr. HILL. In California.

Mr. SOURWINE. What place, what institute or school?

Mr. HILL. Well, I studied under a private teacher, and then I had a year in college studying composition.

Mr. SOURWINE. I see.

Witnesses to this event have said that after seating yourself at the piano bench, you raised both arms above your head and held them motionless for several seconds, then let your hands descent with a loud bang on the keys and continued an aimless and tuneless pounding for approximately 15 minutes. This might, of course, have been reported by someone who had no appreciation of modern jazz.

Mr. HILL. It might not be the truth, either.

Mr. SOURWINE. You say it might or might not be?

Mr. HILL. I say it might not be the truth.

Mr. SOURWINE. We understand this possibility. That is why you are being asked about it, sir. What is the fact? Did you play for 15 minutes?

Mr. HILL. No, sir. I do not believe I played for longer than 2 or 3 minutes.

Mr. SOURWINE. I see.

And you were playing a jazz tune, and not aimless pounding?

Mr. HILL. Well, I did not consider it aimless pounding.

Mr. SOURWINE. All right.

Then you got up and bowed to the audience and went back to your table?

Mr. HILL. I believe I got up and went back to my table. I do not recall bowing.

Mr. SOURWINE. After you returned to your table, did you go over to a nearby table where a blond Polish female was sitting with a group of people and ask her to dance with you?

Mr. HILL. Yes, and she did so.

Mr. SOURWINE. Did you know her?

Mr. HILL. No, sir.

Mr. SOURWINE. It has been alleged that you were constantly tripping or stumbling with this lady; is that correct?

Mr. HILL. No, sir. She danced straight Arthur Murray. Very easy to dance to. I did not stumble over her feet at all.

Mr. SOURWINE. Subsequently, you again tried to dance with the same woman, but both she and her Polish husband refused your request?

Mr. HILL. No, sir. I asked another girl to dance. But she declined.

Mr. SOURWINE. I see. You never asked this one again?

Mr. HILL. No, sir.

Mr. SOURWINE. On Thursday, April 26, 1962, one Frederick Galvin, a security officer stationed at Frankfurt, arrived at Warsaw, and Mr. Victor Dikeos and his wife invited Mr. Galvin and you and Pasquale to dinner at their home?

Mr. HILL. I believe that is correct.

Mr. SOURWINE. Just the five persons present?

Mr. HILL. I do not remember exactly.

Mr. SOURWINE. Did you on that occasion become intoxicated?

Mr. HILL. No, sir.

Mr. SOURWINE. Did you on that occasion use any vulgar and obscene four-letter words?

Mr. HILL. I do not believe so, sir.

Mr. SOURWINE. Did you break any glassware?

Mr. HILL. I do not recall whether I broke any glassware.

Mr. SOURWINE. On Friday, April 27, 1962, did you announce your intention to go to Prague in Czechoslovakia?

Mr. HILL. I do not know whether I went to Moscow first or to Prague. I would have to check my itinerary.

Mr. SOURWINE. You did go to Prague?

Mr. HILL. Yes; on that trip.

Mr. SOURWINE. You do not know whether you announced your intention on Friday, April 27, to go to Prague?

Mr. HILL. No.

Mr. SOURWINE. Did you at that time have a visa for Prague?

Mr. HILL. Probably.

Mr. SOURWINE. Is it not true that you had no visa, and that Embassy personnel told you it would be nearly impossible to get one in the short space of time available, but you insisted that they ask for—

ask the Czech Embassy for a visa, so they did, and it came through very promptly, to the surprise of everybody?

Mr. HILL. Now that you mention it, I did not have one of my visas, and I do recall getting a visa in Warsaw. However, that is common practice when traveling in Iron Curtain countries, and it is not in the least out of the ordinary.

Mr. SOURWINE. Were you advised by Embassy personnel that it would be nearly impossible to get the visa in this short length of time available?

Mr. HILL. I do not believe that they would say that.

Mr. SOURWINE. You do not recall anyone saying anything like that?

Mr. HILL. Oh, someone might have said, "It is going to be tough getting a visa in this short length of time." But what very possibly happened was that the visa was applied for in Washington, and they requested that the visa be issued in Warsaw, which is very common.

Mr. SOURWINE. Had you applied for a visa in Washington?

Mr. HILL. I suspect I had.

Mr. SOURWINE. You do not know?

Mr. HILL. Well, it is standard practice.

Mr. SOURWINE. I see. All right.

Mr. Chairman, in view of the hour—I have already run past what the chairman had said—I do not propose to go further into specific allegations. I think the point has been made. And if I may ask one or two questions, I think we can sum it up.

Mr. Hill, to your knowledge, have you ever been intoxicated to the point of losing control of speech or motion while in a public place abroad, or in the company of foreign diplomats?

Mr. HILL. I do not think I have lost complete control; no, sir.

Mr. SOURWINE. Have you ever, to your knowledge, used obscene language under similar circumstances?

Mr. HILL. No, sir.

Mr. SOURWINE. I have no more questions of this witness, Mr. Chairman.

Senator HRUSKA. Mr. Hill, have you civil service status, or are you an excepted employee?

Mr. HILL. I do not have civil service.

Senator HRUSKA. What is your status? What do they call that?

Mr. HILL. I am Foreign Reserve officer, 5-year appointment.

Senator HRUSKA. Reserve officer, 5-year appointment. Is that what is known as excepted from civil service? Maybe you can help me, Mr. Counsel.

Mr. SOURWINE. If I am correct, the Reserve Foreign Service will mature into a Foreign Service appointment in 5 years or else you will be out. Can it be renewed?

Mr. HILL. It might be renewed, or I can apply for lateral entry into the Foreign Service.

Senator HRUSKA. Thank you.

Mr. SOURWINE. That usually happens, if a man wants to stay?

Mr. HILL. Well, it is rather difficult.

Mr. SOURWINE. I mean assuming he is competent.

Senator HRUSKA. I have no further questions.

Mr. SOURWINE. I have no questions.

Senator HRUSKA. Very well. The witness is excused and the meeting will be adjourned subject to the call of the chairman.

(Whereupon, at 12:25 p.m., the committee adjourned, subject to the call of the Chair.)

**TESTIMONY OF DAVID I. BELISLE, EXECUTIVE SECRETARY,
PERSONNEL PANEL, 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.

(Mr. Belisle was previously sworn.)

* * * * *

Mr. SOURWINE. Mr. Belisle, the committee understands that the Office of Security is prohibited by your directive from furnishing, to the Office of Personnel, investigative reports containing minor suitability information; is this correct?

Mr. BELISLE. Prohibited; no. I told them that they should not forward to Personnel cases with minor derogatory information, inasmuch as this was creating a needless lot of paperwork for minor security information.

Mr. SOURWINE. That is prohibition in a sense; is it not?

Mr. BELISLE. All right. But they are not prohibited if, in their judgment, they feel that the case should go down there and they are perfectly free to do it.

Mr. SOURWINE. Except that if it is minor suitability information, to send it would be contrary to your instructions?

Mr. BELISLE. Well, I always hope that they use a little judgment. For instance, if the information in the reports is such that you wouldn't want it in an individual's file, then you wouldn't forward the reports.

Mr. SOURWINE. What is minor suitability information, Mr. Belisle? Would you define it?

Mr. BELISLE. I can give you what I consider to be minor suitability information. It is information with respect to—in doing a background investigation on an individual—for instance on a young lady—and find that she had maybe been a little careless and got into a little difficulty from a sex angle, I would say if the preponderance of information is in favor, this would be minor.

Mr. SOURWINE. What is substantially derogatory information?

Mr. BELISLE. I think when you get testimony from a great deal of individuals with respect to any applicant's conduct, this becomes substantial derogatory information.

Mr. SOURWINE. How is a person going to decide between the two—decide what is substantially derogatory and what is minor?

Mr. BELISLE. Well, I think anybody who has been in the business for any length of time and is in a position where he is evaluating cases is capable of using his own judgment to determine whether this is minor suitability information which would not affect an individual's being hired or cleared, or whether this is substantially derogatory

enough to perhaps have the Office of Personnel say they would not hire him or the Office of Security say they would not clear him.

I don't think I could draw a line. It has to be a matter of judgment.

Mr. SOURWINE. Of the individual, the person dealing with them?

Mr. BELISLE. Right, sir.

Mr. SOURWINE. Should a person be discharged as a security risk for personal misconduct which does not involve the national security?

Mr. BELISLE. No; he is usually taken care of by civil service rules and regulations.

Mr. SOURWINE. Is it correct that the Office of Personnel is no longer furnished with investigative reports in clearly favorable cases?

Mr. BELISLE. That's right, sir.

Mr. SOURWINE. Who decides what is clearly favorable?

Mr. BELISLE. Well, your case supervisor, looking over the investigation as it is completed. If there is no derogatory information reported, then it is clearly favorable.

Mr. SOURWINE. Well, if there is no derogatory information reported, does the case ever get to a case supervisor?

Mr. BELISLE. The case supervisor gets it as all the leads get in; yes, sir.

Mr. SOURWINE. We had understood from previous testimony that where the investigator found no derogatory information that was reported, the report was then sent directly to Personnel as a "no derogatory information" case. That never went to the Division of Evaluations.

Mr. BELISLE. It doesn't go to the Division of Evaluations. Case supervisor is under the Division of Investigations.

Mr. SOURWINE. Well, a case supervisor in the Division of Investigations will look at the case even though the investigator has found no derogatory information?

Mr. BELISLE. Yes, sir. He has to see that all leads are covered.

Mr. SOURWINE. Does he get the case in a form which will let him see that the leads are covered?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Well, when an investigator has no derogatory information, does he report in detail who he interviews and what they said?

Mr. BELISLE. He doesn't report the information. However, he reports the names, the identity of the individuals whom he has interviewed.

Mr. SOURWINE. And that is all?

Mr. BELISLE. No. He says, "No unfavorable comments." He has to list them.

Mr. SOURWINE. All the case supervisor gets then is a list of the people he interviewed?

Mr. BELISLE. Right, sir.

Mr. SOURWINE. He doesn't know the questions that were asked?

Mr. BELISLE. No, sir.

Mr. SOURWINE. He has only the investigator's judgment that there was no derogatory information?

Mr. BELISLE. Right.

Mr. SOURWINE. Are your case supervisors trained evaluators?

Mr. BELISLE. Some of them have been in evaluations; yes, sir.

Mr. SOURWINE. Are they all trained evaluators?

Mr. BELISLE. Well, I think an investigator as such is an evaluator.

Mr. SOURWINE. You do?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. He certainly is, under this procedure.

Mr. BELISLE. Under any procedure, sir. When he interviews you he must evaluate your testimony as to its importance, and he has to evaluate the informant.

Mr. SOURWINE. In any event, is it clear that the Investigation Division does send clearances on officer personnel directly to the Office of Personnel without review of such cases by professional evaluators when, in the judgment of the investigator, there was no derogatory information?

Mr. BELISLE. That's right, sir. The whole case, of course, has to be free of derogatory information.

Mr. SOURWINE. Mr. Belisle, do you know Mr. Elmer D. Hill?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Were you aware of any security problems in connection with Mr. Hill?

Mr. BELISLE. I have discussed the case with Mr. Reilly; yes, sir. I don't say security problems. There were allegations that were made with respect to his conduct.

Mr. SOURWINE. This is the Mr. Hill who heads the Technical Services Division of the Office of Security?

Mr. BELISLE. Right.

Mr. SOURWINE. Are you familiar with the charges made against Mr. Hill by a Mr. Pasquale?

Mr. BELISLE. Yes, sir.

Mr. SOURWINE. Has Mr. Hill been exonerated from those charges?

Mr. BELISLE. I would imagine so, by Mr. Reilly. He is still there.

Mr. SOURWINE. Did you see those charges yourself?

Mr. BELISLE. No, sir.

Mr. SOURWINE. Are you aware of any other evidence or allegations of misconduct by Mr. Hill?

Mr. BELISLE. No, sir.

Mr. SOURWINE. You have had, nor seen, no new reports of further misconduct by Mr. Hill?

Mr. BELISLE. No, sir.

* * * * *

TESTIMONY OF JOHN F. REILLY

AUGUST 6, 1963

Senator Roman L. Hruska presiding.

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

(Mr. Reilly was previously sworn.)

* * * * *

Mr. SOURWINE. Are you familiar with the case of John L. Topping?

Mr. REILLY. I understand—I have been advised that that is under current review in the Division of Evaluations.

Mr. SOURWINE. Does that make it another case you can't talk about?

Mr. REILLY. Yes, sir.

Mr. SOURWINE. Mr. Reilly, do you remember the case of the charges brought against Mr. Elmer Hill by Mr. Pasquale?

Mr. REILLY. Yes.

Mr. SOURWINE. What did you do with Mr. Pasquale's charges?

Mr. REILLY. Mr. Pasquale first did not bring charges.

Mr. SOURWINE. He did not?

Mr. REILLY. In any normal sense. He wrote a letter.

Mr. SOURWINE. He made allegations as to his conduct?

Mr. REILLY. Yes.

Mr. SOURWINE. What did you do with those written allegations?

Mr. REILLY. I discussed them with Mr. Jack Hines, who was then head of the Division of Technical Services. The result of our discussion was that we had no previous evidence of such conduct on his part, that we certainly would watch Mr. Hill to see if there were any further such allegations made, or any actions that we observed bearing on this.

Mr. SOURWINE. From that statement it would appear that you accepted Mr. Pasquale's allegations as true. Did you?

Mr. REILLY. Not at face value.

Mr. SOURWINE. Did you make any inquiry to determine the question of the truth of those allegations?

Mr. REILLY. At the time I did not, no. I didn't.

Mr. SOURWINE. Did you ask Hill about it?

Mr. REILLY. Not until after Mr. Pasquale resigned from the Department.

Mr. SOURWINE. He resigned, did he?

Mr. REILLY. Yes, he did.

Mr. SOURWINE. Was he asked to resign?

Mr. REILLY. It was indicated to him that he was going to be terminated during his probationary period, but he resigned.

Mr. SOURWINE. Had you talked with Mr. Pasquale while you were overseas, a few months before his termination?

Mr. REILLY. Yes, I did.

Mr. SOURWINE. Had he asked you at that time if his work was satisfactory?

Mr. REILLY. He did not.

Mr. SOURWINE. Did you discuss his work with him at all or the question of whether it was satisfactory?

Mr. REILLY. Most of our discussion was centered around a radio business in which he had the primary interest here in Silver Spring.

Mr. SOURWINE. Did you make any statement about whether his work was satisfactory—to him, I mean?

Mr. REILLY. My recollection is that I did not.

Mr. SOURWINE. Did you put Mr. Pasquale's allegations of misconduct in Mr. Hill's file?

Mr. REILLY. No, sir. They are maintained in an envelope in the office of the executive officer in eyes-only envelope, marked "eyes only, for need."

Mr. SOURWINE. Is there anything in Mr. Hill's file to indicate that there are such allegations elsewhere in an "eyes only" envelope?

Mr. REILLY. No, there is not, sir.

Mr. SOURWINE. You know about it but anybody else looking at the file wouldn't know about it?

Mr. REILLY. That is right.

Mr. SOURWINE. You buried those charges.

Mr. REILLY. No, I did not. I am Mr. Hill's legally appointed superior.

Mr. SOURWINE. Yes, sir. I didn't say you weren't. If you haven't buried those charges, what have you done with them? It sounds to me like they are pretty effectively buried.

Mr. REILLY. They are in the Office of Security.

Mr. SOURWINE. Yes, sir. And you are the only person that can get them or associate them with the file.

Mr. REILLY. Or any executive director who handles personnel matters for me.

Mr. SOURWINE. Mr. Belisle?

Mr. REILLY. No; Mr. LaSelle.

Mr. SOURWINE. Mr. LaSelle?

Mr. REILLY. Yes.

Mr. SOURWINE. He knows about it, too?

Mr. REILLY. Yes.

Mr. SOURWINE. But there is nothing written to associate it with the file?

Mr. REILLY. As of now, no.

Mr. SOURWINE. When the Civil Service Commission came and asked you to see this file, after putting up a struggle you finally showed it to them, is that right?

Mr. REILLY. Yes.

Mr. SOURWINE. But you did not tell them there was anything else in the way of allegations of misconduct somewhere else?

Mr. REILLY. That is right.

Mr. SOURWINE. Aren't they to be trusted?

Mr. REILLY. It wasn't my understanding that they were reviewing the files for any purpose other than to see how the people came on board and how their security clearances were handled, Mr. Sourwine.

Mr. SOURWINE. Do you think they would approve, in their proper function of checking your operations, your method of dealing with these allegations of misconduct?

Mr. REILLY. I have no idea, sir.

Mr. SOURWINE. You do not have any idea whether they will approve or not. Do you care?

Mr. REILLY. It seems to me we are running the Department of State.

Mr. SOURWINE. Who is the "we," sir; you and who else?

Mr. REILLY. I think there is a man named Rusk who is Secretary. I used it in a colloquial sense. The Department of State is managing its own affairs.

Mr. SOURWINE. Did you, sir, ever give instructions that nothing must happen to Elmer Hill?

Mr. REILLY. Good golly, no.

Mr. SOURWINE. Did anyone ever give you such instructions?

Mr. REILLY. No.

* * * * *

TESTIMONY OF GEORGE JAMES PASQUALE

TUESDAY, SEPTEMBER 10, 1963

The subcommittee met, pursuant to notice, at 2:15 p.m., in room 2300, New Senate Office Building, Senator Roman L. Hruska presiding.

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

Senator HRUSKA. Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God, in the proceedings in which you are about to testify?

Mr. PASQUALE. I will.

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

Mr. PASQUALE. George James Pasquale.

Mr. SOURWINE. Are you presently employed?

Mr. PASQUALE. Not in the sense like I was previously—like with the State Department. At the moment I am associated with a firm of which I am the principal stockholder.

Mr. SOURWINE. What is your home address?

Mr. PASQUALE. 9421 Thornville Road, Silver Spring.

Mr. SOURWINE. Your telephone?

Mr. PASQUALE. Juniper 9-0732.

Mr. SOURWINE. Your office address?

Mr. PASQUALE. 11324 Fern Street, Wheaton, Md.

Mr. SOURWINE. And your office telephone?

Mr. PASQUALE. 949-2262.

Mr. SOURWINE. When were you employed by the Department?

Mr. PASQUALE. October of 1961.

Mr. SOURWINE. Until when?

Mr. PASQUALE. Until March 8, 1963.

Mr. SOURWINE. In what capacity?

Mr. PASQUALE. As a security officer, technical, also known as security engineer.

Mr. SOURWINE. You were an electronics engineer?

Mr. PASQUALE. Yes.

Mr. SOURWINE. And it was in this regard, with this function that you were employed by the Department?

Mr. PASQUALE. Right.

Mr. SOURWINE. Were you in the Foreign Service?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. As a Foreign Service officer?

Mr. PASQUALE. No, as a Foreign Service Staff—that comes under Foreign Service Staff.

Mr. SOURWINE. You were Foreign Service Staff?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Where did you work?

Mr. PASQUALE. In Frankfurt, Germany.

Mr. SOURWINE. During all of the time of your employment?

Mr. PASQUALE. Well, the early portion. From October through January I was in the Department.

Mr. SOURWINE. You were in Washington?

Mr. PASQUALE. In Washington.

Mr. SOURWINE. What were you doing there?

Mr. PASQUALE. Well, the functions of the job in security, and working in the lab, as well.

Mr. SOURWINE. Were you undergoing any training in any sense?

Mr. PASQUALE. Well, we had briefing sessions in all phases of our work in the job dealing with security and as a security officer.

Mr. SOURWINE. Under whom did you work at that time?

Mr. PASQUALE. Mr. Stanley Holden.

Mr. SOURWINE. What was his title?

Mr. PASQUALE. He was Chief of Technical Services.

Mr. SOURWINE. Is he still employed with the Department?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. In what capacity?

Mr. PASQUALE. He was actually downgraded to a position as chief of a branch, Domestic Security.

Mr. SOURWINE. And who is the Chief of the Division of Technical Services now?

Mr. PASQUALE. Mr. Elmer Hill.

Mr. SOURWINE. You say you were attached to the American consulate in Frankfurt?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Were your assignments limited to Frankfurt?

Mr. PASQUALE. No, my assignments covered all of Europe.

Mr. SOURWINE. All of Europe?

Mr. PASQUALE. All of Europe.

Mr. SOURWINE. Did you ever go outside Europe?

Mr. PASQUALE. I spent, I would say, the greater portion of my time in the Soviet bloc.

Mr. SOURWINE. What can you tell us about the nature of your work that will not reveal classified information?

Mr. PASQUALE. Well, that is a good question—without getting into—actually, the work involved in security—I do not know whether we could actually state it in the record or not. I do not know whether it would be considered classified.

Mr. SOURWINE. Did you come under standard position description SBD 27?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Mr. Chairman, I do not have a copy of that with me, but I am sure we can obtain it from the Department. May that position description be ordered in the record at this time?

Senator HRUSKA. It will be ordered in the record at this point.

(The material referred to follows:)

SECURITY ENGINEER (ELECTRONICS)—SPD No. 27 (P. 1)

CLASSIFICATION STANDARDS MISCELLANEOUS

STANDARD POSITION DESCRIPTION

SPD No. 27.

Security Engineer (Electronics).

*FSS-6 (617.1).

Is in charge of a technical security program at a post designated as a potentially sensitive penetration area. Administratively reports to the Security Officer who coordinates trip schedules, and signs and administratively reviews survey and other technical findings. Technical control exercised by Chief, Tech-

*Class FSS-6 became Class FSS-3 under Public Law 87-793 effective October 14, 1962.

nical Branch, Division of Physical Security, SY, consists of scheduling post surveys, providing technical policy guidance; e.g., extent of survey, and furnishing technical advice and guidance consistent with specific needs.

Operates a technical security program designed to protect classified and administratively controlled information and premises of the Foreign Service, USIA, ICA, and all other facilities under jurisdiction of the Chief of Mission. Performs professional work involving analysis, design, development, standardization, installation and maintenance of facilities, systems, and equipment, and applying other related scientific and engineering concepts, principles, data, techniques, criteria, and practices involved in (1) design and application of tubes, transistors, diodes, traveling wave tubes, magnetrons, etched and printed circuits, miniaturization and other electronic communications and optical components and techniques; (2) various physical forms of energy including electromagnetic waves, electric fields, magnetic fields, electric current, sound, and vibrations.

Conducts searches on an individual or recurring survey basis, to detect physical and electronic penetration by clandestine listening devices in buildings and sensitive areas; inspects voice communication systems, including telephones, intercommunications systems, telephone distribution systems to determine possible penetration; conducts detail examination of office premises, conference rooms and residences of officers engaged in sensitive work to determine presence of clandestine listening devices; determines appropriate action required when penetrations are discovered, based on such considerations as enemy awareness of detection, whether counteruse of device is desirable, and others, referring to Security Officer or Chief, Physical Security Division, questionable or controversial cases. Prepares technical reports on all surveys conducted covering findings, recommendations and actions resulting therefrom.

Conducts developmental and experimental research in the electrical engineering field, emphasizing characteristics of all possible systems for obtaining classified information surreptitiously with particular attention to the physical nature of the energy, center frequency and bandwidth of the system, nature of transmission media, modulation process employed to impress the information bearing energy, and mechanisms of intelligence collection. Maintains and operates a small research and development laboratory with responsibility for a wide variety of expensive electronic and technical equipment. Analyzes and tests foreign penetration devices discovered, or as assigned, and develops countermeasures and detection equipment therefor, coordinating with the Chief, Physical Security Division as to findings and results of other research (by the Department or other overseas posts).

Exercises responsibility for installation and maintenance of electronic and mechanical security devices; e.g., electronic locks, capacitance and ultrasonic alarm systems, RF jammers, search equipment, manipulation resistant locks. Supervises and approves, from a security standpoint, the installation of tamper-proof intercommunication systems, vaults and vault doors, protective lighting, protective grille work, incineration facilities, etc. Performs technical maintenance and repair services for electronic equipment, alarm systems and intercommunication systems, prefabricates special locks, modifies standard commercial items to suit special security requirements, tests standard security equipment on a continuous basis to determine whether equipment meets current security specifications and/or requires modification or replacement; examines and evaluates security electronic and mechanical equipment of foreign manufacturers to determine potential application in the security program.

Prepares specifications for and inspects installation and operation of highly technical electronic and mechanical security systems. Studies technical problems concerning negotiations of research and purchase contracts; evaluates prototypes of new equipment offered for sale by private industry. Prepares reports concerning highly technical matters employing an extensive technical and scientific vocabulary, with ability to reduce such reports to terms comprehensible to lay officials of the Department and the Foreign Service.

Provides complete technical services for classified conferences and U.S. delegations to international conferences held in the area. Conducts technical security inspections of conference offices and meeting rooms and residences and hotel rooms of U.S. delegations. Indoctrinates and trains Post Security Officers in operation and maintenance of technical security equipment (e.g., changing safe combinations, test and maintenance of capacitance and ultrasonic alarm systems, simplified telephone tests). Briefs nonprofessional personnel regarding possibilities of technical penetration and instructs them as to defensive measures

available. As requested, provides special briefing services for high level Foreign Service personnel. Maintains liaison with other U.S. Government agencies overseas on scientific and engineering concepts, principles, data, techniques, criteria and practices in detecting systems employed to obtain information. Exchanges technical information with Electronic Engineers at other foreign service posts and/or Department of State to develop and expand on findings of surveys, research and development work and other related matters.

Prepares and controls requisitions for technical supplies and equipment submitted by posts in other countries, and maintains an inventory therefor. May assist in the conduct of procedural (documentation safe-guarding) and personnel (security investigation) surveys.

Performs other duties as assigned.

Mr. SOURWINE. What was your grade?

Mr. PASQUALE. Well, actually, in the Foreign Service instead of being a GS grade, it is an FSS. My entrance on duty was FSS-6, and at the time of leaving the Department it was FSS-3.

Mr. SOURWINE. You had, then, promotions from 6 to 5, from 5 to 4, and from 4 to 3.

Mr. PASQUALE. It essentially boiled down from \$9,270 to \$9,620.

Mr. SOURWINE. I am not asking you about the salary. I am talking about the fact that you had three separate promotions during the time you were working for the Department.

Mr. PASQUALE. Well, it would be from a 6 actually right to a 3.

Mr. SOURWINE. You made the whole jump from 6 to 3.

Mr. PASQUALE. Correct.

Mr. SOURWINE. That is a substantial promotion.

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. The 3 is about the equivalent of a GS-12.

Mr. PASQUALE. That's about right.

Mr. SOURWINE. Now, before you came with the Department, what had been your education and training?

Mr. PASQUALE. Well, I had, I would say, 25 years in electronics. I graduated from high school, and then went to an electronics school in engineering—communications engineering—and also worked, after graduation, at this school—First National Television Institute, in Kansas City. Then I served in the engineering staff of—actually one of the first television stations in America, and one of the first hi-fi stations in America at the time, back in 1938. And then, of course, I had various jobs in between. And finally I was with North American Aviation, in the test flight department, checkout of flight communications instruments and guns. And from North American Aviation, Kansas City Flight Test Division, testing bombers and so forth. And of course we were getting deeper into war. And I changed over to the Air Transport Command. I was in flight communications, electronics, flying all over the world in electronics work, in flight. In leaving the Air Transport Command, I served for 15 years with Trans-World Airlines in their international division in flight communications as a flight radio officer. I have about 4½ million miles of international duty, flying all over the world. Background in air-to-ground communications, aviation electronics, airborne electronics, radar, and so forth. I also hold various certificates.

Way back in the thirties I passed my examinations for the Federal Communications Commission licenses for commercial, first radio telephone, which with that license you are allowed to be chief engineer in any broadcast or television station, or other duties in a radio station.

I also secured and passed the Federal Communications Commission commercial telegraph licenses, which allowed me to operate telegraph on any airplane, any boat, or any service using telegraphy. I inaugurated the first air-to-ground service, air to ground, by transport airlines across the ocean. In fact the first message sent from an airplane to a coastal station I originated with TWA. That was the start of the air-to-ground service for public correspondence.

Mr. SOURWINE. You left TWA in June of 1957?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. You established a business of your own?

Mr. PASQUALE. That's right.

Mr. SOURWINE. In Wheaton, Md.?

Mr. PASQUALE. Well, initially we started in Silver Spring.

Mr. SOURWINE. Silver Spring, and moved to Wheaton.

Mr. PASQUALE. Yes.

Mr. SOURWINE. This is the business with which you are presently connected?

Mr. PASQUALE. That's right.

Mr. SOURWINE. Now, have you ever been fired from a job?

Mr. PASQUALE. No, I had a clean record right up until March 8.

Mr. SOURWINE. March 8 of 1963?

Mr. PASQUALE. Correct.

Mr. SOURWINE. You think your record became unclean on March 8?

Mr. PASQUALE. I would say so—in the State Department. Well, essentially, let's go back. I would say February 12, I received a letter from Frankfurt, after almost 18 months of service with the State Department. I made many trips behind the Curtain. In fact, the fellows always used to kid me as being the original Soviet-bloc man. I was sent to all these posts. I personally preferred going to those posts, because I figured if there was anything in our line of work that is going to be accomplished, it will be accomplished more there than probably on the backs of Spain. And so every post that I visited in the period of 18 months—when you finish up an assignment at each post, you of course have to submit your report covering your assignment. And all those reports have to be officially sent in to what is known as the RSS, or regional security supervisor, for Europe. And the person that held that job in the beginning was Mr. Danny Clair. Then Danny Clair's position was taken over in the bulk of the period of time I was overseas by Mr. Frederick Sullivan York. Mr. York became regional security supervisor for Europe, and you submitted your report, covering your assignment, and the work had to either be approved—in other words, the report—you either had a satisfactory or an unsatisfactory report.

Mr. SOURWINE. The report was graded in each instance?

Mr. PASQUALE. In each instance.

Mr. SOURWINE. Did you ever get anything but satisfactory?

Mr. PASQUALE. My reports were satisfactory until the day I left Frankfurt.

Mr. SOURWINE. All right.

Now, did you resign your position with the State Department?

Mr. PASQUALE. No, I did not. I might point out that I finished my last assignment in January, the last part of January, returned to post, and this is actually the early part—well, the latter part of December

of 1962, the efficiency reports, which is a requirement of the State Department—the efficiency report had to be written, and we had all sorts of rumors. When I came back from one trip in December—that our efficiency reports were not written by our boss, Mr. Edwin Hiller in Frankfurt. And everybody was pretty much upset that the reports were written by someone else. I subsequently received a letter from an employee—a wife of one of my associates there. I have a copy of that letter.

Mr. SOURWINE. Would you offer that for the record now?

Mr. PASQUALE. Yes. This was the letter given to me by Mrs. Mary A. Glass, the wife of another security officer.

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

Senator HRUSKA. It may be admitted into the record at this point. (The letter referred to reads as follows:)

FRANKFURT, GERMANY,
February 18, 1963.

To Whom It May Concern:

I feel it my duty as the wife of a member of the RTC, to make it known that a statement was made by Mrs. Hiller, the wife of our officer in charge, at a cocktail party on or about December 12, in the presence of at least 25 of my guests. She informed us that she had picked up the forms from Mr. Shubert Smith, our administrative officer, for the efficiency reports and that she had typed up the efficiency reports on the men of RTC, at her apartment, so that her husband would not have to do them on his return from his trip. I was so shocked I could not believe that I had heard right, but there were two of our men sitting on the couch who were in close hearing range that were so infuriated that they could not speak. I do not know how many more heard her, I only want it known that I heard the statement and I will, if it becomes necessary, testify to it.

Also, at this time we had two couples from our Embassy in Moscow here and two men from Beirut, who were at my party. It is very sad for a thing of this sort to happen, but it makes it more difficult when there are people from other posts to see it.

I hope I have done proper by writing this letter and most of all I hope that I have not endangered my husband's position with the Department of State. We are very new in the field, but we have taken time to get informed of the importance of keeping classified business in its proper place and in the trust of proper persons.

Sincerely,

MARY A. GLASS.

Mr. SOURWINE. Thank you.

Mr. PASQUALE. The report was, I had received a very bad efficiency report.

Mr. SOURWINE. Was this an oral report to you, sort of scuttlebutt, or was it a written report—was it official or unofficial?

Mr. PASQUALE. No, just scuttlebutt; that we had received a bad efficiency report. I said, "Well, aren't we entitled to see the efficiency report?" And under—in the Foreign Service Journal—I can look it up for you and give you the number—every employee in the Foreign Service is supposed to see his efficiency report, or have it discussed with him. And I was not given this opportunity. This was in December. And I, for the life of me, could not figure out why I would have a bad efficiency report, because I had been working practically all the time. Frankly, I think I worked harder in that job than I have in other jobs in the past.

Mr. SOURWINE. Did you, in fact, get a bad or poor efficiency report?

Mr. PASQUALE. Yes, I did.

Mr. SOURWINE. When?

Mr. PASQUALE. I did not see the efficiency report until I got back to the Department in March of 1963.

Mr. SOURWINE. You did not?

Mr. PASQUALE. No; they would not let me see it.

Mr. SOURWINE. It was not furnished to you?

Mr. PASQUALE. No, it was not.

Mr. SOURWINE. Are not efficiency reports supposed to be furnished to the individual?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. This was not?

Mr. PASQUALE. This was not.

Mr. SOURWINE. Who prepared that report, if you know?

Mr. PASQUALE. Well, normally it is supposed to be your immediate superior, Mr. Hiller, who was supposed to be the security officer in charge in Frankfurt, and then the reviewing officer should be Mr. Frederick Sullivan York.

Mr. SOURWINE. I asked you who prepared yours, if you know.

Mr. PASQUALE. All I know is what the letter states—that Mrs. Glass furnished—that the report purportedly had been written by Mr. Hiller.

Mr. SOURWINE. You think this letter talks about your particular report?

Mr. PASQUALE. No, it refers to all the efficiency reports of every employee in our Department in Frankfurt.

Mr. SOURWINE. This is your assumption.

Mr. PASQUALE. That is correct.

Mr. SOURWINE. The letter, of course, speaks for itself.

Did you see the efficiency report which graded you as poor or unsatisfactory?

Mr. PASQUALE. I did not see it until I arrived in Washington.

Mr. SOURWINE. You did eventually see it?

Mr. PASQUALE. Finally, on March—

Mr. SOURWINE. Do you know who signed it?

Mr. PASQUALE. Mr.— The signature was Mr. Hiller's. I could not say it was actually his signature.

Mr. SOURWINE. The signature was Mr. Hiller's. You do not know who typed it, but he signed it; is that right?

Mr. PASQUALE. That's correct. And there is also Mr. Frederick Sullivan York.

Mr. SOURWINE. What kind of a rating did that report give you?

Mr. PASQUALE. Well, he had me rated quite low, except on one particular thing—as far as loyalty and security I was tops.

Mr. SOURWINE. Do you have a copy of that report?

Mr. PASQUALE. No, I have never been furnished one.

Mr. SOURWINE. No copy has ever been furnished you?

Mr. PASQUALE. Never been furnished a copy.

Mr. SOURWINE. Mr. Chairman, may the order be that the State Department be requested to furnish a copy of Mr. Pasquale's efficiency report as referred to, and may it go in the record at this point?

Senator HRUSKA. The request will be made, and upon receipt of it, it will go into the record at this point.

(The document referred to reads as follows:)

DEPARTMENT OF STATE EFFICIENCY REPORT			CHECK ONE BOX	
Foreign Service Officers, Reserve Officers, and Staff Officers Classes 1 - 10 Civil Service Officers, GS-7 and above			<input checked="" type="checkbox"/> REGULAR REPORT <input type="checkbox"/> INTERIM REPORT ON DEPARTURE OF <input type="checkbox"/> RATING OFFICER <input type="checkbox"/> RATED OFFICER <input type="checkbox"/> CHANGE OF DUTY	
DISTRIBUTION				
On Foreign Service personnel, prepare two copies. Forward original to Department; retain duplicate in post's file.				
On Civil Service personnel, prepare three copies. Forward original to Office of Personnel; retain duplicate in administrative officer's file; give triplicate to rated officer.				
NOTE: Rating officers are cautioned to read instructions contained in Form FS-315(1) prior to preparation of this report.				
OFFICER BEING RATED (Last, first, middle)	OFFICER'S CLASS	CLASSIFICATION TITLE OF POSITION	CLASS OR GRADE OF POSITION	
PASQUALE, George J.	FSS-3	Security Engineer (Electronics)	S-3	
OFFICER'S FUNCTIONAL OR ORGANIZATIONAL TITLE (if any)		DIPLOMATIC OR CONSULAR TITLE (if any)		
		None		
POST OR DEPT. OFFICE SYMBOL	DATE OF ARRIVAL	PERIOD COVERED BY REPORT	DATE SUBMITTED TO DEPT	
Amconsul FRANKFURT	1/8/62	1/8/62 - 11/30/62	DEC. 2 8, 1962	
I have read and complied with instructions for completing this form.			HAS REVIEW PANEL USED?	
SIGNATURE OF RATING OFFICER		SIGNATURE OF REVIEWING OFFICER		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
<i>Edwin R. Hiller</i>		<i>Frederick S. York</i>		
TYPED NAME OF RATING OFFICER		TYPED NAME OF REVIEWING OFFICER		HAVE THE CONTENTS OF THIS REPORT BEEN DISCUSSED WITH THE OFFICER RATED?
Edwin R. Hiller		Frederick S. York		SEE NOTE <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
TYPED CLASS AND TITLE OF RATING OFFICER		TYPED CLASS AND TITLE OF REVIEWING OFFICER		HAS HE READ THE ENTIRE REPORT?
R-3, Officer in Charge Regional Test Center		O-3, Regional Security Supervisor		SEE NOTE <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
PART I - EVALUATION OF DUTIES PERFORMED				
PURPOSE				
For Foreign Service - To permit the Department to identify the type of assignment including specialization, if any, held by an officer of the Foreign Service during the rating period and to provide an evaluation of his performance.				
For Civil Service - To provide a specific statement of the knowledge, abilities, skills and other factors which constitute the major requirements for satisfactory performance of his duties and responsibilities as to assess or to provide a narrative appraisal of his performance in Part V.				
A. DESCRIPTION OF DUTIES OR PERFORMANCE REQUIREMENTS				
INSTRUCTIONS				
For Foreign Service - Describe briefly but in sufficient detail to be clear and precise the major duties performed, the number and type of employees supervised. Sample: Public Affairs Adviser, Office of International Affairs, supervised one staff; Visa Section Chief, supervised 3 officers, 2 American clerks, 10 local staff. Positions, the functions of which are less well known, should be described in considerably greater detail.				
For Civil Service - List separately the major performance requirements of the officer's position; i.e., the knowledge, ability, skills and other factors stated in terms of quality, quantity, manner, timeliness or other terms which establish a standard of performance. The officer's performance will be rated against those requirements in Part V.				
DESCRIPTION This officer is one of nine Security Officers (Technical) presently assigned to the Regional Test Center in Frankfurt. The Center provides technical services to approximately 70 Foreign Service posts throughout Europe. These services include scheduled technical inspections of each post and the installation and servicing of technical security equipment. This officer spends approximately two-thirds of his time travelling. He is responsible for making the necessary preparations prior to his visit to a post and for the subsequent writing of a report covering the visit. In addition, he assists in the repair and maintenance of security equipment returned to the Center for this purpose, as well as providing the design and construction of special security devices when required.				

PART III - FUNCTIONAL FACTORS						
PURPOSE						
To provide the Department with an evaluation of the officer's knowledge of the primary functional categories of work, including that in which engaged at present time, assigned to officer personnel.						
INSTRUCTIONS						
In accordance with instructions found in Form FS-315(i), Section 3, relative to rating in terms of six levels, indicate your evaluation of the officer with reference to the following factors. Factors not observed or in no way pertinent to the job should be so checked. See Section 3.3 of the Instructions for definitions of the following factors. Mark every factor.						
RATING	FACTORS				NOT OBSERVED	NOT PERTINENT
1 2 (3) 4 5 6	1. Understanding of administrative practices					
1 2 3 4 5 6	2. Understanding of commercial factors					
1 2 3 4 5 6	3. Understanding of consular duties					✓
1 2 3 4 5 6	4. Understanding of economic factors					✓
1 2 3 4 5 6	5. Understanding of intelligence functions					✓
1 2 3 4 5 6	6. Understanding of international organization affairs					✓
1 2 3 4 5 6	7. Understanding of labor factors					✓
1 2 3 4 5 6	8. Understanding of political factors					✓
1 2 3 4 5 6	9. Understanding of public affairs programs and techniques					✓
PART IV - OTHER FACTORS						
PURPOSE						
To provide the Department with an evaluation of specific factors relating to the officer's knowledge and performance on this job.						
INSTRUCTIONS						
In accordance with instructions found in Form FS-315(i), Section 3, relative to rating in terms of six levels, indicate your evaluation of the officer with reference to the following factors. Factors not observed or in no way pertinent to the job should be so checked. See Section 3.4 of the Instructions for definitions of the following qualities. Mark every factor.						
RATING	FACTORS				NOT OBSERVED	NOT PERTINENT
1 2 (3) 4 5 6	1. Effectiveness in applying laws and regulations correctly					
1 (2) 3 4 5 6	2. Thoroughness and accuracy of work					
1 (2) 3 4 5 6	3. Analytical ability and keenness of perception					
(1) 2 3 4 5 6	4. Effectiveness of written expression					
1 2 (3) 4 5 6	5. Effectiveness of oral expression					
1 2 3 4 5 6	6. Negotiating ability					✓
1 2 3 4 5 6	7. Skill in dealing with the public					✓
1 2 3 4 5 6	8. Effectiveness as a supervisor					✓
1 2 3 4 5 6	9. Managerial effectiveness					✓
1 2 (3) 4 5 6	10. Cost consciousness					
1 2 3 4 5 (6)	11. Security consciousness					
PART V - COMPREHENSIVE COMMENTS AND RECOMMENDATIONS						
Detailed instruction for the preparation of this narrative section are contained in Section 3.5 of Form FS-315(i) Instructions for Completing Form FS-315, Efficiency Report. Those instructions should be followed carefully. (Begin Part V on separate page.)						
PART VI - REVIEWING OFFICER'S STATEMENT						
The Reviewing Officer is required to attach to this report a statement indicating whether he concurs in the rating and why. He should comment on extent of observation of rated officer's work, whether rated officer had adequate supervision and guidance, whether a good working relationship existed between the rated officer and rating officer, whether the report appears strict or lenient, and any other matters he deems pertinent. Furthermore he should indicate whether his own comments have been discussed with the rated officer.						

PART V—COMPREHENSIVE COMMENTS AND RECOMMENDATIONS

Since the Rating Officer arrived at this post on July 17, 1962, the period covered by this evaluation is necessarily short. The Rating Officer has had less opportunity to work with Mr. Pasquale than is perhaps desirable for a comprehensive evaluation. This report, therefore, must be viewed as consisting of initial impressions and must of necessity lack depth of knowledge.

PERSONAL

This officer brings to the position to which he has been assigned a personality and background that are not completely appropriate. Socially, he has a gregarious personality and a pleasant and amiable manner. However, in several

instances he has evidenced a lack of tact and cooperativeness toward other members of the staff and has exhibited unwarranted belligerency when presented with ideas differing from his own. His attitude toward the security program and toward his association with it is appropriately serious.

PERFORMANCE

In the field of technical security a good understanding of technical matters is required, in particular an understanding of basic physics and electronics. Mr. Pasquale has demonstrated a lack of ability and background in this area which seriously hinders his performance. He has on occasion postulated operative characteristics to devices that are clearly impossible on the simplest of physical grounds.

His judgment and ability to decide a suitable course of action have also been faulty, partly as a result of his naivete in technical matters. On one occasion in the field he neglected to pursue many unanswered technical questions regarding an important security problem. Instead he occupied himself in questions of personnel activities associated with that problem—a security area clearly not a function appropriate to a Security Officer (Technical). The SO(T) with him at that time questioned the appropriateness of his decision in view of the technical questions yet unresolved, upon which Mr. Pasquale firmly insisted on following his own course of action and stated that his partner should return to Frankfurt if he did not agree. In view of the unwillingness of Mr. Pasquale to return to the technical business at hand, the other SO(T) did return to Frankfurt, there being little useful business that he could accomplish by himself at the post. This decision of Mr. Pasquale's has resulted in much additional work and travel by other SO(T)'s in order to accomplish later what should have been done at that time. In addition, the delays in the follow-up work have resulted in a loss of effectiveness of the technical security program in the case.

Although upon occasion he has worked long and hard to accomplish a required task, there have been instances in which his diligence was either lacking or misdirected relative to the business at hand.

His written reports are consistently below acceptable standards and require extensive editing and rewriting.

PHYSICAL

He appears to be in good physical condition.

REPRESENTATION

Since the officers of the Regional Test Center travel widely throughout the European continent and are present in Frankfurt only for short periods at a time, there is little opportunity for them to come in contact with local residents.

FAMILY

This officer is married and has one daughter. Both his wife and daughter reside in Maryland. Since they have not come to Frankfurt, this Rating Officer has not had occasion to meet them.

ADVERSE FACTORS

The personal and performance factors which might adversely affect his placement or promotion have been mentioned above.

IMPROVEMENT

To the knowledge of this Rating Officer, he has done nothing of a specific nature to improve his usefulness to the Department. However his increasing experience in the job should be of benefit.

PLACEMENT

It is recommended that this officer be reassigned to the Department in Washington in order that more careful consideration may be given to his usefulness to the security program.

SUMMARY

This officer's usefulness to the Regional Test Center is impaired by his lack of technical capability, his lack of tact toward other members of the staff and his questionable reliability. Despite his sociable nature, his presence in Frankfurt is a distinct hindrance to the proper functioning of the Regional Test Center.

NOTE.—Since it is the opinion of this Rating Officer that the officer rated in this report is misplaced in his present assignment, it is felt that discussing the report with him or presenting it to him to read would serve no positive function. Rather than to alienate him from the Department and the Office of Security by the presentation of negative comments, it is deemed more appropriate to attempt a more suitable assignment for him.

PART VI—REVIEWING OFFICER'S STATEMENT

The reviewing officer has during the first 6 months of the period covered by this report personally supervised the incumbent and since July 1962, reviewed the end products of his performance. The reviewing officer has not been particularly close to the rated officer's work for the past several months due to travel commitments. A good working relationship appears to exist between the rated officer and the rating officer. The following comments of the reviewing officer have not been discussed with the rated employee due to his departure to the United States on leave. However, the reviewing officer discussed with the incumbent the general contents of the efficiency report itself.

The reviewing officer believes that the numerical ratings assigned in Parts II through IV, inclusive, tend to be on the strict side and would have been slightly more lenient in assigning the ratings. However, discussions with the rating officer indicate that he has made a careful assessment of the employee's personality before completing the report and his final description of the employee is as accurate an analysis of the incumbent as he can prepare upon the completion of a 5-month period association.

For the information of the board, the reviewing officer has found during his period of supervision of the incumbent that Mr. Pasquale is a rather difficult employee to supervise. He is outwardly friendly and inwardly rather rebellious. Mr. Pasquale arrived at this Post without his family, which at this writing consists of his wife, one young daughter, and his mother-in-law who resides in his family home in Maryland. It was believed by the Post that his wife and daughter would accompany him and accordingly he was assigned a 2-bedroom apartment. When the Post learned that Mrs. Pasquale would not proceed to Frankfurt the incumbent was requested to vacate his 2-bedroom apartment and to occupy a 1-bedroom unit. When the matter was broached by the reporting officer, Mr. Pasquale vehemently opposed such a move stating that he was a married man and, therefore, eligible for larger quarters and that he intended to use the extra bedroom as a guest room when couples from other posts visited him. He threatened to bring the matter to the principal officer's attention and, if necessary, to the attention of the Director of the Office of Security and to the Secretary of State himself if the matter was not resolved in his favor. However, when Mr. Pasquale realized that the housing unit was adamant that he move and make his 2-bedroom unit available to a family that was arriving at the Post he acquiesced.

The incumbent, in the opinion of the reviewing officer, performs his official duties without any great degree of enthusiasm. He has upon at least 2 occasions engaged in activities which could have caused considerable embarrassment to the Department and to himself. One such incident involved his leaving a fictitious letter in his hotel room in an iron curtain post so that it would be seen by agents of the host government. This fictitious letter allegedly made to a business friend in the United States, told the friend that business opportunities existed in the country. The letter was obviously read, because it precipitated a flood of telephone calls and commercial pamphlets to Mr. Pasquale and in his box at the hotel. The reviewing officer called this instance of poor judgment to Mr. Pasquale's attention. Fortunately, no damage resulted, but it could have.

The reviewing officer will leave the assessment of Mr. Pasquale's technical competence to the Office of Security and to Mr. Pasquale's immediate supervisor. If, however, the decision is made that in addition to the above he is lacking in the

necessary technical background for the position, the reporting officer would suggest that Mr. Pasquale be separated from the Service during his probationary period. I do not believe that any personality problems exist concerning the incumbent and his immediate supervisor.

Mr. SOURWINE. Mr. Pasquale, had you previously received an efficiency report from the Department?

Mr. PASQUALE. There was just one efficiency report previous, and that was written by Mr. Stanley Holden, in the Department.

Mr. SOURWINE. Were you given a copy of that report?

Mr. PASQUALE. Well, I left—it was written while I was overseas.

Mr. SOURWINE. You never received a copy of it?

Mr. PASQUALE. No, sir.

Mr. SOURWINE. Have you seen it?

Mr. PASQUALE. No, because the report had not been written until I came to the States, and I asked if the report had been written previously, because we had a period of time—the one period in the Department when I was under the jurisdiction of Mr. Holden, and then the period of time where Mr. York was acting officer in charge in Frankfurt, because we had no officer at Frankfurt when I arrived. And Mr. York was substituting. And he had come from Beirut. Mr. York was supposed to have written up an efficiency report from the time of, say, January through July, when Mr. Hiller—

Mr. SOURWINE. Of 1962?

Mr. PASQUALE. Of 1962—when Mr. Hiller came on board in Frankfurt.

Mr. SOURWINE. Did Mr. York write such a report?

Mr. PASQUALE. Mr. York did not write an efficiency report on anyone at that post.

Mr. SOURWINE. All right.

Now, Mr. Holden did write an efficiency report covering the period of your service under him.

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. You have not seen it?

Mr. PASQUALE. I have not seen it. No, sir.

Mr. SOURWINE. Do you know what that report indicates with regard to your efficiency?

Mr. PASQUALE. I understood the report is definitely in my favor.

Mr. SOURWINE. How did you understand that?

Mr. PASQUALE. I asked Mr. Holden if he would tell me about my report, and he said it was a very good report.

Mr. SOURWINE. This was recently that you asked him?

Mr. PASQUALE. No, I asked him back in March.

Mr. SOURWINE. I see.

Mr. Chairman, may the order also be that we asked the State Department for a copy of the report made by Mr. Holden, and this also, when furnished, go in the record?

Senator HRUSKA. It is so ordered.

(The material referred to reads as follows:)

DEPARTMENT OF STATE EFFICIENCY REPORT Foreign Service Officers, Reserve Officers, and Staff Officers Classes 1 - 10 Civil Service Officers, GS-9 and above		CHECK ONE BOX <input type="checkbox"/> REGULAR REPORT <input checked="" type="checkbox"/> INTERIM REPORT ON DEPARTURE OF <input type="checkbox"/> RATING OFFICER <input checked="" type="checkbox"/> RATED OFFICER <input type="checkbox"/> CHANGE OF DUTY	
DISTRIBUTION On Foreign Service personnel, prepare two copies. Forward original to Department; retain duplicate in post's file. On Civil Service personnel, prepare three copies. Forward original to Office of Personnel; retain duplicate in administrative officer's file; give triplicate to rated officer.			
NOTE: Rating officers are cautioned to read instructions contained in Form FS-315(i) prior to preparation of this report.			
OFFICER BEING RATED (Last, first, middle)	OFFICER'S CLASS	CLASSIFICATION TITLE OF POSITION	CLASS OR GRADE OF POSITION
PASQUALE, George J.	FSS-4	Security Engineer (Electronic)	
OFFICER'S FUNCTIONAL OR ORGANIZATIONAL TITLE (If any)		DIPLOMATIC OR CONSULAR TITLE (If any)	
POST OR DEPT. OFFICE SYMBOL	DATE OF ARRIVAL	PERIOD COVERED BY REPORT	DATE SUBMITTED TO DEPT.
SY/P	10/23/61	10/23/61 - 1/1/62	
I have read and complied with instructions for completing this form.			WAS REVIEW PANEL USED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
SIGNATURE OF RATING OFFICER	SIGNATURE OF REVIEWING OFFICER		HAVE THE CONTENTS OF THIS REPORT BEEN DISCUSSED WITH THE OFFICER RATED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
<i>Stanley E. Holden</i>	<i>Murray E. Jackson</i>		
TYPED NAME OF RATING OFFICER	TYPED NAME OF REVIEWING OFFICER		HAS HE READ THE ENTIRE REPORT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Stanley E. Holden	Murray E. Jackson		
TYPED CLASS AND TITLE OF RATING OFFICER	TYPED CLASS AND TITLE OF REVIEWING OFFICER		
Supervisory Engineering Technician	FSO-4, Executive Officer		
PART I - EVALUATION OF DUTIES PERFORMED			
PURPOSE			
For Foreign Service - To permit the Department to identify the type of assignment including specialization, if any, held by an officer of the Foreign Service during the rating period and to provide an evaluation of his performance. For Civil Service - To provide a specific statement of the knowledge, abilities, skills and other factors which constitute the major requirements for satisfactory performance of his duties and responsibilities to serve as a basis for a narrative appraisal of his performance in Part V.			
A. DESCRIPTION OF DUTIES OR PERFORMANCE REQUIREMENTS			
INSTRUCTIONS			
For Foreign Service - Describe briefly but in sufficient detail to be clear exactly what duties were performed. Indicate number and type of employees supervised. Sample: Public Affairs Adviser, Bureau of Inter-American Affairs, supervised one steno; Visa Section Chief, supervised 3 officers, 2 American clerks, 10 locals. Positions, the functions of which are less well known, should be described in considerably greater detail. For Civil Service - List separately the major performance requirements of the officer's position; i.e., the knowledge, ability, skills and other factors stated in terms of quality, quantity, manner, timeliness or other terms which establish a standard of performance. The officer's performance will be rated against those requirements in Part V.			
DESCRIPTION Training and orientation preparatory to assuming duties involving electronic engineering at overseas post.			
LOGGED - FOREIGN SERVICE RECORD COPY Reviewed File Position			

RATING					FACTORS	NOT OBSERVED	NOT PERTINENT	
1	2	3	4	5	6	1. Understanding of administrative practices	X	
1	2	3	4	5	6	2. Understanding of commercial factors	X	
1	2	3	4	5	6	3. Understanding of consular duties	X	
1	2	3	4	5	6	4. Understanding of economic factors	X	
1	2	3	4	5	6	5. Understanding of intelligence functions	X	
1	2	3	4	5	6	6. Understanding of international organization affairs	X	
1	2	3	4	5	6	7. Understanding of labor factors	X	
1	2	3	4	5	6	8. Understanding of political factors	X	
1	2	3	4	5	6	9. Understanding of public affairs programs and techniques	X	

PART IV - OTHER FACTORS

PURPOSE
To provide the Department with an evaluation of specific factors relating to the officer's knowledge and performance on this job.

INSTRUCTIONS
In accordance with instructions found in Form FS-315(i), Section 3, relative to rating in terms of six levels, indicate your evaluation of the officer with reference to the following factors. Factors not observed or in no way pertinent to the job should be so checked. See Section 3.4 of the Instructions for definitions of the following qualities. Mark every factor.

RATING					FACTORS	NOT OBSERVED	NOT PERTINENT	
1	2	3	4	5	6	1. Effectiveness in applying laws and regulations correctly	X	
1	2	3	(4)	5	6	2. Thoroughness and accuracy of work		
1	2	3	4	5	6	3. Analytical ability and keenness of perception	X	
1	2	3	(4)	5	6	4. Effectiveness of written expression		
1	2	3	4	(5)	6	5. Effectiveness of oral expression		
1	2	3	4	5	6	6. Negotiating ability		X
1	2	3	4	5	6	7. Skill in dealing with the public		X
1	2	3	4	5	6	8. Effectiveness as a supervisor		X
1	2	3	4	5	6	9. Managerial effectiveness		X
1	2	3	4	5	6	10. Cost consciousness		X
1	2	3	4	(5)	6	11. Security consciousness		

PART V - COMPREHENSIVE COMMENTS AND RECOMMENDATIONS

Detailed instruction for the preparation of this narrative section are contained in Section 3.5 of Form FS-315(i) Instructions for Completing Form FS-315, Efficiency Report. Those instructions should be followed carefully. (Begin Part V on separate page.)

PART VI - REVIEWING OFFICER'S STATEMENT

The Reviewing Officer is required to attach to this report a statement indicating whether he concurs in the rating and why. He should comment on extent of observation of rated officer's work, whether rated officer had adequate supervision and guidance, whether a good working relationship existed between the rated officer and rating officer, whether the report appears strict or lenient, and any other matters he deems pertinent. Furthermore he should indicate whether his own comments have been discussed with the rated officer.

During the rating period, Mr. Pasquale was in a training status preparatory to assuming duties, as a Security Engineer overseas. As he had a background in electronics, the training period was devoted equally to: familiarization with technical security countermeasure equipment and its special applications; search techniques; locks and locking mechanisms as they apply to physical security; operation of the security program in the Department and Foreign Service and other administrative matters characteristic to the Foreign Service.

Two weeks of the period were assigned to the Foreign Service Institute where the rated officer received the basic course provided for all new Security Engineer recruits.

There were no adverse factors which came to the rating officer's attention as regards to Mr. Pasquale's conduct or performance of duties during this period. His ability to get along with others appeared very satisfactory and his manners and politeness were most acceptable.

With assignment for the field at a post where he will receive professional guidance in technical security operations for his first tour, it is believed that he will adapt to the requirements of his position. Most position functions will be new to him but as he is exposed to them under field conditions a better determination can be made as to his resourcefulness, stamina and initiative.

PASQUALE, George J.

Part VI - Reviewing Officer's Statement

During the two and one-half months that Mr. Pasquale was in Washington I had very little contact with him. Aside from the time he spent in FSI, he worked exclusively in the laboratory under the supervision of Mr. Holden and other security technicians. I have no reason to believe that there was anything other than a harmonious relationship between Mr. Pasquale and Mr. Holden, and that his numerical ratings and narrative summary accurately describe the capabilities of Mr. Pasquale.

me

Mr. SOURWINE. Now, I show you, Mr. Pasquale—

Mr. PASQUALE. Excuse me. You asked about the resignation—your question.

Mr. SOURWINE. We will get back to that. You have not answered it yet, although you had plenty of opportunity. We will come back to that in just a moment.

This is a photocopy of a Department of State payroll change slip dated October 28, 1962, showing an in-grade salary raise for you from \$9,315 to \$9,620.

Mr. PASQUALE. That's right.

Mr. SOURWINE. I call your attention to the fact that this is the standard State Department form. Are you familiar with this?

Mr. PASQUALE. Yes, I am.

Mr. SOURWINE. Is this in fact a copy of the payroll record which you received?

Mr. PASQUALE. This is a true copy.

Mr. SOURWINE. I call your attention to the fact that it is stated at the bottom, just above the signature, or authentication, "performance rating is satisfactory or better." This was as of October 28, 1962.

Mr. PASQUALE. That is correct.

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

Senator HRUSKA. It will be put in the record at this point.

(The document referred to reads as follows:)

DEPARTMENT OF STATE

Form DS-1042
7-15-60

PAY ROLL CHANGE SLIP

Post	Org. Code	Position No.	Allot. & Activity & Purpose		Effective Date	Date of Last Equiv. Increase
FRANKFURT			A-2 099-3242		10-28-62	10-23-61
Employee's Name	Employee No.	Catg. & Class Serv. & Grade	New Salary Rate	Old Salary Rate	Periodic Step-Increase	
George J. Pasquale	459411	FSS-3	\$9620	\$9315(1)	X	

Performance rating is satisfactory or better.
(Phrase circled in ink.)

J. ORDWAY

(Signature or other authentication)

Mr. SOURWINE. Now, let's get back to the question of whether you were—whether you resigned from the State Department. Did you?

Mr. PASQUALE. I did not.

Mr. SOURWINE. Now, I want to tell you that it has been testified under oath, by Mr. John Reilly, who is head of the Office of Security, that you resigned during your probationary period because you received a poor efficiency report.

Mr. PASQUALE. Well, could I bring out some papers to support my statements?

Mr. SOURWINE. Yes, if you have them.

Mr. PASQUALE. Well, I returned from a trip—well, first, I came home after hearing about the efficiency reports in December. I decided to come to Washington, at my own expense, to see if this was true. And I went to the Office of Personnel and asked to see my efficiency report at that time. And they said that they were not able to show it to me, but that the efficiency report—their understanding is the efficiency reports were bad and that—but due to the fact there was an attached letter by Mr. York from Frankfurt, which stated—who is the reviewing officer—that the new officer there, Mr. Hiller, apparently

had no background in writing efficiency reports, and had written everybody very badly, because he was not very knowledgeable of writing these reports. So they told me to go back to Frankfurt and feel reasonably safe and not worry, that everything would be all right, that they would disregard those efficiency reports.

Mr. SOURWINE. This was when?

Mr. PASQUALE. This was told me in December, approximately around the 20th.

Mr. SOURWINE. 1962?

Mr. PASQUALE. And I was with Mr. Stanley Holden at the time, and Mr. Russell Waller, of the State Department.

Mr. SOURWINE. Did you then return to Frankfurt?

Mr. PASQUALE. And then I returned to Frankfurt.

Mr. SOURWINE. Now, where is the paper you were going to show us, and what is the relevancy of it? I would be very appreciative if you try to keep your answers down, confine them in response to the question. We are getting long answers here, which are undoubtedly helpful, but they are going to be difficult to wade through.

Mr. PASQUALE. I see.

Well, on February 6, after I had gone on one trip after my stay at home, I received this in the mail after completing the trip. This was from the Department.

Mr. SOURWINE. This is a letter marked "official—limited official use," addressed "Dear Mr. Pasquale" and signed "John Ordway, Chief, Personnel Operations Division."

Senator HRUSKA. What is the date, Mr. Counsel?

Mr. SOURWINE. February 6, 1963. This is an original. And it stated in the body of the letter:

Since you are on a probationary status, we have no choice but to separate you from the Foreign Service. We will proceed, therefore, to separate you on or about March 1, 1963, and will authorize your return to Silver Spring, Md., on Government orders.

May this go in the record, Mr. Chairman?

Senator HRUSKA. Yes.

Mr. PASQUALE. Could I give you the carbon?

Senator HRUSKA. This will be put in the record at this time with the usual provision for substituting a suitable copy—reproduction or otherwise.

(The document referred to reads as follows:)

FEBRUARY 6, 1963.

OFFICIAL—INFORMAL.
LIMITED OFFICIAL USE.

MR. GEORGE J. PASQUALE,
*American Consulate General,
Frankfurt.*

DEAR MR. PASQUALE: Your performance record to date has been carefully reviewed and I regret to inform you that it has been determined that you do not meet the professional requirements of the job to which you are assigned. Under the circumstances, since you are on a probationary status, we have no choice but to separate you from the Foreign Service. We will proceed, therefore, to separate you on or about March 1, 1963, and will authorize your return to Silver Spring, Maryland, on Government orders.

I realize that this seemingly abrupt notification may cause you some inconvenience and if you believe that a few more days are required to get your affairs

in order before departure, we will make adjustments in your proposed separation date as appear warranted.

Sincerely yours,

JOHN ORDWAY,
Chief, Personnel Operations Division.

PER:POD:EUR:FMRavndal:dhc.

2/6/63.

cc: Edmund J. Dorsz, Amcongeng Frankfurt.

Mr. PASQUALE. Now, the very next day—I received this on February 11—this letter from the Department which was dated February 6. That was on the 11th.

On the following day, in Frankfurt, I received an authorization of travel, travel orders. The travel orders, unbeknownst to me, had already put me down as resigned. It states that. That is over their signature.

Mr. SOURWINE. This is a carbon on the official form "Authorization of Official Travel," authorization No. 3-09363, authorization date, February 12, 1963, and it speaks for itself. It is what the witness has described.

May that go in the record also?

Senator HRUSKA. It will go in the record at this point.

(The document referred to follows:)

FORM DS 17 REV. 11		DEPARTMENT OF STATE AUTHORIZATION OF OFFICIAL TRAVEL		Authorization Number 3-09363
 <p>Mr. George J. Pasquale, American Consulate General, Frankfurt am Main, Germany.</p> <p>459411</p>		Authorization Date February 12, 1963		
		<p>8-6</p> <p>You are hereby authorized to perform official travel at Government expense as indicated herein. This travel is not ordered at your request nor for your convenience, except for leave as allowed by law. You are to proceed in accordance with instructions contained herein or as amended. Unless otherwise noted, all expenses and the maximum per diem under the regulations checked below are authorized. Vouchers should be submitted.</p> <p>Official Station (If Transfer, Post You are Leaving): Frankfurt am Main, Germany</p> <p>If Transfer or New Assignment Post to which You are Proceeding:</p>		
The following information MUST be entered on all Transportation Requests. Failure to do so may result in your financial responsibility for travel performed.				
Authorization Number 3-09363	Appropriation Number 1930113	Allotment Number 3A-2025	Obligation Number 9363	
Itinerary, Purpose, Remarks, and Special Instructions and Authorizations.				
<p>Resignation - from Frankfurt am Main, Germany to Silver Spring, Maryland via consultation in the Department for a period of approximately three (3) workdays without per diem.</p> <p>Shipment of effects is authorized from Frankfurt am Main, Germany to Silver Spring, Maryland, not in excess of 13,500 pounds gross or 1,350 cubic feet. If shipment of non-export packed effects is made by motor van (refer to FSTR 3.1g and FSTR 3.51b), the maximum allowance specified herein shall be reduced proportionately by thirty-one (31) percent.</p> <p>Dependants: Elizabeth, wife; Pamela, b. 11/2/45; Frankfurt/Silver Spring.</p>				
Status of Traveler		Applicable Regulations	Appropriation Chargeable	
Foreign Service Officer or Employee	Departmental Employee	I FSM III 169 FSTR	Salaries and Expenses, Department of State	
Travel Request by EUR Gordon	Officer	Manual of Regulations and Procedures	International Contingencies, Department of State	
Authorizing Officer John A. Tierney, Chief	des	Standardized Government Travel Regulations	International Educational Exchange Activities, Department of State	
<p>John A. Tierney, Chief International Travel Section PER:PSD</p>		Public Law 600—79th Congress (60 Stat. 806), as amended, and Executive Orders Pertaining Therein.	Fiscal Year 1963	
			Activity 3027-43	

Mr. SOURWINE. You had not at that time resigned?

Mr. PASQUALE. I had not.

Mr. SOURWINE. Had you told anybody orally you had intended to resign?

Mr. PASQUALE. No, I had not.

Mr. SOURWINE. Had you written anything to be construed as a resignation?

Mr. PASQUALE. No, sir.

Mr. SOURWINE. You had in fact, the day before these travel orders, received a letter saying that you were going to be separated.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Do you have any other papers?

Mr. PASQUALE. Yes.

Then I left Frankfurt on the 22d of February and arrived in Washington the same date. I came to the Department, spoke to Mr. Reilly and others. At the end of the week, Mr. Szluk—Peter Szluk told me to come down to his office, in the Office of Personnel, room 2253. I went down there and he said, "I have a letter here that I think you should sign," and he said, "and this is self-explanatory." And he had me sign that.

Now, if you will notice—

Mr. SOURWINE. This, Mr. Chairman, is a carbon copy, on State Department stationery dated February 18, 1963. In the upper right-hand corner it has typed "true copy" and the pen signature "RMF."

Do you know who that is?

Mr. PASQUALE. I would suspect it would be Mr. Szluk's secretary.

Mr. SOURWINE. And the letter reads:

DEAR SIR: I submit herewith my resignation from the Foreign Service of the United States to be effective as of March 8, 1963. I am resigning in order to seek other employment where the promotional opportunities will be greater. I wish to state that I have enjoyed the period of my association with the Department.

Sincerely,

GEORGE D. PASQUALE.

It appears to be signed by you. Did you sign it?

Mr. PASQUALE. I signed it.

Mr. SOURWINE. Well, then, you did resign.

Mr. PASQUALE. If you notice, he has postdated this—not postdated—predated it.

Mr. SOURWINE. No, I did not notice it. I gave the date, February 18.

Now, on what date were you asked to sign it?

Mr. PASQUALE. I was asked to sign this on February 25 in his office in Washington. And this is dated—

Mr. SOURWINE. Why would you sign something on February 25 that was dated February 18?

Mr. PASQUALE. Well, he put that down there. I did not pay any attention to the date at the time. And he predated, or postdated—predated, and he said:

The only thing I can suggest to you, you better sign this paper because if—outside of the Government, if you seek any further employment outside of the Government, with private industry, and they come here wishing to see why you left the State Department, we have to have some form to show them that you left the Department on your own.

Mr. SOURWINE. Well, then, this is the situation.

You were told you were going to be cut off. You were going to be severed. You put that letter in the record.

Mr. PASQUALE. Right.

Mr. SOURWINE. Then you were given travel orders showing that you had resigned.

Mr. PASQUALE. Right.

Mr. SOURWINE. They were dated February 12.

Mr. PASQUALE. That is February 12.

Mr. SOURWINE. Subsequently, you were asked to sign a resignation, and you were told it would save you trouble.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Because if you left voluntarily, you would be in a better position to get a job.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. And in order to obtain that advantage, you did sign.

Mr. PASQUALE. I did sign.

Mr. SOURWINE. And you did resign.

Mr. PASQUALE. Yes.

Mr. SOURWINE. I do not see how you can tell us here you did not resign when you did resign, and did so for the purpose of obtaining an advantage; whether the advantage would have accrued or not, I do not know. But that was in your mind, that was your purpose in signing.

Mr. PASQUALE. I had no choice.

Mr. SOURWINE. You did resign under compulsion.

Mr. PASQUALE. I resigned under compulsion.

Mr. SOURWINE. But you did resign.

Mr. PASQUALE. Yes, but I—

Mr. SOURWINE. Of course, you brought this forward yourself to show that, so it is clear there was no intent on your part to deceive this committee.

Mr. PASQUALE. No, sir.

Mr. SOURWINE. But I want the record to show clearly you did resign.

Mr. PASQUALE. Yes.

Mr. SOURWINE. And officially this is the reason for your severance from the Department, your resignation.

Mr. PASQUALE. I see.

Mr. SOURWINE. Your severance was effected by your resignation, and its acceptance, was it not?

Mr. PASQUALE. No, they had already—I had already been severed.

Mr. SOURWINE. No, you had not, not according to anything you have given us. You had been told you were going to be severed. But you never received any other notice showing a severance, did you? I don't mean to argue with you, Mr. Pasquale. I just want this record to speak truly.

Mr. PASQUALE. Please note that the letter of resignation and the travel orders, the date on this, this is February 12.

Mr. SOURWINE. I have already put that date into the record twice and commented on it, Mr. Pasquale.

Mr. PASQUALE. All right.

Now, I will bring out something else.

Now, here is a paper which states "employee resigned—March 8."

Mr. SOURWINE. This is a notice of change in health benefits enrollment. I do not believe it need be offered for the record, Mr. Chairman. It shows date of birth, October 7, 1917; payroll office No. 19-00-0001. "Action becomes effective close of business 3-8-63," March 8, 1963. And it is blank except under "remarks" it shows "employee resigned 3-8-63," and the date on this notice is March 12, 1963.

If the chairman desires to have it in the record, the whole document—

Senator HRUSKA. Very well. That will be put in the record. (The document referred to follows:)

EXHIBIT A

Standard Form No. 2810 Chapter 1-5 F.P.M.		NOTICE OF CHANGE IN HEALTH BENEFITS ENROLLMENT FEDERAL EMPLOYEES HEALTH BENEFITS ACT OF 1959 - (Part A and the part(s) marked with an "X" apply to you)		G. 41243 1-60-00 2810-102 Y	
A. IDENTIFYING DATA					
1. NAME (LAST) (FIRST) (MIDDLE INITIAL)			2. DATE OF BIRTH	3. CARRIER CONTROL NO.	
PASQUALE, George J.			10/7/17	L015743	
4. ADDRESS (NUMBER AND STREET) 9421 Thornhill Road, (CITY AND ZONE NUMBER) (STATE)			5. PAYROLL OFFICE NO.	6. ENROLLMENT CODE NO.	
Silver Spring, Maryland.			19-00-0001	2 0 2	
			7. DATE ACTION BECOMES EFFECTIVE COB 3/8/63.		
B. TERMINATION					
<input checked="" type="checkbox"/> ENROLLMENT TERMINATES EFFECTIVE ON THE DATE SHOWN IN ITEM 7, ABOVE, WITH ELIGIBILITY TO CONVERT TO A NONGROUP CONTRACT. (SEE PART B ON OTHER SIDE FOR INFORMATION ON TEMPORARY EXTENSION OF COVERAGE AND CONVERSION)					
C. CHANGE IN PLAN (Blank)					
D. TRANSFER OUT (Blank)					
E. TRANSFER IN (Blank)					
F. SUSPENSION (Blank)					
G. REINSTATEMENT (Blank)					
H. CHANGE IN NAME OF ENROLLEE (Blank)					
I. CHANGE IN ENROLLMENT — SURVIVOR ANNUITANT (Blank)					
J. REMARKS					
Employee resigned 3/8/63.					
K. DATE OF NOTICE					
SIGNATURE OF AUTHORIZED AGENCY OFFICIAL Department of State NAME OF AGENCY			March 12, 1963 DATE Washington 25, D. C. ADDRESS		

Mr. PASQUALE. Then there was this other one here.

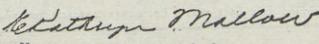
Mr. SOURWINE. "Department of State separation lump sum payment, accrued leave" also shows "nature of action—resignation."

May this be offered for the record?

Senator HRUSKA. Very well. It will be received.

(The document referred to follows:)

EXHIBIT B

DEPARTMENT OF STATE SEPARATION LUMP SUM PAYMENT - ACCRUED LEAVE		DATE
		May 21, 1963
1. NAME AND ADDRESS Mr. George J. Pasquale, 9421 Thornhill Road, Silver Spring, Maryland.	2. EMPLOYEE NO. 459411	3. SOCIAL SECURITY NO. XXXXXXXXXX
4. NATURE OF ACTION AMENDMENT: Resignation	5. EFFECTIVE DATE COB 3/8/63	6. DS-1032 JOURNAL NO. Dated 3/20/63
7. Lump-sum payment authorized for 36 hours annual leave.	8. PAYMENT BY: Department.	
REMARKS		
 E. Kathryn Malloy, Chief Signature Retirement and Leave Section Title		

FORM 10-62 DS-1509

2. EMPLOYEE

Mr. SOURWINE. Now, these things do not negative the conception that you did in fact resign, that your separation resulted from your resignation, and its acceptance. You were told that you were going to be severed, that action to bring about your severance would be initiated.

Mr. PASQUALE. Yes.

Mr. SOURWINE. You were subsequently offered an opportunity to resign?

Mr. PASQUALE. Yes.

Mr. SOURWINE. And under that pressure, you did resign?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. That is the situation?

Mr. PASQUALE. Yes.

Senator HRUSKA. At this point, the acting chairman will read from the letter of February 6 language which does say:

We will proceed, therefore, to separate you on or about March 1, 1963, and will authorize your return to Silver Spring, Md., on Government orders.

That fits in with what counsel here has indicated, that the groundwork was laid for separation and the opportunity later given for the making of a record which would not be in conformity with the fact. But nevertheless, which the witness did sign, and therefore was endorsed on the record.

Mr. SOURWINE. To get the chronology perfectly clear in the record all in one place—the witness was first notified of the fact that he was going to be severed. That was a letter which was dated February 6, and which he received on the 11th.

You then got your travel orders, dated the 12th, which showed you had resigned.

Mr. PASQUALE. That's right.

Mr. SOURWINE. You subsequently, on the 25th, were offered an opportunity and induced to sign this resignation letter, which was predated 1 week to February 18.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. And which was made effective March 8. And your severance became effective March 8 through the acceptance by the Department of this resignation. Presumably they stopped the wheels of your dismissal and acted on the resignation letter.

Mr. PASQUALE. Yes.

Mr. SOURWINE. All right.

Do you have anything more you want to offer in connection with that? The record is clear to your satisfaction?

Mr. PASQUALE. I think it is, yes.

Mr. SOURWINE. Mr. Chairman, this has been preliminary because Mr. Pasquale has given information derogatory to one of his superiors, and there are some indications that this may have had something to do with the sudden discovery that his work was not satisfactory.

I should like to go into this. In order to shorten it, I would ask permission of the Chair to ask definitely leading questions in this area.

Senator HRUSKA. Very well.

Mr. SOURWINE. Mr. Pasquale, you were separated from the Department in accordance with the record which has now been made.

Now, were you, in April of 1962, security engineer at the Regional Test Center at Frankfurt?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. The officer in charge of the test center at that time was Frederick B. York, a Foreign Service officer, class 3?

Mr. PASQUALE. That is correct.

Mr. SOURWINE. That operation received supervision from Washington, D.C., from the Division of Technical Services?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. That Division was headed at the time by John D. Iams?

Mr. PASQUALE. Correct.

Mr. SOURWINE. His assistant at that time was Mr. Elmer Hill?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Mr. Iams had recruited Mr. Hill for this position?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. At the time of Mr. Hill's appointment and for a considerable time thereafter, Mr. Hill was noteworthy for his special adornment, was he not?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Mr. Hill has been described by those who knew him at the time as having a head cleanly shaven, with a narrow beard

running from ear to ear under his chin, of the type worn by the Dunkard sect in Pennsylvania—no mustache. And it was said he attracted a great deal of attention and comments in the Department of State.

Is this an accurate statement?

Mr. PASQUALE. This is accurate.

Mr. SOURWINE. On the Thursday preceding Easter Sunday, April 19, 1962, did Mr. Hill arrive in Frankfurt for the purpose of conducting a technical inspection tour of various posts in Europe?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. On the evening of that same day, that is the Thursday before Good Friday 1962, did Mr. York give a cocktail party in Mr. Hill's honor?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Did you attend that party?

Mr. PASQUALE. No, I did not attend the party.

Mr. SOURWINE. Have the events of that party been described to you by Mr. and Mrs. Frederick York?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Were the mother and father of Frederick York present at the party?

Mr. PASQUALE. Yes, they were.

Mr. SOURWINE. Was it reported to you that, during the evening, Mr. Hill became intoxicated?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. That he removed his coat, shirt, and tie, so he was wearing only his trousers and a tee shirt?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. But he began using vulgar and obscene words?

Mr. PASQUALE. In the course of the evening, he became inebriated and started using very foul language, four-letter words.

Mr. SOURWINE. That during the festivities he eventually fell asleep on the couch, waking up at 3 a.m. after the guests had departed and the hosts had gone to bed?

Mr. PASQUALE. That's correct. He woke up in the middle of the night and, without any knowledge to the Yorks, he disappeared and it was not until the following day, about 12:00, he arrived—called our office wondering how to get to our office.

Mr. SOURWINE. Well, if they were asleep and there wasn't anybody in the room, how does anybody know when he woke up?

Mr. PASQUALE. Well, they said it was midmorning, early in the morning, because I think someone got up and went probably to the bathroom, I would assume, and he was gone.

Mr. SOURWINE. They missed him early in the morning. That is all you know.

Mr. PASQUALE. Yes.

Mr. SOURWINE. He was asleep on the couch in a drunken stupor when they went to bed, and in the early morning he had disappeared.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Now, on Saturday, April 21, 1962, did you accompany Mr. Hill to Warsaw, Poland?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. What was the purpose of the trip?

- Mr. PASQUALE. Well, we were on a technical inspection.
- Mr. SOURWINE. Upon arrival there, were you escorted by the Embassy security officer, Mr. Victor Dikeos?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. Did Mr. Dikeos and his wife give a cocktail party at their home with you and Mr. Hill as guests?
- Mr. PASQUALE. That's correct.
- Mr. SOURWINE. There were other guests?
- Mr. PASQUALE. Yes, sir.
- Mr. SOURWINE. Did those other guests include diplomatic personnel of foreign nations?
- Mr. PASQUALE. Yes, sir.
- Mr. SOURWINE. Specifically whom, if you remember?
- Mr. PASQUALE. Not of foreign nations—the people that were guests at his home.
- Mr. SOURWINE. Included are the diplomatic personnel of the United States?
- Mr. PASQUALE. Other American Embassy personnel.
- Mr. SOURWINE. Were there any foreigners present?
- Mr. PASQUALE. No foreigners present.
- Mr. SOURWINE. Now, did Mr. Hill, on the occasion of this party, at the home of Mr. and Mrs. Dikeos, become intoxicated?
- Mr. PASQUALE. He became completely intoxicated.
- Mr. SOURWINE. Did he in your presence and within your hearing use vulgar and obscene language?
- Mr. PASQUALE. Yes, he did, very much so.
- Mr. SOURWINE. Did he repeatedly make derogatory and obscene references to women?
- Mr. PASQUALE. That's correct.
- Mr. SOURWINE. Did he break any cocktail glasses?
- Mr. PASQUALE. He certainly did.
- Mr. SOURWINE. How did this happen? Was it intentional or careless or what?
- Mr. PASQUALE. Oh, I would say he was so inebriated—and in a fit of anger—I don't know what he was thinking about at the time, but he made some obscene remarks about women in general and hit the glass and it fell on the floor and spilled all over the place.
- Mr. SOURWINE. Where was the glass when he hit it?
- Mr. PASQUALE. He was sitting at the small cocktail bar.
- Mr. SOURWINE. He only broke one glass?
- Mr. PASQUALE. No, I think he broke two.
- Mr. SOURWINE. Did they break the same way? He hit the other one, too?
- Mr. PASQUALE. Pretty much so, yes.
- Mr. SOURWINE. Did you see the instance in both occasions?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. You say "pretty much so." Did he hit the glass in both cases?
- Mr. PASQUALE. Yes, he did.
- Mr. SOURWINE. Not carelessly, but intentionally?
- Mr. PASQUALE. I would say intentionally.
- Mr. SOURWINE. Did Mr. Hill, on the same occasion, discuss either socialism or communism within your hearing?

Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. In what way?

Mr. PASQUALE. Well, he was in the far end of the room, which is not very far—it is from here to there—I would say 8 to 10 feet.

Mr. SOURWINE. From you.

Mr. PASQUALE. Yes, about 8 feet. And there were a group of people from the Embassy sitting there, along with one person attached to the military at the Embassy, and his wife. And he started on the subject of socialism and was preaching the gospel of socialism, how wonderful it was, extolling all the virtues of socialism to these people. And I could not believe my ears. I turned around and said—I made the comment—

He is supposed to be one of our superior men in Washington, and being in our type of work, and discussing socialism in the way that he was—

I think everybody was a little upset.

Mr. SOURWINE. Now, I note that I asked you about socialism and communism, and you have confined your answer to socialism. Did he say anything about communism? I don't want you to say yes unless you are sure he did.

Mr. PASQUALE. Well, he was talking about socialism and Leninism, talking about Lenin and indicating that Lenin was such a great man—along lines dealing with Lenin and socialism in general.

Mr. SOURWINE. Did he at the same time proclaim himself to be an atheist?

Mr. PASQUALE. Yes, this he did.

Mr. SOURWINE. Do you have a vivid recollection of these things, the events at this party?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. You are sure about the date of the party?

Mr. PASQUALE. The date of the party—yes, it would have to be. The reason why I am sure is because Easter Sunday was coming up. And we left—my flight left—I can confirm it with my flight ticket, because we left by plane.

Senator HRUSKA. Left from where to where?

Mr. PASQUALE. From Frankfurt to Vienna, Vienna to Warsaw.

Mr. SOURWINE. Now, on Monday, April 23—this is the Monday after Easter—did you, with Mr. Hill, call at the Embassy?

Mr. PASQUALE. Yes.

Mr. SOURWINE. In what city was this?

Mr. PASQUALE. Warsaw.

Mr. SOURWINE. You were still in Warsaw.

Mr. PASQUALE. Yes.

Mr. SOURWINE. Do you have any information respecting an argument at that time between Mr. Hill and the Embassy administrative officer, Henry Boudreau?

Mr. PASQUALE. Yes, that morning after we arrived at the office, normal procedure is to go in, if you have not already met the security officer in charge—you also see the administrative officer, and meet the Ambassador. And so we proceeded to his office, to Henry Boudreau. I walked out of the room to start checking on other things that had to be done in the Embassy, while they talked.

Mr. SOURWINE. I have that name B-o-r-d-r-e-a-u. Was it—

Mr. PASQUALE. B-o-u-d-r-e-a-u.

Mr. SOURWINE. All right.

Mr. PASQUALE. He is in Mr. Crockett's office, I believe, here in Washington now.

He proceeded to Boudreau's office. I went to another room.

Shortly thereafter I happened to go back to Mr. Boudreau's office, and Mr. Boudreau got hold of me and said, "George, who is this man, coming to my post and telling me how to run my office?" Apparently he had a flareup with him.

Mr. SOURWINE. Wait a minute. You say Boudreau told you this?

Mr. PASQUALE. Yes.

Mr. SOURWINE. What do you mean apparently? Did Boudreau tell you there had been a flareup?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Boudreau told you he had an argument with Mr. Hill?

Mr. PASQUALE. With Mr. Hill.

Mr. SOURWINE. Because in Boudreau's opinion, as he told it to you, Hill was trying to tell Boudreau how to run Boudreau's office?

Mr. PASQUALE. That's right.

Mr. SOURWINE. Did Mr. Boudreau give you any additional details of the argument?

Mr. PASQUALE. No, but he was upset, and as far as he was concerned he would not have the man around his post again.

Mr. SOURWINE. Did he tell you that?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Now, the following Wednesday evening, April 25, were you still in Warsaw?

Mr. PASQUALE. April 25?

Mr. SOURWINE. Yes.

Mr. PASQUALE. That would be Wednesday?

Mr. SOURWINE. Wednesday evening.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. The Wednesday after Easter, 1962.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Did you and Mr. Hill on that evening agree to go to a Polish restaurant known as the Krokodil?

Mr. PASQUALE. That day we worked at the Embassy. And in Warsaw there are very places—

Mr. SOURWINE. I did not ask where you worked and what places there were to go. Let's try to answer the questions.

Did you and Mr. Hill agree to go to the Krokodil?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. This is a restaurant with an orchestra and dancing?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Now, at any time during that day and prior to going to the restaurant did you purchase any alcoholic beverage?

Mr. PASQUALE. We went to the Embassy, and Mr. Hill requested from Mr. Boudreau if it would be possible he wanted to buy a bottle of dry sec sherry. And so Mr. Boudreau said yes, he could procure it in the commissary. So he purchased a bottle of dry sec sherry.

Mr. SOURWINE. I asked you if you purchased anything.

Mr. PASQUALE. I bought—normally when we go to a post, we get very much assistance from the marines, because they are always very helpful doing things for us.

Senator HRUSKA. Mr. Witness, the question was whether you purchased any.

Mr. PASQUALE. I did buy a bottle of scotch.

Mr. SOURWINE. Scotch whisky?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. How big a bottle?

Mr. PASQUALE. It—

Mr. SOURWINE. Was it a fifth, a quart?

Mr. PASQUALE. No, it would be—a fifth at the most.

Mr. SOURWINE. You don't remember whether it was a fifth or a pint?

Mr. PASQUALE. I would say a fifth.

Mr. SOURWINE. For what purpose did you purchase that scotch whisky?

Mr. PASQUALE. I purchased the bottle of scotch and gave it to the marines prior to leaving Warsaw, because they helped us doing a lot of heavy work.

Mr. SOURWINE. You gave it to the marines the same afternoon you purchased it?

Mr. PASQUALE. No, it was not until about 2 days later.

Mr. SOURWINE. You did not drink any of it the afternoon you purchased it?

Mr. PASQUALE. No.

Mr. SOURWINE. You did not open it?

Mr. PASQUALE. No.

Mr. SOURWINE. You did not take it with you to the restaurant?

Mr. PASQUALE. No.

Mr. SOURWINE. The marines were not on duty when you gave it to them?

Mr. PASQUALE. No.

Mr. SOURWINE. You took it then, where; to your room?

Mr. PASQUALE. I set it aside in the hotel room, in my suitcase.

Mr. SOURWINE. In your suitcase in your hotel room.

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. And thereafter you and Mr. Hill went to the Krokodil?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. What did Mr. Hill do with his bottle of sherry, if you know? Was that a tall bottle? a quart? or a split? or what?

Mr. PASQUALE. A fifth.

Mr. SOURWINE. What did he do with it, if you know?

Mr. PASQUALE. Well, I left him about 5:30. He went to his room. And we were supposed to leave about 7, 7:30, to go out to dinner. And I waited and waited; 7 passed, about 7:30, it must have been pretty close to 8. I finally went to his door, because I was getting my hunger pains, and knocked on the door. And finally he came to the door, bleary eyed, and I said, "Are you still planning to go out to eat dinner?"

And he said, "Yes." And he was fumbling around.

I looked over in the corner—there is a little shelf there—and looked, and the bottle was down to about this [indicating].

Mr. SOURWINE. You are pointing to a space about an inch and a half above the table.

Mr. PASQUALE. I would say he had about an eighth of the bottle left, if that. It was a very small amount left.

Mr. SOURWINE. Do you know whether he had drunk it or given it to somebody or poured it down the sink?

Mr. PASQUALE. No—I said, “You mean to say you polished off all that liquor in that short time?”

And he said, “Yes, it wasn’t bad.”

So I said, “Well, do you still feel like eating dinner?”

He said, “Oh, yes; I guess I will go.”

So he got dressed and hurried up, and we grabbed a cab.

Mr. SOURWINE. Did he finish the bottle?

Mr. PASQUALE. No, he left that little that was there.

Mr. SOURWINE. You did not see him drink any of the wine?

Mr. PASQUALE. Any what?

Mr. SOURWINE. You did not see him drink any of the wine?

Mr. PASQUALE. No, I did not see him actually drink it.

Mr. SOURWINE. All right. So you took a cab to the Krokodil.

Mr. PASQUALE. Yes.

Mr. SOURWINE. After you got there, did you get a table?

Mr. PASQUALE. We secured a table.

Mr. SOURWINE. Was it a table for two?

Mr. PASQUALE. Table for two, and it was on the perimeter of the dance floor.

Mr. SOURWINE. A good table.

Mr. PASQUALE. It was a good table, where we could listen to the music, where the orchestra was playing. That was your better seat in the place, because the rest of the place was scattered all about and you could not see what was going on. And so we sat down at the table there.

Mr. SOURWINE. All right. Then what happened?

Mr. PASQUALE. Well, the orchestra was playing the usual Polish music, and American songs—strange as it may seem they do play a lot of American songs. And all of a sudden, the orchestra stopped playing, and it was intermission. I noticed he beckoned—

Mr. SOURWINE. Who is he?

Mr. PASQUALE. Mr. Hill. He beckoned to the captain of the waiters to come to our table. I looked at Hill. I was wondering what he was going to say, because he did not look too good to me. He asked the captain of the waiters if he could sit at the piano and play some music. And I could not imagine what he would do at the piano, particularly in his condition.

Mr. SOURWINE. Do you know whether Mr. Hill plays the piano?

Mr. PASQUALE. No.

Mr. SOURWINE. Did you ever hear him play the piano on any other occasion?

Mr. PASQUALE. Never; never. So Mr. Hill—well, rather, the captain of the waiters went back to another room and talked to the manager. And I saw him talking to the manager. I noticed the rest of the fellows in the band were there talking.

Mr. SOURWINE. He was in another room, but you saw him talking to the manager?

Mr. PASQUALE. It was in the corridor between the two rooms—you could see him standing there. He was talking.

And they finally, apparently, gave the go-ahead that during the intermission that Mr. Hill could sit down at the piano and play.

Well, I figured maybe he is a concert pianist or something, and maybe he is really good.

Well——

Mr. SOURWINE. Before you go any further, in what language did Mr. Hill speak to the captain of waiters?

Mr. PASQUALE. This man spoke English, and Hill spoke English, too—both of them in English. And adjoining—the adjoining tables nearby, one table had the British, quite a large number of people from the British Embassy entertaining some people, candlelight ceremony. And then there were other diplomats on the other side. And then on this table over here behind us was a group of people in the Communist League, the local Communist crowd was sitting over there having a big to-do.

Mr. SOURWINE. Talking about Polish Communist Party officials?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Polish Government authorities, in other words.

Mr. PASQUALE. Yes—sitting over there.

Mr. SOURWINE. All right.

Now, did Mr. Hill go to the piano?

Mr. PASQUALE. The room became very quiet as everybody waited for Mr. Hill to start playing. And the room was——

Mr. SOURWINE. Do you have to tell this like it is a story? I am just asking questions. Did he go to the piano?

Mr. PASQUALE. Yes.

Mr. SOURWINE. A bench or a stool?

Mr. PASQUALE. It was a bench.

Mr. SOURWINE. Did he sit down at the bench?

Mr. PASQUALE. He sat down at the bench.

Mr. SOURWINE. Did he adjust the bench?

Mr. PASQUALE. No.

Mr. SOURWINE. Did he start to play?

Mr. PASQUALE. He just sat and banged on the table. There was no music. For 15 minutes there was just solid banging at the table—no music whatsoever. And he was just hitting the keys, no chords.

Mr. SOURWINE. How did he hold his fingers?

Mr. PASQUALE. He was just——

Mr. SOURWINE. Let the record show that the witness held all his fingers together.

You want us to understand Mr. Hill held all his fingers on each hand together and was hitting the piano with his whole hand?

Mr. PASQUALE. He actually was not playing like a pianist would play.

Mr. SOURWINE. I asked you if you know how he held his fingers. Do you know?

Mr. PASQUALE. He did not play like a pianist would.

Mr. SOURWINE. Did you see how he held his fingers?

Mr. PASQUALE. Well, I watched him.

Mr. SOURWINE. Did he have them separated?

Mr. PASQUALE. No, they were close together, and hitting on the piano.

Mr. SOURWINE. He continued this for 15 minutes?

Mr. PASQUALE. For about 15 minutes.

Mr. SOURWINE. Did you time him?

Mr. PASQUALE. No, I did not.

Mr. SOURWINE. On what do you base your judgment on the time?

Mr. PASQUALE. I am pretty good at guessing time. In fact it is very rare I ever carry a wristwatch. I arrive here usually every time ahead of schedule or 5 minutes ahead. I can judge 15 minutes pretty good.

Mr. SOURWINE. Mr. Chairman, would the Chair indulge me to see if the witness can judge 30 seconds—now start—tell me in 30 seconds.

Mr. PASQUALE. I would say "Now."

Mr. SOURWINE. You called "now" after 18 seconds.

Mr. PASQUALE. Was that 18?

Mr. SOURWINE. All right.

By your judgment he was at the piano 15 minutes.

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. It might have been seven and a half.

Mr. PASQUALE. I still say—it was quite a long time.

Senator HRUSKA. Would you say it sounded and felt like 15 minutes?

Mr. PASQUALE. Well, we could say it that way, too, probably.

Mr. SOURWINE. I hope the witness will understand I am not trying to badger him. I am just trying to reduce this record to the absolute factual essential if we can.

All right.

After the 15 minutes, what happened? Did he leave by himself?

Mr. PASQUALE. He got up off the chair, proceeded to the table, sat down. There was no applause. I can assure you of that. In fact, the headwaiter looked pretty much upset, and so did the manager. And I did not know whether we were going to get boosted out about that time. But fortunately they recognized we were Americans, apparently, and they were being very diplomatic, grin and bear it, and let us stay.

Mr. SOURWINE. Well, now, most of what you have said there is a matter of conclusion—your conclusions as to what was going through people's minds. Is that right?

Mr. PASQUALE. Well, this is true.

Mr. SOURWINE. Nothing was said by anyone in your hearing derogatory to Mr. Hill's playing, was it?

Mr. PASQUALE. No.

Mr. SOURWINE. Did anyone approach him to try to get him away from the piano?

Mr. PASQUALE. No.

Mr. SOURWINE. They waited until he was through, got up and bowed and came back to the table?

Mr. PASQUALE. That's right.

Mr. SOURWINE. Did anybody clap?

Mr. PASQUALE. Definitely not.

Mr. SOURWINE. Nobody in the whole room clapped.

Mr. PASQUALE. Not a soul.

Mr. SOURWINE. All right.

Now, after he returned to the table, did anything else happen that fixed itself in your memory?

Mr. PASQUALE. Well, the orchestra started playing and he immediately got up and went over—well, prior to going over, he was ogling all the women in the place. And then finally—

Mr. SOURWINE. What do you mean by that?

Mr. PASQUALE. Well, you know, staring at every—just staring like that, you know—like one particular woman in this Communist group—just kept on staring.

Mr. SOURWINE. Staring fixedly at one woman after another.

Mr. PASQUALE. To the point of embarrassment. Finally, he got up and went over there and asked—

Mr. SOURWINE. You mean a woman with the Polish Communist group?

Mr. PASQUALE. That's correct. And he—

Mr. SOURWINE. A young woman or a middle-aged or an old woman?

Mr. PASQUALE. I would say a woman about 39.

Mr. SOURWINE. Blond or brunette?

Mr. PASQUALE. In this case, I think it was blond, if I remember correctly. I would say blond.

Mr. SOURWINE. Do you have any doubts about whether you remember correctly what took place on this evening?

Mr. PASQUALE. No; I would say she was a blond, definitely.

Mr. SOURWINE. He went over to her table, and what did he do?

Mr. PASQUALE. He grabbed the woman, got her on the floor.

Mr. SOURWINE. Wait a minute. You say he grabbed her. Did he ask her to dance with him?

Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. Did she agree?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Was this done politely?

Mr. PASQUALE. Well, you might say as polite as he could in his condition.

Mr. SOURWINE. He asked her, and she agreed, and she arose from her chair?

Mr. PASQUALE. She arose from her chair.

Mr. SOURWINE. And they went to the floor to dance.

Mr. PASQUALE. And they danced. And he practically dragged her to the floor while he was on the floor dancing. And finally—

Mr. SOURWINE. You mean he stumbled?

Mr. PASQUALE. He was stumbling all over the floor. And finally I think she kind of eased him toward where her table was and finally excused herself and sat down.

Mr. SOURWINE. What kind of a dance were they playing?

Mr. PASQUALE. It was a polka. And then he came back to the table and waited a few minutes. In the meantime, some other individual came in and went over to the same woman. This man was quite tight—he was a Pole.

Mr. SOURWINE. Did you know this man?

Mr. PASQUALE. No—but it was one of the local people—I assumed he was Polish, this other man that came in off the street. He walked in, went up to the lady.

Mr. SOURWINE. Was it the same woman Mr. Hill had danced with?

Mr. PASQUALE. Yes. And the people inside, the management, threw this man out.

Mr. SOURWINE. You don't know why?

Mr. PASQUALE. Well, he apparently, said words to her—I don't know what he said—it was in Polish. And I gathered it must—

Mr. SOURWINE. You don't know. He spoke in Polish.

Mr. PASQUALE. All I know—

Mr. SOURWINE. And the authorities were called, a protest was made—

Mr. PASQUALE. I noticed the people at the table were upset. And he must have said something to upset them.

Mr. SOURWINE. He was put out by the authorities.

Mr. PASQUALE. By the authorities.

Mr. SOURWINE. That is, the owners of the place.

Mr. PASQUALE. The owners of the place. And he was thrown out. Five minutes elapsed, and the orchestra started playing. The next thing I know Mr. Hill gets up again, right after this incident, which looked like poor timing—he walked up to her and asked to dance with her again. And this time her husband put the quietus on him—made him go back to his table and did not let him dance with his wife.

Mr. SOURWINE. Did the lady herself refuse?

Mr. PASQUALE. Her husband took control.

Mr. SOURWINE. Did anything else happen of note at the Krokodil that evening?

Mr. PASQUALE. No.

Mr. SOURWINE. You and Mr. Hill ate dinner there?

Mr. PASQUALE. We ate dinner. And during the dinner, he was ordering constantly, ordering cognac and all, which I did not want any part of.

Mr. SOURWINE. Did you drink?

Mr. PASQUALE. No, I did not, because frankly I don't even try to drink the water when I am in some of these places. But he drank the cognac. And I could not understand his ordering cognac especially—

Mr. SOURWINE. How much cognac did he order? How many drinks?

Mr. PASQUALE. I would say he consumed at least another—I would say half a fifth.

Mr. SOURWINE. Why can't you give it to me the way I asked for it, Mr. Pasquale? How many drinks did the man have?

Mr. PASQUALE. Well, I would guess—I would say about five.

Mr. SOURWINE. Did they bring a bottle to the table?

Mr. PASQUALE. They brought a bottle to the table.

Mr. SOURWINE. A full bottle?

Mr. PASQUALE. That's right.

Mr. SOURWINE. And they sat it at the table?

Mr. PASQUALE. At the table.

Mr. SOURWINE. And he kept drinking out of it until it was about half gone?

Mr. PASQUALE. About half.

Mr. SOURWINE. This was a quart or a fifth bottle?

Mr. PASQUALE. This was—no, it was a little bit smaller. I don't know what they call it in Poland. It is a little smaller size bottle. It is not a fifth, it is not a pint. I don't know.

Mr. SOURWINE. Larger than a pint but less than a fifth?

Mr. PASQUALE. Yes.

- Mr. SOURWINE. All right.
Now, you and Mr. Hill subsequently left the restaurant?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. Did you go back to your hotel?
- Mr. PASQUALE. Yes, we did.
- Mr. SOURWINE. Did you walk or take public transportation?
- Mr. PASQUALE. This particular night we walked home.
- Mr. SOURWINE. Was it far?
- Mr. PASQUALE. Well, not too far, actually.
- Mr. SOURWINE. How far?
- Mr. PASQUALE. Oh, I would say about a mile.
- Mr. SOURWINE. About a mile—about 12 blocks?
- Mr. PASQUALE. It is at least that; yes.
- Mr. SOURWINE. All right. And Mr. Hill appeared to be reasonably sober?
- Mr. PASQUALE. No; he did not.
- Mr. SOURWINE. Did you have to assist him on the way home?
- Mr. PASQUALE. I was assisting him. I felt I of course had to, to get him home, because in a country like this you do not know what is going to happen to a person.
- Mr. SOURWINE. What time of night or morning was it?
- Mr. PASQUALE. Well, this would be—let's see—I would say about 12:30, 1 o'clock.
- Mr. SOURWINE. In the morning?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. Did you get him home?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. Did you take him to his room?
- Mr. PASQUALE. I left him at his room.
- Mr. SOURWINE. You did not assist him in getting to bed?
- Mr. PASQUALE. No.
- Mr. SOURWINE. He was sober enough to get to bed by himself.
- Mr. PASQUALE. I assume so.
- Mr. SOURWINE. You thought he was.
- Mr. PASQUALE. All I know I got him to his room, closed the door, and I figured once he was inside there he could do as he pleased.
- Mr. SOURWINE. On Thursday, April 26, 1962, did Mr. Frederick Galvin, a security engineer stationed at Frankfurt, arrive at Warsaw?
- Mr. PASQUALE. Yes.
- Mr. SOURWINE. Did Mr. Victor Dikeos and his wife invite Mr. Galvin, Mr. Hill, and yourself to dine at their home?
- Mr. PASQUALE. That's right.
- Mr. SOURWINE. There were just the five persons present—Mr. and Mrs. Dikeos, Galvin, Hill, and you?
- Mr. PASQUALE. That's right.
- Mr. SOURWINE. Did Mr. Hill become intoxicated again on that occasion?
- Mr. PASQUALE. Yes, he did.
- Mr. SOURWINE. Did he again use vulgar and obscene language—the four-letter words you spoke of—in your hearing?
- Mr. PASQUALE. Yes, sir.
- Mr. SOURWINE. Did he again make specific derogatory references to women?
- Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. Did he break any glassware?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Did it happen the same way as before; that is, he struck the glassware?

Mr. PASQUALE. Well, he was sitting there. Whether he did it intentionally or not, I don't know. All I know is the glass went spilling across the floor at the bar, and then again at the table as we were seated to dinner.

Mr. SOURWINE. Now, on Friday, April 27, 1962, did Mr. Hill tell you that he had decided to go to Prague?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Did he tell you he had decided to go there although he had no visa?

Mr. PASQUALE. Yes. He had no visa, it wasn't even prepared, which surprised me.

Mr. SOURWINE. Did he tell you that Embassy personnel had advised him that it would be nearly impossible to get a visa in such a short space of time?

Mr. PASQUALE. That's right.

Mr. SOURWINE. But that he nevertheless insisted that they ask the Czech Embassy for a visa?

Mr. PASQUALE. That's right.

Mr. SOURWINE. And they did ask?

Mr. PASQUALE. That's right.

Mr. SOURWINE. And the Embassy personnel—the Czech Embassy personnel granted the visa?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Promptly?

Mr. PASQUALE. Yes.

Mr. SOURWINE. This surprised you and the other personnel at the American Embassy?

Mr. PASQUALE. That's right.

Mr. SOURWINE. Because it was out of the ordinary.

Mr. PASQUALE. Right.

Mr. SOURWINE. Now, did you and Mr. Galvin return to Frankfurt on Saturday, April 28?

Mr. PASQUALE. April 28? No—because we were there for May Day.

Mr. SOURWINE. You returned to Frankfurt when?

Mr. PASQUALE. It had to be about—

Mr. SOURWINE. Now, you were in—

Mr. PASQUALE. We were still in Warsaw.

Mr. SOURWINE. You were in Warsaw on April 27, on Friday, when Hill said he was going to Prague.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Now, when did you return to Frankfurt?

Mr. PASQUALE. It would be—we left there the 24th.

Mr. SOURWINE. 24th of what?

Mr. PASQUALE. Of May. Wait a minute. Excuse me. Well, I was there from May 1, May Day.

Mr. SOURWINE. You were where?

Mr. PASQUALE. In Warsaw.

Mr. SOURWINE. You were in Warsaw in April.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. We have taken you down to April 27, when Mr. Hill said he was going to go to Prague.

Mr. PASQUALE. That's right. And we still had work to do.

Mr. SOURWINE. How much longer did you stay in Warsaw?

Mr. PASQUALE. We stayed in Warsaw, as I remember, until about May 3 approximately.

Mr. SOURWINE. Until May 3.

Mr. PASQUALE. I can confirm it.

Mr. SOURWINE. And then you returned to Frankfurt?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Did you and Mr. Galvin return to Frankfurt together?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. And it wasn't Saturday, April 28—it was about May 3?

Mr. PASQUALE. That we returned.

Mr. SOURWINE. Yes. It was in the middle of the week.

Mr. PASQUALE. It would have to be then, because we were there for the May Day parades going on.

Mr. SOURWINE. All right.

Now, after you had returned to Frankfurt, were you and Mr. Galvin questioned by Mr. York about Mr. Hill's conduct while you were in Warsaw?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Did you both tell what you knew about Mr. Hill's—what you considered misconduct?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Were you told or requested by Mr. York to put anything in writing?

Mr. PASQUALE. Yes, we were both—separately.

Mr. SOURWINE. Each of you was told by York to submit a separate written report about Hill's conduct?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Did York say why he wanted this?

Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. Why?

Mr. PASQUALE. Well, Mr. York—the very following day after we arrived, he came into our office and he called in Fred Galvin, and he said to both of us:

First I want to tell you what happened to me when Mr. Hiller arrived here in Frankfurt.

Mr. SOURWINE. That is Hiller, not Hill?

Mr. PASQUALE. No; Mr. Hill.

Mr. SOURWINE. Hill.

Mr. PASQUALE. Hill. He said:

When Mr. Hill arrived in Frankfurt Thursday, in April—maybe it was the 18th or 19th day

he came to our house for a cocktail party and he made a big ass out of himself in front of my mother and father, and my mother and father are upset about it still. All he did the whole evening, besides getting inebriated, he was using four-letter words the whole evening.

And this was subsequently told to me by Mr. and Mrs. York, the same story—that they were still upset about this dirty old man from Washington. And he said:

I want you—I am writing a report to Washington to Mr. Iams—

and at that time Mr. Iams was Chief of Technical Services, and Mr. Hill was in charge of Research and Development. We did not know—

Mr. SOURWINE. He was deputy, wasn't he?

Mr. PASQUALE. Sort of a deputy, that's correct. And so he said:

I am writing a letter telling the things that he did at my home—

And he said—

I want you two gentlemen to write up, if you have anything to say—

and he said—

as to what might have happened in Warsaw while you were there. Did anything happen?

We said it certainly did. He said:

All right, Fred, you go back to your office—

which was on the end of the corridor—

and George, you go back to your office, and I want both of you to do it separately, write separate reports and submit them to me personally.

Mr. SOURWINE. Did you do this?

Mr. PASQUALE. And we did. But at the same time we gave it to him we said:

Now we are going to submit these reports. But there are rumors coming out of Washington that this man might be the new boss, and that Iams is being groomed to be sent to the War College. What happens to us if he ever gets ahold of these letters, and he is going to be our new boss?

I said—we both said it would be a tough thing to write. Of course, York being a supervisor is one thing. But we are just peons.

So he said:

No, don't worry. Just go ahead and write the report. I am going to combine the reports with mine and send it in as one big report.

So we both did.

Mr. SOURWINE. You did. And you turned your report in to York.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Do you know if Mr. Galvin turned his report in to York?

Mr. PASQUALE. Yes, he did. I saw him do it.

Mr. SOURWINE. Do you know what happened to the reports you and Galvin turned in to York?

Mr. PASQUALE. Well, a short time elapsed—

Mr. SOURWINE. Do you know what happened to them?

Mr. PASQUALE. Well, the letters were sent to Iams.

Mr. SOURWINE. Do you know this?

Mr. PASQUALE. The reason I say—I will say I know it from this standpoint.

Mr. SOURWINE. Yes.

Mr. PASQUALE. York came back into our office and called us in again.

Mr. SOURWINE. How much later was this?

Mr. PASQUALE. This was, I would say, about a week to 10 days—about 10 days.

Mr. SOURWINE. Ten days after you gave your report to him?

Mr. PASQUALE. Approximately 10 days.

Mr. SOURWINE. Yes.

Mr. PASQUALE. And he said:

I want to show you something. I have got a letter from Iams.
an order from Iams said:

Dear Fred, would you please—

Mr. SOURWINE. Are you purporting to quote this letter verbatim?

Mr. PASQUALE. No, I am not.

Mr. SOURWINE. All right—then don't make it in that form. In general terms, what was the purport of Mr. Iams' letter that Mr. York showed you?

Mr. PASQUALE. He wanted—if we could fill him in on any more detail he would appreciate it. And so York said:

Will you please—if there is anything else you can think of that you did not disclose in your original letter, would you write it up? Tell every possible thing you can think of that happened. See if there is anything you forgot.

We said we pretty much told everything the first time, but that we would rewrite it.

Mr. SOURWINE. All right. You are sure Mr. York showed you a letter from John Iams.

Mr. PASQUALE. From John Iams, signed "Jack."

Mr. SOURWINE. This was about 10 days after you and Galvin had given York your reports.

Mr. PASQUALE. That's right.

Mr. SOURWINE. And did Mr. Iams in that letter say anything to indicate that he had read your reports?

Mr. PASQUALE. Yes. He mentioned our names.

Mr. SOURWINE. And did he in that letter say that he wanted more detail?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. And York thereupon asked you to write fuller reports.

Mr. PASQUALE. That's right.

Mr. SOURWINE. And you attempted to write a lengthier and more detailed report?

Mr. PASQUALE. That's right.

Mr. SOURWINE. And Mr. Galvin did also?

Mr. PASQUALE. That's right.

Mr. SOURWINE. Did you file your report or turn it in to Mr. York?

Mr. PASQUALE. To Mr. York personally.

Mr. SOURWINE. Did Mr. Galvin do this also?

Mr. PASQUALE. We both did it personally.

Mr. SOURWINE. Do you know what happened to those second and more detailed reports?

Mr. PASQUALE. No, we do not.

Mr. SOURWINE. You never had any report with regard to that.

Mr. PASQUALE. No.

Mr. SOURWINE. Did you ever talk to Mr. York about it any further?

Mr. PASQUALE. We did.

Mr. SOURWINE. What did Mr. York say? What was the occasion?

Mr. PASQUALE. Well, some time transpired. I think it was in July, if I remember correctly. York received a notice in Frankfurt that Mr. Hill had been appointed to the Office of Chief of Technical Serv-

ices, which is what we had heard by the grapevine before that. And Mr. York said:

How in the devil can they go ahead and appoint—how can Mr. Reilly sit there in Washington and appoint this man to be Chief of Technical Services after I sent in the report with the information that you and Fred gave and what I gave?

Mr. SOURWINE. York said this to you?

Mr. PASQUALE. Fred York said this.

Mr. SOURWINE. Where is Mr. York now, do you know?

Mr. PASQUALE. Fred York was in town.

Mr. SOURWINE. You mean in Washington, D.C.?

Mr. PASQUALE. In Washington, as of a week or 10 days ago. I imagine he is probably—he has probably left on the *Constitution*. He was supposed to leave, I think, a week ago.

Mr. SOURWINE. What is that—a vessel?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Now, Mr. Pasquale, during October of 1962 did Mr. John F. Reilly, the Deputy Assistant Secretary for Security, visit Frankfurt as a part of his itinerary in inspecting foreign posts abroad?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. Was a cocktail party given in his honor?

Mr. PASQUALE. Yes, there was.

Mr. SOURWINE. This was in accordance with custom?

Mr. PASQUALE. Yes.

Mr. SOURWINE. This was attended by almost all Department of State security officers in the area?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. What you have offered me here is your invitation to that particular cocktail party?

Mr. PASQUALE. That's correct.

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

Senator HRUSKA. It will go in the record.

(The document referred to reads as follows:)

Mr. and Mrs. Edwin R. Hiller

and

Mr. and Mrs. Frederick S. York

request the pleasure of the company of

Mr. George Pasquale

at a reception

to meet

Mr. John Francis Reilly

and

Mr. Raymond W. Laugel

Sunday October 21, 1962, 6:00-8:00 p. m.

Regrets Only
770731 X 376

Casino Blue Room

Mr. SOURWINE. At that party, was a Mr. Arthur Brunetti one of the guests?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Do you know Mr. Brunetti?

Mr. PASQUALE. He—

Mr. SOURWINE. He was a security officer at Belgrade?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Did he bring with him his fiance?

Mr. PASQUALE. Yes, sir.

Mr. SOURWINE. She is a Yugoslav national, or was a Yugoslav national?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Did the appearance of Mr. Brunetti's fiance—a Yugoslav national—at this party attended by security officers evoke any comment?

Mr. PASQUALE. Well, I heard a few people on the side comment. They thought it was pretty strange, a person from Yugoslavia was attending the party. Of course, as you know some people consider Yugoslavia "Curtain" (Communist) and some do not. Yet she attended the party. And this particular party was given for our chief—our deputy—Mr. Reilly. This particular party was unusual from the standpoint that here you had at this party every person in Europe that was associated with SY, security. People in, I would say, every agency of SY, barring none, attended this party. So that this woman, who was a Yugoslav national, if she had—if she was—I don't know personally, but if she were an agent, say, with the Communists, or the opposition—

Mr. SOURWINE. UDBA perhaps?

Mr. PASQUALE. Yes. If she was an agent for any of these—for them or the KGB, or you name it—she had the most perfect opportunity in the world to meet every person attached to security.

Mr. SOURWINE. Now, do you have any reason to believe she was a UDBA agent, or a KGB agent, or any other kind of a foreign agent?

Mr. PASQUALE. Well, I personally cannot say that.

Mr. SOURWINE. Did you hear this suggested, or the fear expressed by anyone in your hearing at this party?

Mr. PASQUALE. Oh, yes, I have heard that suggested.

Mr. SOURWINE. By whom?

Mr. PASQUALE. By a person that was in SY—not with the State Department but someone with another agency.

Mr. SOURWINE. Now, during his visit at Frankfurt, did Mr. Reilly make an effort to talk personally with each security officer stationed at the test center?

Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. Did he talk with you?

Mr. PASQUALE. Yes, he did.

Mr. SOURWINE. Did he ask you if things were getting along well, how you liked your work, and so forth?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Did you ask him any questions?

Mr. PASQUALE. Yes, I did.

Mr. SOURWINE. What did you ask him?

Mr. PASQUALE. Well, I asked Mr. Reilly, No. 1—I said:

I am glad to have the opportunity of meeting you in person, and meet the new boss, and I would like to know firsthand if you have any criticism as to my work and whether my work is satisfactory.

And he said:

George, gosh, your work is fine, I have no comment whatever.

And I brought up then—I said:

Well, there is only one other thing that I might again mention to you—as I mentioned when I came with the Department, and in my original interview with the interviewing officer.

I stated at that time that I was—owned a chunk, stock in an electronics firm, and I wanted to reassure him that I did not want any conflict of interest, and that we would not engage in any sales to the Government. I said:

If you feel at any time that you want me to give up controlling stock in the corporation, I will be glad to relinquish control—if you tell me I have to do it, I will do it.

And he said:

No, George, that will not be necessary.

He said:

If you do anything like that, if you do it, if you will advise my office, I will put it in the record.

Mr. SOURWINE. Now, was this the middle or the latter part of October or early October?

Mr. PASQUALE. This would be October 20, I believe.

Mr. SOURWINE. The latter part of October 1962.

Mr. PASQUALE. 1962.

Mr. SOURWINE. When was it you first got a hint or suggestion or report that you were going to be separated because of an unsatisfactory efficiency report?

Mr. PASQUALE. I had to date heard nothing. My work had been satisfactory.

Mr. SOURWINE. I know you had not at that time. I am asking you when did you first receive a report or an information as—

Mr. PASQUALE. December—well, not separation. I heard the efficiency report. But I did not hear of any separation until February 12.

Mr. SOURWINE. When was it that you heard about the possibility of a bad or unsatisfactory efficiency report?

Mr. PASQUALE. The bad efficiency report was in December—about the 15th.

Mr. SOURWINE. Of 1962?

Mr. PASQUALE. 1962.

Mr. SOURWINE. Less than 2 months after Mr. Reilly had told you everything was satisfactory.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. And just about the same time—yes, within 8 days of Mr. Reilly's statement to you, this payroll change slip—which has already gone in the record—dated October 28, showed that your performance rating was satisfactory or better.

Mr. PASQUALE. That's right.

Mr. SOURWINE. But about December 15, you had received indication that you had gotten an unsatisfactory efficiency report?

Mr. PASQUALE. December 15.

Mr. SOURWINE. Now, from where did you receive that, or from whom?

Mr. PASQUALE. Well, December 15 word was out that the efficiency reports had been written and that the efficiency reports—there was a lot of to-do—everybody commented that they understood that Mrs. Hiller, Edwin Hiller's wife, had written them.

Mr. SOURWINE. I am talking about your own report.

Mr. PASQUALE. Well, all of them were supposed to have been written in December.

Mr. SOURWINE. Did you receive a separate notice, word, or intimation respecting your own report?

Mr. PASQUALE. No, sir.

Mr. SOURWINE. In December?

Mr. PASQUALE. No, sir.

Mr. SOURWINE. Do you know Mr. Edmund Dorsz?

Mr. PASQUALE. Yes, I do.

Mr. SOURWINE. He is the general counsel at Frankfurt?

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Did he ever talk to you about your efficiency report?

Mr. PASQUALE. No. Neither Mr. Dorsz nor Miss Emily Cox. I talked to her on February 12, after receiving this separation notice. I went in and I talked with Mr. Dorsz, and I talked with Ed Waters, the DCM, and I talked to Emily Cox, our personnel officer at the post.

I said:

Emily, will you please tell me, is there anything derogatory in my—as far as the post?

I said:

I know that my work out in the field has been satisfactory, because all my reports have been satisfactory.

She said, "George, there is absolutely nothing," and Ed Dorsz said the same thing.

Mr. SOURWINE. All right. And no one ever, orally or in writing, told you that your work was not satisfactory until you got the notice that you were going to be separated.

Mr. PASQUALE. That's right.

Mr. SOURWINE. You did however make a trip back to Washington, you made inquiry here.

Mr. PASQUALE. That's right.

Mr. SOURWINE. You were told that a number or all of the efficiency reports from Frankfurt were unusually low.

Mr. PASQUALE. That's right.

Mr. SOURWINE. And you were told in effect to disregard this and go back to the post and not worry about it.

Mr. PASQUALE. That's right.

Mr. SOURWINE. Who told you that?

Mr. PASQUALE. It was in the Office of Personnel—I cannot think of his name. He was a real tall gentleman, rather thin. He was formerly from—I think he had been in Prague before he came to the Department.

Mr. SOURWINE. Did you make that trip back to Washington at Government expense or your own?

Mr. PASQUALE. This is at my own expense.

Mr. SOURWINE. You were worried about this efficiency report.

Mr. PASQUALE. Yes, I was.

Mr. SOURWINE. You tried to find out.

Mr. PASQUALE. I tried to find out.

Mr. SOURWINE. And they would not show you your efficiency report.

Mr. PASQUALE. No.

Mr. SOURWINE. Did you try to talk to Mr. Frederick York about this matter? Was he here at the time?

Mr. PASQUALE. No, Fred York was in Frankfurt. Mr. Hiller had been out on a trip. At the time the efficiency reports were written, our administrative officer in our own office—she had been telling Mr. Hiller to hurry up and get out the efficiency reports, because they were due. And he had not done anything about them. She said, "You know the deadline is here." And he proceeded to a post that he had to go out on in assignment. And this is the thing that led—lent some credence to Mrs. Hiller writing the efficiency reports, because her husband had left town.

Mr. SOURWINE. Well, you have put in the record all you know about it.

Mr. PASQUALE. That's right.

Mr. SOURWINE. You don't know any more, do you?

Mr. PASQUALE. No, I do not.

Mr. SOURWINE. All right. Let's leave that subject.

At least they were signed by Mr. Hiller.

Mr. PASQUALE. Right.

Mr. SOURWINE. Now, I am trying to find out while you were in Washington to check up about the efficiency reports, did you try to see Mr. Frederick York?

Mr. PASQUALE. No. Frederick York is not in Washington.

Mr. SOURWINE. All right. Did you see Mrs. York?

Mr. PASQUALE. No. You see both Mr. York and Mrs. York are in Frankfurt.

Mr. SOURWINE. All right. After you got back to Frankfurt, did you try to see Mr. York or Mrs. York?

Mr. PASQUALE. Yes, I did. This was after—he was out of town. So I waited until he came back in off a tour he was making, and the night before he arrived, Mrs. York called up and she said, "George, you have got to see my husband, Fred."

I said, "What for?"

In the meantime I had received separation—this separation thing.

Mr. SOURWINE. This was, in other words, after you had received your notice of separation on February 11.

Mr. PASQUALE. That's correct, sir.

Mr. SOURWINE. All right.

Mr. PASQUALE. I could not for the life of me understand why I received the thing. I was just amazed—I was not told anything prior to this.

Mrs. York said:

George, please, you must talk to my husband. He is very much upset.

Mrs. York said:

I never have seen him this way.

She said:

I have only seen him get drunk twice in his life that he has really got drunk. One time is when you arrived in Frankfurt and the second time was the day that you received your paper from Washington.

And she said:

I don't understand—you must talk to him.

I said, "Well, I will."

And so I brought up the subject, you know, about Mr. —I said "I don't understand—"

Mr. SOURWINE. Wait a minute. You are still talking with Mrs. York?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Did you ask her or bring up the subject with her of whether her husband had discussed his conduct with Mr. Reilly?

Mr. PASQUALE. Yes, I did.

Mr. SOURWINE. Did she say anything about whether he had?

Mr. PASQUALE. Yes.

Mr. SOURWINE. What did she say?

Mr. PASQUALE. She said:

My husband—

I brought up the point:

did your husband ever tell Mr. Reilly about the letter that Galvin and I and Mr. York wrote concerning Mr. Hill's conduct?

And she said:

Yes, Fred told Mr. Reilly, in our apartment, during the period of time he was in Frankfurt—

and she said that Mr. Reilly said:

I don't care what your report was, the only thing is I cannot let anything happen to Mr. Hill, regardless.

He said:

I cannot have anything happen to that man, so I will have to disregard the reports completely.

Mr. SOURWINE. Did she undertake to indicate to you why Mr. Reilly had said this?

Mr. PASQUALE. No.

Mr. SOURWINE. All right.

Now, did you attempt to see Mr. Reilly while you were in Washington over the yearend between 1962 and 1963?

Mr. PASQUALE. Well, I saw Mr. York. Now, after that, after that discussion, the following day he arrived in Frankfurt.

Mr. SOURWINE. All right. This is after you left Washington.

Mr. PASQUALE. No, I am still in Frankfurt.

Mr. SOURWINE. But you had been in Washington. We are just talking about an occasion when you talked with Mrs. York after you had received your notice in February. This is before you left to come to Washington, is that right?

Mr. PASQUALE. The incident that you are talking about, talking with Mrs. York—

Mr. SOURWINE. Yes.

Mr. PASQUALE (continuing). I discussed that with Mrs. York on February 15.

Mr. SOURWINE. All right. Now, you had already been to Washington at your own expense and returned.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. Now, is there something else you should tell me about what happened after you returned? Then I want to get back to the occasion while you were in Washington.

Mr. PASQUALE. I saw Mr. York and I said:

Fred, what in the devil is going on?

Mr. SOURWINE. This is February 14.

Mr. PASQUALE. About the 14th. I said:

What's going on?

I said:

What is it about my efficiency report?

He said:

I don't know, George, except that Mr. Hiller wrote you up pretty badly.

And he said:

But the only thing I can do is: I will try to write a letter to Washington and see if I can get things straightened out.

And I said:

All right, I would appreciate it if you can, because I don't understand what is going on, my record has been satisfactory to date.

Mr. SOURWINE. All right. Did you say anything to him or did he say anything to you about Mr. Reilly's instructions or statement that, "We mustn't do anything or let anything happen to Elmer Hill"?

Mr. PASQUALE. Yes. I brought it up to him again. He said:

That's correct.

He said:

I explained it to Mr. Reilly and Mr. Reilly says, "I don't give a hoot about the report—I cannot let anything happen to this man, to Mr. Hill."

Mr. SOURWINE. All right.

Now, while you had been in Washington, late December and early January 1963, had you tried to see Mr. Reilly?

Mr. PASQUALE. I saw Mr. Reilly—there was a going-away party in the State Department for Sumner Reed, who was leaving for Bonn. And at that time he just expressed a friendly greeting, didn't even bring up the point about anything being wrong.

Mr. SOURWINE. You had not tried to see him otherwise?

Mr. PASQUALE. No, not at that time.

Mr. SOURWINE. You had not gone to his office to see and talk to him?

Mr. PASQUALE. Well, I went to see if he was there, but he was not there at the time, but Mr. Belisle was there, his deputy. And so during the course of the day, then, I talked to Mr. Holden and Mr. Rosetti, and I arranged to have an appointment that same day to talk to his deputy, Mr. David Belisle.

Mr. SOURWINE. Did you talk with Mr. Belisle?

Mr. PASQUALE. I talked in a private session with Mr. Belisle.

Mr. SOURWINE. Did you tell him about what you had seen in the way of Mr. Hill's conduct?

Mr. PASQUALE. Yes, I did.

Mr. SOURWINE. What did Mr. Belisle tell you, if anything?

Mr. PASQUALE. Mr. Belisle, along with Mr. Rosetti and Mr. Holden—all three of them were present—were shocked at the comment, and said:

You mean to say we have a man of this type in our program?

And he said, "George"—go ahead.

Mr. SOURWINE. I asked you what Mr. Belisle told you about it, if anything?

Mr. PASQUALE. Well, he was shocked that—over the fact that—

Mr. SOURWINE. He said he was shocked?

Mr. PASQUALE. He had never seen this report.

Mr. SOURWINE. He said he never had?

Mr. PASQUALE. He said:

George, I have never seen this report you are talking about.

I said:

We sent it—Mr. York sent it to Washington, supposedly.

He said:

Frankly, I can tell you the honest truth, I have not seen this report.

Mr. Rosetti said:

I have not seen it.

And Stan Holden said he had not seen it. Those three different sections of security—all three sections said they had not seen the report.

Mr. SOURWINE. Yes.

Mr. PASQUALE. And so—

Mr. SOURWINE. Did Mr. Belisle tell you anything else?

Mr. PASQUALE. Yes. At that time he said, "George"—well, later he told me something, at a later date, when I came back.

I went back to Frankfurt then. When I came back, after the separation, I went in to see him in Washington.

Mr. SOURWINE. Belisle?

Mr. PASQUALE. Yes—on February 25. And I told him what had happened. He said:

You know what I would do, George? From what you have told me, I would go right straight down to the Hill and I would tell them down on the Hill exactly what you told me.

because he thought it was a pretty sad situation.

Mr. SOURWINE. You did not do that, though, did you? We had to come to you to ask for information.

Mr. PASQUALE. That is correct.

Mr. SOURWINE. All right.

Now, were you aware that Mr. Reilly had testified that he and Mr. Belisle were the only two persons who knew about the adverse report on Mr. Hill?

Mr. PASQUALE. No.

Mr. SOURWINE. That he had kept this report out of the personnel file?

Mr. PASQUALE. No.

Mr. SOURWINE. You did not know this?

Mr. PASQUALE. No, I did not.

Mr. SOURWINE. Mr. Chairman, the testimony of Mr. Hill with respect to this matter was ordered kept secret pending the testimony of Mr. Pasquale, a decision then to be made as to whether it will be put into this record with a lesser classification. I respectfully suggest that this is the proper place in the record to put it, and I ask that this be ordered. Senator Hruska presided at the Hill hearing. May the ruling be that it may go in at this point—

Senator HRUSKA. Only on the condition of the concurrence of Senator Dodd, and it is a conditional acceptance.¹

Mr. SOURWINE. Very good, sir.

* * * * *

Mr. SOURWINE. Now, there is one more thing I would like to clean up.

You remember after this committee contacted you, you were interviewed at some length by Mr. Schroeder?

Mr. PASQUALE. Yes.

Mr. SOURWINE. Mr. Schroeder's report indicated that Mr. Hill said to you on one occasion words to this effect—not necessarily his exact words—"If they ever check my record when I was married to my first wife in California, it would be terrible."

Mr. PASQUALE. That's correct.

Mr. SOURWINE. You recall the occasion—

Mr. PASQUALE. This was—

Mr. SOURWINE (continuing). —when this statement was made to you?

Mr. PASQUALE. This was in Warsaw.

Mr. SOURWINE. In Warsaw. On the occasion of Mr. Hill's visit, or when you went there with him?

Mr. PASQUALE. When I went with Mr. Hill.

Mr. SOURWINE. What was the occasion which brought out that remark, if you remember?

Mr. PASQUALE. We were just talking about I think investigative processes and so forth. I don't remember if I mentioned at the point, how he came on board, and when did he come on board. I did not make any insinuations, because the word was that Mr. Hill came on board in Washington under unusual circumstances.

Mr. SOURWINE. What do you mean by that?

Mr. PASQUALE. Well, Mr. Hill came—first was interviewed in California, and the man—the interviewing officer of SY—interviewed him and turned him down as a security risk. He said the man appeared in sneakers and wearing his beard, and of course he has his hair shaved off on the edge here. So this beatnik type came in for the interview, and by the time he got through with the interview, the word was sent to Washington he was turned down as a security risk. So then the next time Washington heard about him was he came to Washington. In my understanding—and my understanding is that Jack Iams, who subsequently took over Stan Holden's job, that he brought Hill to Washington, and then Stan Holden's office had turned

¹ Senator Thomas J. Dodd, vice chairman of the Subcommittee, concurred and approved the printing of the Hill testimony. See testimony in this volume on p. 1053.

him down. And Stan Holden's office turned him down as a security risk. And then Mr. Iams, or Mr. Boswell, one of the two—

Mr. SOURWINE. Boswell preceded Reilly as head of the Office of Security?

Mr. PASQUALE. That's right. This is a sort of changeover period. And Boswell or Iams took him upstairs to someone and the next thing we knew in the program, over the objections of others, Mr. Hill was brought in as R. & D. Chief in the office.

Mr. SOURWINE. Now, our question was: do you remember the circumstances which brought up this remark by Hill about his marriage and checking the record in California?

Mr. PASQUALE. Well, I had asked him—I remember—if he was married, and he said—he laughed at me and said:

Well, all I can say is if they ever check my records in California and find out I was married, there would be hell—

or something like that.

Mr. SOURWINE. I gather from the nature of that remark he must have been married more than once. Do you know about the fact?

Mr. PASQUALE. All I gathered was he was married to that one individual. Whether he had been married before I am not sure. But now I understand he is married again. But there is no record of his being married and divorced or remarried.

Mr. SOURWINE. No record where?

Mr. PASQUALE. In Washington.

Mr. SOURWINE. How do you know?

Mr. PASQUALE. That is what I have been told.

Mr. SOURWINE. By whom?

Mr. PASQUALE. I was asking Stan Holden this.

Mr. SOURWINE. I see. You mean you are informed that the State Department personnel records do not show Mr. Hill as having been married, although he has in fact been married at least twice and is married now.

Mr. PASQUALE. That's correct.

Mr. SOURWINE. To his second or his subsequent wife.

Mr. PASQUALE. That's right.

Mr. SOURWINE. Is there anything that has been left out that you consider of importance with regard to this whole matter that should be made a part of this record?

Mr. PASQUALE. Well, the only other thing I know, he left Warsaw and went to Prague and proceeded to Moscow.

Mr. SOURWINE. Who is he?

Mr. PASQUALE. Mr. Hill.

Mr. SOURWINE. Yes.

Mr. PASQUALE. And in Moscow, I don't know what happened in Moscow except that Mr. Llewellyn, Ambassador Llewellyn Thompson got a hold of him, called him in and said, "Look, young man, I have enough problems"—

Mr. SOURWINE. Called who in?

Mr. PASQUALE. Mr. Hill.

Mr. SOURWINE. How do you know about this?

Mr. PASQUALE. The security—one of the security officers was in Moscow, and the Marines apparently got word of it, in Moscow, and a security officer in Moscow passed the information to the people in our security.

Mr. SOURWINE. In other words, this is scuttlebutt among security officers.

Mr. PASQUALE. That's right.

Mr. SOURWINE. Then don't presume to quote the Ambassador directly. What was the general tenor of what the Ambassador was supposed to have said to Mr. Hill?

Mr. PASQUALE. The Ambassador supposedly said, "Look, young man, I have enough problems with the Soviet Union without having you here creating all sorts of problems. The first thing I want you to do when you get wherever you are going, get that beard shaved off and straighten up." And the next we heard was he arrived in Washington and the very first day he arrived in Washington had his beard shaved off, and the same day went down unannounced, went down, got married, came back to the office and worked the rest of the day.

Mr. SOURWINE. How do you know he got married?

Mr. PASQUALE. Because people later said that they saw his wife. He introduced this woman as his wife.

Mr. SOURWINE. I have no more questions.

Senator HRUSKA. The witness is excused.

Mr. SOURWINE. I have no more for this witness.

Senator HRUSKA. Thank you for coming, Mr. Pasquale.

(Whereupon, at 4:15 p.m., the subcommittee was in recess, to reconvene subject to the call of the Chair.)

**TESTIMONY OF STANLEY E. HOLDEN, CHIEF, TECHNICAL SECURITY
BRANCH, DOMESTIC OPERATIONS DIVISION, DEPARTMENT OF
STATE**

TUESDAY, DECEMBER 10, 1963

The subcommittee met, pursuant to notice, at 5:40 p.m., in room 105, Old Senate Office Building, Senator Thomas J. Dodd, vice chairman, presiding.

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

For the Department: Lawrence H. Hoover, Jr., observer.

Senator DODD. Do you solemnly swear the testimony you give before this subcommittee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HOLDEN. I do, sir.

Senator DODD. Very well.

Mr. SOURWINE. Mr. Holden, would you give the reporter your full name, please, and your home address?

Mr. HOLDEN. Stanley E. Holden, 8302 15th Avenue, Langley Park, Md.

Mr. SOURWINE. Where are you employed?

Mr. HOLDEN. The U.S. Department of State.

Mr. SOURWINE. In what position?

Mr. HOLDEN. Chief of Technical Security Branch in the Domestic Operations Division.

Mr. SOURWINE. Is this in the office, in the Division of Technical Services under the Office of Security?

Mr. HOLDEN. No, sir.

Mr. SOURWINE. It is not?

Mr. HOLDEN. It is a separate division, Domestic Operations.

Mr. SOURWINE. Were you ever connected with the Division of Technical Services?

Mr. HOLDEN. Not as such; no, sir.

Mr. SOURWINE. What do you mean by "not as such"?

Mr. HOLDEN. I formerly was in charge of the World Wide Technical operation which was then under a division known as the Physical Security Division. This division or this technical operation for overseas—I am sorry, is now known as the Technical Services Division.

Mr. SOURWINE. Mr. Holden, how old are you?

Mr. HOLDEN. Forty.

Mr. SOURWINE. Where were you born?

Mr. HOLDEN. Kansas City, Mo.

Mr. SOURWINE. What has been your education and training?

Mr. HOLDEN. My training is in electronic materiel in the Coast Guard. My education is Navy Materiel School, Bellvue, Capital Radio Engineering Institute. And some 20 years in electronic engineering, practical engineering.

Mr. SOURWINE. You have had 22 years of practical and diversified experience in electronic engineering with the U.S. Government or one of its agencies, haven't you?

Mr. HOLDEN. Yes.

Mr. SOURWINE. Are you an expert in matters dealing with the subject of electronic eavesdropping and countermeasures therefor?

Mr. HOLDEN. Well, I wouldn't call myself an expert. I have been involved in this field for some years.

Mr. SOURWINE. Did you have a hand in organizing and developing electronic countermeasures for the State Department in both its domestic and foreign operations?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. You served as Chief of the Technical Services Branch, Division of Physical Security until 1962?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. After Mr. William Boswell reorganized the Office of Security during that year, you were replaced by a Foreign Service officer, John D. Iams?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Mr. Boswell had brought Mr. Iams into the Department in 1961?

Mr. HOLDEN. In the fall of 1961 or the early part of 1962.

Mr. SOURWINE. Originally Mr. Iams was subordinate to you?

Mr. HOLDEN. Yes, he was, sir.

Mr. SOURWINE. Was he thereafter on Mr. Boswell's order jumped to become your superior?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Mr. Boswell abolished the Division of Physical Security in 1962 and created three separate divisions?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. One of them, the Division of Technical Security which he put under Mr. Iams?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Did he give Mr. Iams complete control over all technical security abroad?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. This had been under your control before that time?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. He gave Mr. Iams responsibility for all research and development in electronic countermeasures?

Mr. HOLDEN. He did; yes, sir.

Mr. SOURWINE. That had previously been under your control?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. You were relegated then to an inferior assignment as Branch Chief in the new Division of Domestic Services?

Mr. HOLDEN. Yes, sir; I was assigned to the Domestic Service.

Mr. SOURWINE. Do you have to clear your operations or many or most of them through the Division of Technical Security?

Mr. HOLDEN. No, sir; I do not under the present operation.

Mr. SOURWINE. Mr. Iams was succeeded by Mr. Elmer Hill?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Mr. Hill has now resigned after suspension, and who is now the Chief or Acting Chief of the Division of Technical Security?

Mr. HOLDEN. I am told by Mr. Laugel—

Mr. SOURWINE. Acting Deputy Assistant Secretary of State for Security and head of the Office of Security?

Mr. HOLDEN. I am told by Mr. Laugel that Mr. Peter R. Peterson is acting—temporarily assigned to the position of Mr. Hill.

Mr. SOURWINE. Who is Mr. Peterson, do you know him?

Mr. HOLDEN. Yes, sir; I recruited him some 6 or 8 years ago.

Mr. SOURWINE. How old a man is he?

Mr. HOLDEN. As I recall he is in his midthirties.

Mr. SOURWINE. The committee's information is that he is 32 years old. Do you know if that is correct?

Mr. HOLDEN. I would have to refer to our biographic on that.

Mr. SOURWINE. For what job did you recruit him?

Mr. HOLDEN. Security engineer overseas.

Mr. SOURWINE. What was his training, if you know?

Mr. HOLDEN. He is a graduate engineer, electronic engineer. I don't recall at the moment what school. He is a graduate engineer.

Mr. SOURWINE. Does his experience in practical electronics engineering for the Government compare with yours?

Mr. HOLDEN. I would say not; no, sir.

Mr. SOURWINE. Does his administrative experience compare with yours?

Mr. HOLDEN. No, sir.

Mr. SOURWINE. Is he a Foreign Service Staff officer?

Mr. HOLDEN. Yes, sir; he is.

Mr. SOURWINE. Do you know in what grade?

Mr. HOLDEN. I believe Mr. Peterson is a staff 3 at the present time. I would again have to look at the register for that, I believe he is a staff 3.

Mr. SOURWINE. Would you say that the designation of Mr. Peterson to this position is a continuation of the Boswell-Reilly policy of perpetuating the Foreign Service in key security positions?

Mr. HOLDEN. Yes, sir; I would.

Mr. SOURWINE. Mr. Holden, are you familiar with the costs and expenditures of the electronics program of the State Department?

Mr. HOLDEN. I have been out of touch for the past year on that side and I could not answer as to what the costs have been.

Mr. SOURWINE. How about prior to the past year?

Mr. HOLDEN. Prior to the past year I could only estimate at this time without referring to my files as to what the figures were.

Mr. SOURWINE. Do you have files that show these figures in detail?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. How does that come about? Was it part of your official duty to keep such records?

Mr. HOLDEN. Yes; it was.

Mr. SOURWINE. Can you supply the committee, from your files, with a statement respecting these costs first during the period when the electronics program was under your supervision and subsequently when it was under the supervision, successively, of Iams and then Hill?

Mr. HOLDEN. Subject to the Department's approval, I would have to obtain approval.

Mr. SOURWINE. May the request be that this be supplied if the Department will approve?

Senator DODD. Yes.

(The cost statement referred to was supplied by Assistant Secretary Dutton, as follows:)

During the period of Mr. Holden's supervision of the program extending from July 15, 1953, to September 4, 1960, the sum of \$157,695 was expended; under Mr. Iams' supervision from September 4, 1960, to August 7, 1962, the costs were \$1,499,289; and under Mr. Hill's supervision from August 7, 1962, to December 18, 1963, the costs were \$1,508,192.

Mr. SOURWINE. Are you familiar with the contracts that have been awarded by the Technical Services Division?

Mr. HOLDEN. I am not completely familiar because I am not kept apprised to the fullest in that field but I do have some knowledge of some of the contracts.

Mr. SOURWINE. Are you familiar with a contract awarded or with any contract awarded at a figure which you considered exorbitant?

Mr. HOLDEN. Not being totally briefed on the latest contracts, I could state one contract that I might say was exorbitant since there was a similar product that I would call available "off the shelf."

Mr. SOURWINE. What contract was that?

Mr. HOLDEN. This was for a panoramic receiver for counter measures.

Mr. SOURWINE. To whom was that contract awarded, if you know?

Mr. HOLDEN. H. R. B. Singer Co., State College, Pa.

Mr. SOURWINE. And what was the amount of the contract?

Mr. HOLDEN. It was in excess of \$50,000 is my recollection.

Mr. SOURWINE. Was this what would be known as a development contract?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. And you say it didn't need development because it was already available off the shelf?

Mr. HOLDEN. There is equipment available on the market that would do a similar job.

Mr. SOURWINE. Do you know of any other such contracts?

Mr. HOLDEN. I could not speak at this time; no, sir.

Mr. SOURWINE. Do you have any information with respect to a contract granted to a California firm which you considered excessive or unnecessary?

Mr. HOLDEN. There have been, there was, one—I believe it was a California firm—for a telephone analyzer and line tracer. A similar item had already been developed by the Army under its R. & D. program.

Mr. SOURWINE. Have either this California contract you just mentioned or the State College contract produced what you would consider satisfactory results for the money?

Mr. HOLDEN. No; the State College has yet to produce production units for the field.

Mr. SOURWINE. They have produced nothing at all for the \$50,000?

Mr. HOLDEN. Apparently they produced a prototype, one model, which is not totally operational. There are no other models which have been produced.

Mr. SOURWINE. What is the situation with respect to the California contract you mentioned?

Mr. HOLDEN. Having access to two of these units which were given me for my domestic operation, I find them unsatisfactory, excessive to the requirement since we find the Army unit to be much more adaptable for field use.

Mr. SOURWINE. Is the Army unit cheaper or more expensive?

Mr. HOLDEN. I believe the Army unit, at the time of its purchase, was cheaper.

Mr. SOURWINE. How about the available unit "off the shelf" which, compared with the unit that the Pennsylvania company got the contract to develop? Was it cheaper than the prototype they have developed?

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Have they fixed a price on their product yet?

Mr. HOLDEN. The Pennsylvania contract?

Mr. SOURWINE. Yes.

Mr. HOLDEN. No, sir; I could not say.

Mr. SOURWINE. If they haven't fixed a price on it how do you know the one already available was cheaper?

Mr. HOLDEN. That the cost of development—well, I would correct myself to state that they have fixed a price and it was in the thousands-of-dollars bracket.

I believe, as I recall, I would have to refer to the files on this, that it was in the neighborhood of \$5,000.

Mr. SOURWINE. Do you have any reason that you can give us why contracts of this type have been awarded? Is it lack of practical know-how or bad judgment or what?

Mr. HOLDEN. Only from our personal observations we would say it was a lack of practical know-how.

Mr. SOURWINE. Who do you mean "we"?

Mr. HOLDEN. Well, I would say that it is a lack of practical know-how. Failure to coordinate with knowledgeable people in the field as to their requirements and what they could use from a practical point of view.

Mr. SOURWINE. And this lack of know-how and this failure were chargeable to Mr. Iams and Mr. Hill, respectively?

Mr. HOLDEN. The formal R. & D. program was launched during these two gentlemen's regime, yes, sir; during their tenure of office.

Mr. SOURWINE. They have been granted a great deal of money, a great deal compared to what you had when you were running the program, haven't they?

Mr. HOLDEN. Far in excess of what we were granted; yes, sir.

Mr. SOURWINE. Did your costs ever run over \$100,000 a year?

Mr. HOLDEN. No, sir. In fact, there were many years when we considered ourselves fortunate to have \$5,000 or \$6,000.

Mr. SOURWINE. And they have had in 1 year over \$365,000.

Mr. HOLDEN. Yes, sir.

Mr. SOURWINE. Have they produced anything to show for it? Has there been any equipment flowing out to the field as a result of all this money?

Mr. HOLDEN. There has been a modified flash X-ray unit which was merely a modification of an existing piece of equipment. The telephone analyzer and line tracer units are actually units which have been produced.

Mr. SOURWINE. But you said that was already available elsewhere?

Mr. HOLDEN. An item that would do the comparative work, yes. Other than that, well, there are paint kits as I recall for treating walls for inspection, but these didn't require a great deal of sophistication.

Mr. SOURWINE. Can you comment on the difference, if any, between this program as administered by you and as administered by your successors, Iams and Hill, in the area of doing the work in the Department or awarding it to companies outside the Department?

Mr. HOLDEN. Well, all I could say in that respect was that, with the budget we were allowed, we were very limited for the major part of the time to items which we could develop ourselves within-house or buy off the shelf as a commercial product and modify. We did not have the availability of research and development with industry that we desired and had requested.

Mr. SOURWINE. Now, sir, while these contracts, substantial contracts have been awarded to outside firms, have electronics engineers within the Department been idle or had their skills and time and abilities only partially used?

Mr. HOLDEN. This would be only my personal opinion. I would say yes; they have been idle a great deal of the time.

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TESTIMONY OF VICTOR H. DIKEOS, SPECIAL ASSISTANT TO
DIRECTOR OF PERSONNEL, DEPARTMENT OF STATE

MONDAY, JANUARY 27, 1964

The subcommittee met, pursuant to recess, at 10:40 a.m., in room 2300, New Senate Office Building, Senator Roman L. Hruska presiding.

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

Senator HRUSKA. Has the witness been sworn?

Mr. SOURWINE. No, sir.

Senator HRUSKA. Will you be sworn, please?

Do you solemnly swear that the testimony you are about to give in this matter before us will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DIKEOS. I do.

Senator HRUSKA. Thank you.

You may proceed, Mr. Sourwine.

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

Mr. DIKEOS. Victor H. Dikeos, 4421 Stark Place, Annandale, Va.

Mr. SOURWINE. You are employed by the Department of State?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. In what capacity?

Mr. DIKEOS. I am a Foreign Service officer.

Mr. SOURWINE. What class?

Mr. DIKEOS. Four.

Mr. SOURWINE. Yes, sir.

What is your present assignment?

Mr. DIKEOS. I am Special Assistant to the Director of Personnel.

Mr. SOURWINE. Who is the Director?

Mr. DIKEOS. Bernard Rosen.

Mr. SOURWINE. Mr. Dikeos, have you had service abroad?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Would you outline that for us, briefly?

Mr. DIKEOS. I served in Hong Kong from 1955 to 1958, in Manila from 1958 to 1960, and in Warsaw from 1960 to 1963.

Mr. SOURWINE. And been at the Department in Washington since then?

Mr. DIKEOS. Since August of 1963.

Mr. SOURWINE. In your present post?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Are you familiar with the circumstances surrounding certain derogatory information respecting Mr. Elmer Hill?

Mr. DIKEOS. Could you be more specific?

Mr. SOURWINE. Yes, I will be more specific. Have you yourself furnished to the Department derogatory information respecting Elmer Hill?

Mr. DIKEOS. I have not furnished such information to the Department.

Mr. SOURWINE. Have you furnished such information to anyone?

Mr. DIKEOS. Yes, I have.

Mr. SOURWINE. To whom did you furnish it?

Mr. DIKEOS. To Henry Boudreau.

Mr. SOURWINE. Who is Henry Boudreau?

Mr. DIKEOS. Henry Boudreau is presently Special Assistant to Dwight Porter, Assistant Secretary of State for Administration.

Mr. SOURWINE. That is spelled how?

Mr. DIKEOS. B-o-u-d-r-e-a-u.

Mr. SOURWINE. When did you furnish him this information?

Mr. DIKEOS. I can't recall exactly, but it was sometime between January and July of 1963.

Mr. SOURWINE. Under what circumstances did you furnish that information?

Mr. DIKEOS. He wrote me informally asking for my impression of Hill's activities while he was in Warsaw.

Mr. SOURWINE. What position did Mr. Boudreau then occupy?

Mr. DIKEOS. I think he was a special assistant to the Assistant Secretary for Administration at that time.

Mr. SOURWINE. Who was?

Mr. DIKEOS. I believe—the time is doubtful in my mind but it could have been Mr. Crockett at that time, William J. Crockett.

Mr. SOURWINE. And you replied?

Mr. DIKEOS. I wrote a letter informally to Mr. Boudreau.

Mr. SOURWINE. What was the nature of your letter, what information did it disclose about Mr. Hill?

Mr. DIKEOS. I told him, I told Mr. Boudreau, in the letter, that on one occasion in my home Mr. Hill had a little too much to drink, that to my knowledge he used no vulgar language, that I had specifically asked my wife about that before writing the letter, that his conduct, while not exemplary, was not bad enough to have merited a formal report from me at the time. And that substantially is the content of the letter, as I remember it.

Mr. SOURWINE. Do you know how it happened that Mr. Boudreau wrote you about this man?

Mr. DIKEOS. I am not sure whether Mr. Boudreau said in his letter or whether I just naturally made the assumption, but I believed that the request had come from John Reilly.

Mr. SOURWINE. Now, did you know at that time a report containing derogatory information with regard to Mr. Boudreau had been made to the Department—

Mr. DIKEOS. Report of Mr. Boudreau?

Mr. SOURWINE. Regarding Mr. Hill. If I said Boudreau it was a slip of the tongue.

Did you know a report regarding Mr. Hill had been made to the Department?

Mr. DIKEOS. I think, to answer you truthfully, I would say I did not know. I had heard rumors.

Mr. SOURWINE. Do you know Mr. Pasquale?

Mr. DIKEOS. I know Mr. Pasquale.

Mr. SOURWINE. Do you know whether he had made any report to the Department?

Mr. DIKEOS. I did not know whether he had made such a report but again I had heard rumors to that effect.

Mr. SOURWINE. You have never discussed this matter with Mr. Pasquale?

Mr. DIKEOS. Not to my knowledge.

Mr. SOURWINE. All right.

Now, leaving the question of what you wrote to Mr. Boudreau and going to the incident that occurred in your home which concerned Mr. Hill, was that your home here or your home abroad?

Mr. DIKEOS. My home in Warsaw.

Mr. SOURWINE. In Warsaw. This was an apartment?

Mr. DIKEOS. No; it was a duplex house.

Mr. SOURWINE. What was the occasion?

Mr. DIKEOS. Mr. Hill was visiting Warsaw on business with two other officers.

Mr. SOURWINE. Do you know when this was?

Mr. DIKEOS. I believe in late April and early May of 1962.

Mr. SOURWINE. All right. He was visiting. And how did he happen to come to your home?

Mr. DIKEOS. I invited him and the others to dinner.

Mr. SOURWINE. Now, specifically what was it that Mr. Hill did?

Mr. DIKEOS. Specifically he—well, perhaps it would be best to say what we all did.

Mr. SOURWINE. All right.

Mr. DIKEOS. We had dinner, we had a few drinks before dinner, and a few after dinner, and Mr. Hill just appeared to have had more than anybody else.

Mr. SOURWINE. How did he show it?

Mr. DIKEOS. He talked more freely than the others. He danced with my wife. He was happy, he was gay.

Mr. SOURWINE. None of those things requires a man to be drunk in order to do them. Was it the way he did them or was it something else that he did that led you to think that he was drunk?

Mr. DIKEOS. I don't believe I said he was drunk.

Mr. SOURWINE. Did you believe he was drunk?

Mr. DIKEOS. Well, this is a subjective area—

Mr. SOURWINE. What did you mean when you said he had too much to drink?

Mr. DIKEOS. I meant just that. That he had too much to drink, in my opinion.

Mr. SOURWINE. But you didn't think he was drunk?

Mr. DIKEOS. He was able to walk. He was able to talk intelligently and intelligibly. He did nothing that I can recall for which he needed to be ashamed.

Mr. SOURWINE. Is it your philosophy "he is not drunk if from the floor he can arise again to drink once more"?

Mr. DIKEOS. No; I wouldn't say that was my philosophy.

Mr. SOURWINE. Well, in your opinion he wasn't drunk, then; is that what you are saying?

Mr. DIKEOS. Yes; in my opinion, he wasn't drunk.

Mr. SOURWINE. Was not drunk; all right.

Now, when did Mr. Hill leave your duplex on that occasion?

Mr. DIKEOS. I can't recall the hour. I imagine it was around 12:30, 1 o'clock in the morning.

Mr. SOURWINE. Did Mr. Hill go to sleep at any time during his visit to your home on that occasion?

Mr. DIKEOS. Not so far as I know.

Mr. SOURWINE. He did not.

Mr. DIKEOS. Not to my knowledge.

Mr. SOURWINE. Did he remove any of his clothing?

Mr. DIKEOS. Not to my knowledge, unless he removed his suit jacket.

Mr. SOURWINE. He might have removed the jacket but nothing else?

Mr. DIKEOS. He may have. I don't even know that he did that.

Mr. SOURWINE. All right.

Mr. DIKEOS, did you know anything about this Hill case prior to the time you were asked by Mr. Boudreau for a report on it, which was a year after the event?

Mr. DIKEOS. As I believe I mentioned earlier, I had heard rumors that Mr. Pasquale had made charges. It was as vague as that.

Mr. SOURWINE. You never saw Mr. Pasquale's report or knew what his charges were?

Mr. DIKEOS. No, sir.

Mr. SOURWINE. Do you know whether anyone else made similar charges?

Mr. DIKEOS. I heard again a rumor that somebody else did, yes.

Mr. SOURWINE. Who else?

Mr. DIKEOS. I believe it was Fred Galvin.

Mr. SOURWINE. G-a-l-v-i-n.

Mr. DIKEOS. Yes.

Mr. SOURWINE. Anybody else?

Mr. DIKEOS. I know of no others. I heard of no others.

Mr. SOURWINE. Do you know of any other parties that Mr. Hill went to on this particular visit to Warsaw?

Mr. DIKEOS. No; I do not.

Mr. SOURWINE. You didn't attend any parties at which he was present except the one in your home?

Mr. DIKEOS. I don't recall attending any.

Mr. SOURWINE. Was Mr. Pasquale present at the party in your home?

Mr. DIKEOS. Yes, he was.

Mr. SOURWINE. Was Mr. Galvin present?

Mr. DIKEOS. Yes; he was.

Mr. SOURWINE. All right.

While you were in Warsaw, Mr. Dikeos, were you familiar with the security problems there?

Mr. DIKEOS. Yes, I was.

Mr. SOURWINE. I take it from that answer that there were security problems there at the time, is that correct?

Mr. DIKEOS. I am not sure exactly what you mean by that question.

Mr. SOURWINE. You said you were familiar with the security problems there and I am just saying there must have been problems for you to have been familiar with them. That is right, isn't it?

Mr. DIKEOS. Yes.

Mr. SOURWINE. What was the nature of those problems?

Mr. DIKEOS. I am not sure what you want for an answer. But any American Embassy—

Mr. SOURWINE. All I want is the fact.

Mr. DIKEOS (continuing). —has its security problems. There are many of them. The problems of attempts by the opposition to find out what is going on in the Embassy by whatever means are available to them

Mr. SOURWINE. What was the date on which you went to Warsaw?

Mr. DIKEOS. I think I arrived in Warsaw on November 5, 1960.

Mr. SOURWINE. What was the position you occupied there?

Mr. DIKEOS. My official title was assistant administrative officer, and I was the security officer.

Mr. SOURWINE. You were the security officer?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. As the security officer, you would know all about your security problems, necessarily, would you not, whether they arose while you were there or were held over from a previous tenure of another security officer?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Were you aware of a memorandum of two or three pages given to Loy Henderson with regard to personnel penetration in the Embassy in Warsaw?

Mr. DIKEOS. I might have been but I don't recall that specific memorandum at this time.

Mr. SOURWINE. All right.

Do you remember the case of Edward Symans, born Szimanski.

Mr. DIKEOS. I knew Edward Symans.

Mr. SOURWINE. Were you aware of any security problem which involved him?

Mr. DIKEOS. Mr. Chairman—

Senator HRUSKA. Yes, sir.

Mr. DIKEOS. If I am not mistaken in matters of this sort I may claim executive privilege on the basis of the fact that this is security information from the security files.

Mr. SOURWINE. I am not asking you about a security case or a security file, I am asking you about something which you yourself knew. Not from reading a security file but from dealing with the matter.

Was Mr. Symans there while you were in Warsaw.

Mr. DIKEOS. For a few weeks.

Mr. SOURWINE. In what capacity?

Mr. DIKEOS. He was an employee of USIA, I believe. And he was the press officer.

Mr. SOURWINE. Under what circumstances did he leave Warsaw?

Mr. DIKEOS. He was transferred and, as far as I know, on a normal basis, completion of a tour of duty.

Mr. SOURWINE. Transferred to where, do you know?

Mr. DIKEOS. To Washington, if I am not mistaken.

Mr. SOURWINE. Mr. Symans had been educated in Poland and was employed by the Department in Poland?

Mr. DIKEOS. I don't honestly know whether he was educated in Poland but I believe he was first employed by the Department in Poland.

Mr. SOURWINE. Mr. Symans had married a French national?

Mr. DIKEOS. I don't know that.

Mr. SOURWINE. Did you know it was reported Mr. Symans had been working for the KGB for a number of years?

Senator HRUSKA. Mr. Witness, if it is knowledge that you procured by way of observation or personal knowledge, that does not fall within the executive privilege as set out in the March 13, 1948, Executive order.

Mr. DIKEOS. Sir, I believe the answer to such a question could never have been obtained by me by personal observation or personal knowledge.

Mr. SOURWINE. Are you then declining to answer that question claiming executive privilege under instructions?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Did you yourself ever take any security action with reference to Mr. Symans?

Mr. DIKEOS. Yes, I did.

Mr. SOURWINE. What action did you take?

Mr. DIKEOS. I was requested by the State Department to attempt to ascertain certain facts concerning Symans' activities while he was in Poland. This I did by a review of the records available in the Embassy.

Mr. SOURWINE. Not by any surveillance or questioning of Symans?

Mr. DIKEOS. Mr. Symans was long gone when this happened.

Mr. SOURWINE. I see.

Did you file a report?

Mr. DIKEOS. I did.

Mr. SOURWINE. To whom did you address it?

Mr. DIKEOS. It was an official report and they are not addressed to anybody.

Mr. SOURWINE. And this was filed when?

Mr. DIKEOS. I can't recall. But I would guess it was probably in the year 1961.

Mr. SOURWINE. Did you satisfy yourself that Mr. Symans had provided useful information to the Soviets?

Mr. DIKEOS. I am afraid I will have to claim executive privilege on that question.

Mr. SOURWINE. You can't tell us what you yourself learned from your own investigation?

Mr. DIKEOS. I learned almost nothing that was not already known.

Mr. SOURWINE. Mr. Chairman, I ask that the instruction be that the committee request from the Secretary of State that we be furnished with a copy of this report made by Mr. Dikeos on Mr. Symans.

Senator HRUSKA. Instruction will issue pursuant to that request.

(Assistant Secretary Frederick G. Dutton, under date of May 21, 1964, wrote to Senator James O. Eastland, as follows:)

MAY 21, 1964.

DEAR MR. CHAIRMAN: Reference is made to a letter of March 17, 1964, to the Secretary of State, from Mr. J. G. Sourwine. In that letter, Mr. Sourwine requested that certain materials relating to the testimonies of Messrs. Victor H. Dikeos and Harris Huston be provided to the subcommittee.

One of the requests was that the committee "be furnished a copy of the report made by Mr. Dikeos and Mr. Symans." Mr. Dikeos and Mr. Symans have never made a joint report; however, Mr. Dikeos has filed a report concerning Mr. Symans. The Department regrets that it is unable to furnish that report since it is covered by the Presidential directive of March 13, 1948. Further, since any further testimony by Mr. Dikeos concerning the Scarbeck case or the Symans report would also be covered by that Presidential directive, Mr. Dikeos will be unable to testify on these subjects.

In relation to the testimony of Mr. Huston, it was requested that the Department furnish copies of "written recommendations", if any, made by Mr. Huston during his period of service. The Department has been unable to locate any written recommendations relating to those matters discussed in Mr. Huston's testimony. I would be happy to see that additional search is conducted if you could be more specific concerning the recommendations you desire.

Enclosed is a copy of the study and proposal on personnel security operations which was submitted in May 1961 to Mr. Jones. I wish to call to your attention that information included under tabs C(4) and C(5) of that study has been excluded pursuant to the Presidential directive of March 13, 1948.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

Senator HRUSKA. What was known about Mr. Symans? You stated that you learned almost nothing that was not already known. What was known about him?

Mr. DIKEOS. What was previously known about him?

Senator HRUSKA. Yes.

Mr. DIKEOS. I don't feel qualified to answer the question because, if an investigation had been conducted of Mr. Symans, the great bulk of it was done by other people in other places.

Senator HRUSKA. Wait a minute, Mr. Witness. Let's get down to ordinary meaning of the English language. You stated a little while ago that you learned "almost nothing" of your personal observation that was not already known.

How could you make such a statement without knowing what was already known about him?

Mr. DIKEOS. Perhaps I should have said that was already known to me.

Senator HRUSKA. Very well. What was known to you?

Mr. DIKEOS. What was known to me was the information that had been supplied to me from other official reports prepared by the U.S. Government.

Mr. SOURWINE. I think we are in an area which requires the drawing of a fairly clear line. If I may, with the chairman's permission, ask you leave anything aside—out of consideration—anything that was in any official reports—

Senator HRUSKA. I think that is well taken.

Mr. SOURWINE (continuing). —and ask you what you learned about Mr. Symans without regard to an investigation, without regard to any other report, because I don't think the fact that what you learned was in another report put it under the prohibition of the President's Executive order, the Truman Executive order.

So the question is what was it that you learned? You avoided that question by saying nothing except what was already known. What was it that you learned without regard to what was already known?

Mr. DIKEOS. Really nothing of any use. His movements in and out of Poland for a period of approximately 2 years to Czechoslovakia and France. The dates he entered and left the country, who he was with, his mode and method of transportation.

Mr. SOURWINE. Did you learn of any contacts he had with any known agents of the Soviets. That includes the Soviet secret police?

Mr. DIKEOS. I did not.

Mr. SOURWINE. You did not.

Did you learn anything about him having been compromised by a Polish female or Polish females?

Mr. DIKEOS. I did not.

Mr. SOURWINE. All right.

Are you familiar with or did you know one Darosav Vlahovich?

Mr. DIKEOS. I did not.

Mr. SOURWINE. He was a political officer in Warsaw?

Mr. DIKEOS. He was gone before I arrived.

Mr. SOURWINE. Do you know about his case?

Mr. DIKEOS. I know nothing about his case.

Mr. SOURWINE. You never read a report on him? You never filed a report on him?

Mr. DIKEOS. I may have filed a report on him. But if I did it was essentially a negative report.

Mr. SOURWINE. Don't you know he was one of the persons stationed at Warsaw who, while he was there, was reported to have been compromised by a Polish female or females?

Mr. DIKEOS. He may have been. I don't know that.

Mr. SOURWINE. All right.

Did you know Charles Bemis, a code clerk?

Mr. DIKEOS. I do not.

Mr. SOURWINE. I might say, Mr. Vlahovich was a political officer, wasn't he?

Mr. DIKEOS. I don't know.

Mr. SOURWINE. You don't know. And you didn't know Charles Bemis?

Mr. DIKEOS. I did not.

Mr. SOURWINE. Did you know that Charles Bemis was reported to have been compromised by a Polish female or females while in Warsaw?

Mr. DIKEOS. Yes.

Mr. SOURWINE. Is Mr. Vlahovich still employed by the State Department?

Mr. DIKEOS. I think so. I don't know for sure.

Mr. SOURWINE. Is Mr. Bemis still employed by the State Department?

Mr. DIKEOS. I have no idea.

Mr. SOURWINE. Did you know a Foreign Service officer named Donovan while you were in Warsaw?

Mr. DIKEOS. No; he was gone before I arrived.

Mr. SOURWINE. You knew of him?

Mr. DIKEOS. Yes.

Mr. SOURWINE. What was his first name?

Mr. DIKEOS. Tom.

Mr. SOURWINE. Did you know that Mr. Donovan was reported to have been compromised while he was in Warsaw by a Polish female or females?

Mr. DIKEOS. I had heard that.

Mr. SOURWINE. Did you know it had been reported that there was bad security in the Embassy at Warsaw due to the fact that the Embassy administrative officer, who was doubling as post security officer, had been compromised because of various facts which became known to the Soviets?

Mr. DIKEOS. This must have been before I arrived there.

Mr. SOURWINE. I didn't mean to say that it involved you, sir.

Mr. DIKEOS. I didn't interpret it that way, either.

Mr. SOURWINE. No.

Mr. DIKEOS. But I don't know about that; no.

Mr. SOURWINE. You did not know about that.

You don't know anything about a man who preceded you and who doubled in these two positions who was reported as having been compromised because of loose living, homosexuality, and other factors?

Mr. DIKEOS. No, sir.

Mr. SOURWINE. Who did precede you on that job?

Mr. DIKEOS. Nobody preceded me in my job. We did not have a professional security officer in Poland until I arrived.

Mr. SOURWINE. Who was the—

Mr. DIKEOS. Henry Boudreau was the immediate predecessor in the security position of that job.

Mr. SOURWINE. Was the administrative officer?

Mr. DIKEOS. Yes.

Mr. SOURWINE. Did he also act as security officer to the extent that they had one?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Did you know Edward Kelley?

Mr. DIKEOS. No, sir; he is the man who preceded Mr. Boudreau.

Mr. SOURWINE. He preceded Mr. Boudreau.

Did you know that he had earlier been charged with misconduct?

Mr. DIKEOS. No, sir.

Mr. SOURWINE. Did you know that certain marine guards at the Warsaw Embassy had been supplied with sexual entertainment, six or seven or eight of them, and to a minor extent compromised as a result of it?

Mr. DIKEOS. Well, I know that they were supplied with sexual entertainment. I couldn't say as to the last portion of that question.

Mr. SOURWINE. Did you yourself investigate the matter of those marine guards?

Mr. DIKEOS. No, sir.

Mr. SOURWINE. That was before you came to the Embassy?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. How long before?

Mr. DIKEOS. Almost a year, I believe.

Mr. SOURWINE. Those marines were interrogated, some of them talked. They implicated several Foreign Service officers. You knew this, didn't you?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Can you give us the names of any Foreign Service officers, not already mentioned here, whom you knew to have been implicated by the marine guards?

Mr. DIKEOS. No, sir; I don't think so. Most of this, I am afraid, occurred prior to my coming there.

Mr. SOURWINE. When you say you can't give us the names is that because you can't remember?

Mr. DIKEOS. Yes; if I knew them ever.

Mr. SOURWINE. Now, you spoke of Mr. Symans as an employee of USIA; isn't it a fact that, while he had been transferred to USIA some time before, he had been kept on the State Department rolls because the Poles didn't want a USIA officer in the Embassy?

Mr. DIKEOS. That was standard practice.

Mr. SOURWINE. It is true in Mr. Symans' case, wasn't it?

Mr. DIKEOS. Yes.

Mr. SOURWINE. So he was on the State Department rolls at the time?

Mr. DIKEOS. Yes.

Mr. SOURWINE. Do you know the name of any of the females with whom Mr. Symans had been involved?

Mr. DIKEOS. I know the name of one American female with whom Mr. Symans was alleged to have been involved.

Mr. SOURWINE. Will you give us that name?

Mr. DIKEOS. Cwynar.

Mr. SOURWINE. First name Dorothy?

Mr. DIKEOS. That is correct.

Mr. SOURWINE. She was a State Department secretary?

Mr. DIKEOS. That is correct.

Mr. SOURWINE. Is she still employed by the Department?

Mr. DIKEOS. I don't know.

Mr. SOURWINE. Do you know whether the memorandum with regard to Mr. Symans or the report with regard to Mr. Symans was shown to Ambassador Beam?

Mr. DIKEOS. Which report was that?

Mr. SOURWINE. The one with regard to Symans.

Mr. DIKEOS. Are you referring to the report which I earlier said that I had written?

Mr. SOURWINE. I say: do you know whether that report was shown to Ambassador Beam?

Mr. DIKEOS. I don't recall whether it was or not. Generally, the Ambassador saw things of that sort when they left the Embassy.

Mr. SOURWINE. Was Mr. Beam the Ambassador when you were there?

Mr. DIKEOS. He was for part of the time when I was there.

Mr. SOURWINE. Didn't he, in fact, see your report and pooh pooh it and say in effect there is nothing to it?

Mr. DIKEOS. No, sir; not to my knowledge.

Mr. SOURWINE. You never discussed it with him?

Mr. DIKEOS. I didn't say that. I said I didn't recall whether I had shown the report to him or not.

Mr. SOURWINE. Did you discuss it with him?

Mr. DIKEOS. I don't recall. I think I probably did.

Mr. SOURWINE. Do you know whether Mr. Kelley is still in the Department?

Mr. DIKEOS. Mr. Edward Kelley?

Mr. SOURWINE. Yes.

Mr. DIKEOS. I think he is.

Mr. SOURWINE. Do you know where he is stationed?

Mr. DIKEOS. When last I heard about Mr. Kelley he was somewhere in north Africa.

Mr. SOURWINE. With regard to some of the others I will tell you the committee's information is that Mr. Symans was eventually allowed to resign and Mr. Bemis is now out of the State Department.

Our information is that Mr. Kelley and Mr. Vlahovich are still employed.

Do you know anything contrary to this?

Mr. DIKEOS. Contrary to that?

Mr. SOURWINE. Yes.

Mr. DIKEOS. No, sir.

Mr. SOURWINE. Was Scarbeck in the service with you in Warsaw?

Mr. DIKEOS. Yes.

Mr. SOURWINE. Did you have anything to do with him?

Mr. DIKEOS. I handled the case in Warsaw.

Mr. SOURWINE. Are you really the man who was responsible for uncovering Scarbeck?

Mr. DIKEOS. In a sense.

Mr. SOURWINE. Well, if you handled the case from beginning to end, in what sense weren't you responsible for uncovering it?

Mr. DIKEOS. Well, the case wasn't handled completely in Warsaw.

Mr. SOURWINE. Well, you didn't make public announcements but you made the case on him. You got the goods on him and you reported it to Washington, didn't you?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. Credit has been given elsewhere, as you know. I don't think you have ever had the credit you should have had in connection with that case.

Mr. DIKEOS. Thank you, sir.

Mr. SOURWINE. Isn't that your own view?

Mr. DIKEOS. I prefer not to have a view on that.

Mr. SOURWINE. All right. But you know you have never been given any credit for it.

Mr. DIKEOS. I received credit within the State Department.

Mr. SOURWINE. You have? Your own personnel records show that you did do that?

Mr. DIKEOS. Well, no; not in so many words, I don't think.

Mr. SOURWINE. Did you develop the first lead on Scarbeck?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. How did you develop it?

Mr. DIKEOS. I hate to appear uncooperative and I have no intention of being uncooperative, but I would like to claim executive privilege on that because it has never been made public.

Mr. SOURWINE. I thought the Scarbeck case had been made a big thing and announced.

Mr. DIKEOS. It is not because of Mr. Scarbeck, but because of the situation in Poland.

Mr. SOURWINE. What I am asking you, then, is not a part of the Scarbeck security case, not a part of his file.

Mr. DIKEOS. It is a part of only a portion of the file—in Poland, I believe. There are people who could get hurt, that is the reason.

Mr. SOURWINE. I think that is probably true. I think people could probably get hurt with a lot of these questions if they were fully answered, Mr. Dikeos, on a public record or any record that was ever made public or if the full facts ever became known to the Congress, but I don't think that is a real good reason for not telling us. Will the security of the United States be hurt if that fact is known, how you got on to the first lead in the Scarbeck case?

Mr. DIKEOS. No.

Mr. SOURWINE. Then why don't you tell it?

Mr. DIKEOS. I have no personal objection to telling, but I think if I may, I would like to get clearance from my superiors before doing so. I had no idea that this subject could come up here today, and again I wish to say I have no desire to withhold information or make your work any more difficult than necessary but, on the other hand, I do feel that I should be on very safe ground before going into that.

Mr. SOURWINE. Mr. Chairman, I ask the order be that the committee request the Secretary of State for permission for Mr. Dikeos to return and testify fully and freely about the Scarbeck case and about the Symans report.

Senator HRUSKA. The order will issue.

Mr. SOURWINE. I have one more question. It has been suggested that the Scarbeck case may have been surfaced to distract attention from some of these other matters that I have raised here today: the matter of the Marine guards and the implication of various Foreign Service officers and so forth.

Do you know anything which would lend credence to that suggestion?

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

Mr. SOURWINE. Can you say positively that suggestion is not true?

Mr. DIKEOS. I can say that I would be very surprised to find that it was true.

Mr. SOURWINE. If the Scarbeck case was initiated by you through a lead which you yourself broke and worked, then this suggestion couldn't be true, could it?

Mr. DIKEOS. No, sir.

Mr. SOURWINE. And it was initiated through a lead that you developed and worked?

Mr. DIKEOS. Yes, sir.

Mr. SOURWINE. I have no more questions for this witness, Mr. Chairman. I think if we get the permission that we are to seek, he can give us very important information.

Senator HRUSKA. Very well.

Mr. Witness, were you still stationed in Warsaw when the Henry Boudreau letter came to you about Elmer Hill?

Mr. DIKEOS. Yes, sir.

Senator HRUSKA. And before answering that letter you say you did discuss it with Mrs. Dikeos?

Mr. DIKEOS. Yes, sir.

Senator HRUSKA. Did you inquire of any of those others who were present at that dinner along the same line you inquired of Mrs. Dikeos?

Mr. DIKEOS. No, sir; they were not available for me to inquire.

Senator HRUSKA. The others present were not in Warsaw at the time; is that correct?

Mr. DIKEOS. No; they were stationed in Frankfurt.

Senator HRUSKA. And they had come with Mr. Hill?

Mr. DIKEOS. Yes, sir.

Senator HRUSKA. And then they had returned, so that they were no longer in Warsaw?

Mr. DIKEOS. That is correct.

Senator HRUSKA. Thank you very much.

Mr. SOURWINE. All right.

We will have to arrange for another time to bring Mr. Hite back. We can't hear him this morning.

Senator HRUSKA. Very well, then, the committee will recess subject to the call of the Chair.

(Whereupon, at 12:10 p.m., the subcommittee recessed subject to call of the Chair.)

**TESTIMONY OF WILLIAM J. CROCKETT, DEPUTY UNDER SECRETARY
OF STATE FOR ADMINISTRATION**

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. Mr. Crockett, do you know what the practice is with respect to checking U.S. Embassy buildings for construction in Iron Curtain countries for possible listening devices?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Do you know the technique which is involved in such checks?

Mr. CROCKETT. There are various techniques; yes, sir.

Mr. SOURWINE. Does this involve actually tearing out a portion of the walls for examination?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Do you know whether this is standard practice that should be followed in all instances in order to gain maximum protection?

Mr. CROCKETT. I believe we have come to the conclusion that this is; yes, sir.

Mr. SOURWINE. Do you know who was responsible for checking the U.S. Embassy in Warsaw for microphones or other listening devices during construction of the buildings?

Mr. CROCKETT. At the time that construction of the new Warsaw embassy was initiated (summer of 1961) the regional technical center was established in Frankfurt. The regional technical center at that time consisted of a staff of approximately six engineers and technicians who were responsible for providing technical security coverage for all of our Foreign Service posts in eastern and western Europe. As the staff of the RTC was gradually increased, it was possible to assign one engineer permanently to Warsaw to monitor construction of the new building. This assignment was made in August of 1962. Unfortunately, by this time the construction was nearly 75 percent completed and of course, as we now know, the microphone system was installed by stages in the building, from very early in the initial construction phases.

Mr. SOURWINE. Did you know that this responsibility fell on Mr. Elmer Dewey Hill and one other person, who at the time was employed in a probationary status, and later was discharged?

Mr. CROCKETT. I believe that the other person that you refer to was Mr. George Pasquale. Mr. Pasquale was not responsible in any substantial measure for the security of the Warsaw Embassy as he was a technician assigned to the RTC, Frankfurt. Mr. Hill and Mr. Pasquale did make a trip to Warsaw with a third person from the Frankfurt RTC, but the purpose of this trip was to install one of our acoustic conference rooms in the existing Embassy and was not especially connected with the new building. I believe this trip was

made in the spring of 1962. I can say that Mr. Hill was primarily responsible for the overall direction of the activities of the Frankfurt Regional Technical Center in addition to being responsible for developing the Department's technical countermeasures research and development program.

Mr. SOURWINE. Do you know that it was suggested to Mr. Hill that standard procedure be followed and certain portions of the walls be torn out for examination, but that Mr. Hill rejected this because, he said, he had an electronic device that would be adequate?

Mr. CROCKETT. Although I cannot confirm or deny any such remark that may have been made by Mr. Hill, I do know that the Department of State did not at that time possess any device which is absolutely effective against all types of listening devices. Indeed, no one in the Department of State at that time would have been more aware of that fact than Mr. Hill. Therefore I find it difficult to believe that Mr. Hill could have made the alleged remark. I do know, however, that the engineer assigned to Warsaw in 1962 did make the Polish workmen remove an entire brick and concrete wall in the communications area of the new building and had the wall reerected in his presence.

Mr. SOURWINE. You are aware are you not of the very thorough bugging of the Warsaw Embassy which has now been exposed?

Mr. CROCKETT. Yes, I am completely aware of this discovery. As a matter of fact the discovery was made by our technical personnel acting on my instructions.

* * * * *

EXCERPTS FROM HEARINGS BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS, FEBRUARY 16, 1965

(The following excerpts from hearings before the Committee on Appropriations of the House of Representatives on February 16, 1965, respecting appropriations for the fiscal year 1966 operations of the Department of State, subsequently were ordered inserted into the record.)

* * * * *

Mr. CROCKETT. * * * The second item in that general category is an increase in security requirements of \$1,946,200. Mr. Gentile, our Deputy Assistant Secretary for Security, will be here to talk to you specifically about this item, but mainly it has to do with the protection of our Embassy buildings, particularly buildings we are in process of constructing, how we can prevent from happening what happened when we built a new building in Warsaw only to find it was most thoroughly bugged during the construction process. And we want to talk to you about a plan we have to use Seabees on a part of the construction, and more Marine guards, so there can be more protection during the construction process.

* * * * *

Mr. ROONEY. You might go into some detail on Warsaw at this point.

Mr. CROCKETT. For the detail, Mr. Chairman it would be better if Mr. Gentile went into it. He has all of the facts and figures.

Mr. ROONEY. Is he familiar with how much damage we had to do to our own building in order to find these microphones?

Mr. CROCKETT. Yes, sir.

I just wanted to be responsive to Mr. Sike's question in saying that to put that building back together we put in a group of Seabees. They were quartered inside the Embassy building itself.

I have a letter from Ambassador Cabot that I would like to introduce into the record if I may, if you think it is appropriate. The letter expresses his appreciation for the fine young Americans doing this job and how these fellows got along.

Mr. ROONEY. Do you wish to insert that at this point?

Mr. CROCKETT. Yes, sir; and perhaps we can discuss it again later.
(The letter referred to follows:)

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA,
AMERICAN EMBASSY,
Warsaw, Poland, February 4, 1965.

HON. WILLIAM J. CROCKETT,
Deputy Under Secretary for Administration,
Department of State,
Washington, D.C.

DEAR BILL: I am pleased to report that the Seabees who arrived here on January 15 completed their mission and left Poland February 2.

You can understand that we were somewhat apprehensive before they arrived as to where they should be housed, fed, and even more important, isolated from the temptations which Warsaw has in abundance.

The housing problem was solved by turning the first floor conference room in the Embassy into a dormitory with nine beds, dressers, et cetera, and letting them have the other two rooms nearby for reading and recreation. A number of Embassy wives took turns preparing a proper dinner for them every night, which was served in our snack bar. On weekends they were invited to the homes of members of our staff for food and entertainment.

Everything worked out to our complete satisfaction. They did a magnificent job of rebuilding and patching up the heavy damage that resulted from the removal of the microphone networks. The building is back in its original condition.

I believe that this group performed well in every respect, due in large measure to their chief, Robert K. Goudy, and that he and his men deserve our thanks for a job well done. I would appreciate it if you would let their supervisors know how grateful we are for their help.

With every good wish,

Sincerely,

JOHN M. CABOT.

Mr. SIKES. Do you anticipate there will be wider use of Seabees in the future or only in these specialized cases?

Mr. CROCKETT. I think there will be wider use, Mr. Sikes. That is one of the things we would—

Mr. ROONEY. This is only in conjunction with construction projects?

Mr. CROCKETT. Construction, Mr. Chairman, and perhaps for some regional activities where a man would do wiring or where we would have telephone installations or where we would put in a new—or repair a wiring system and we had Seabees do it rather than local labor. All these things are security related.

Mr. SIKES. We have had some protests on the use of Seabees in our own possessions from labor unions. I promise that you do not encounter any such problems in the use of Seabees abroad?

Mr. CROCKETT. No, sir; we have not, so far.

Mr. PORTER. It is the right of the Embassy if we wish to bring in our own people. It does not mean the unions would be happy about it. They are very often unhappy.

Mr. ROONEY. If I understand this correctly, this arose primarily where we were in Iron Curtain countries and the construction was done by Communist labor in that country?

Mr. CROCKETT. Absolutely.

Mr. ROONEY. We did not have enough supervision with the result they inserted these microphones in a brandnew substantial building in Warsaw?

Mr. CROCKETT. Exactly, Mr. Chairman.

Mr. ROONEY. That is the problem rather than any other one?

Mr. PORTER. There is one other problem. We have used Seabees also in Djakarta where you had perhaps some—

Mr. ROONEY. Is that the Bamboo Curtain?

Mr. PORTER. Perhaps you had some sensitivity problems, let us put it that way. You also had the need for skilled labor you just could not get on the local market.

Mr. SIKES. That is all.

* * * * *

HIDDEN MICROPHONES IN WARSAW EMBASSY

Mr. ROONEY. * * * In connection with Warsaw, please tell us how it came to be discovered that there were microphones installed at the time of the construction of the building?

Perhaps before doing that, you might tell us when the building was first occupied.

Mr. GENTILE. The building in Warsaw was first occupied in September of 1963. At that time our secure room had moved over from the old building and was in place. They began constructing the building approximately 1960 and the work took place over a 3-year period. During this 3 years, we had foreign building employees there, construction supervisors, but they were not really trained in the area of technical aspects of being able to discover whether anything happened.

We did have an audio technician go in at periodic intervals, but he was not there full time until the summer of 1962.

Looking back now, reconstructing the whole thing, we realized this was done from the very day the ground was dug and the building was put up.

This is what leads us to this kind of a program.

Mr. ROONEY. Let us stay with that and tell us how the situation came to your attention.

Mr. GENTILE. As you are aware, in the spring of 1964, we came across extensive wired microphone systems in the Embassy in Moscow.

Mr. ROONEY. How?

Mr. GENTILE. Through a demolition program, taking a sensitive room and ripping the room apart completely. We had never done this before in the history of the technical program in state security. In fact, to my knowledge, no organization doing this kind of work had ever gone into a total demolition program. We took this room apart, completely demolished it, and came up with the microphones.

Mr. ROONEY. This was a brand new building in Warsaw that cost the American taxpayers how much, if you know?

Mr. GENTILE. I do not know.

Mr. ROONEY. That is FBO's area.

Mr. GENTILE. I do not know the price of the Warsaw Embassy.

Mr. ROONEY. Would you know, Mr. Lewis?

Mr. LEWIS. I will check.

Mr. GENTILE. After our experience in Moscow, we realized that in order to do our job properly, we ought to go into this same program in every one of our Embassies behind the Curtain, and this included Warsaw.

Mr. ROONEY. Let us get this Warsaw building cost information first.

If you do not have it, submit it at this point in the record.

(The information follows:)

"Cost of Warsaw Embassy, \$1,626,299."

Mr. ROONEY. Go ahead.

Mr. GENTILE. After having found this in Moscow, we realized we should do this in every one of our Embassies behind the Iron Curtain. We did this in each one, including Warsaw.

Mr. ROONEY. You had no information and it was just luck that somebody decided to tear down a wall or some of the structure?

Mr. GENTILE. In Warsaw?

Mr. ROONEY. Yes.

Mr. GENTILE. No; we felt that based on our experience in Moscow, we should do a sensitive room in every Embassy behind the Iron Curtain. We took the deputy chief of mission's office in Warsaw Embassy and dismantled the whole room. In dismantling it, we came across this microphone system and we did this in every one of the Embassies.

If you would care to see exactly what the results are, here are some pictures showing the rooms in Belgrade before we went to work on it and what happened afterwards.

We realized that in both——

Mr. ROONEY. Just one second. We shall get to Belgrade in a minute but first let us stay in Poland.

You decided you were going to see if there were any microphones in the deputy chief of mission's office?

Mr. GENTILE. Yes, sir.

Mr. ROONEY. What did you do there?

Mr. GENTILE. We tore all of the plaster off, ripped the floors up and took the ceiling off. In other words, completely demolished the room and by doing this we came up with the wired microphone system. Naturally, once you find one microphone this leads you to a wired system and to all of the other systems, or other microphones located in the building throughout that particular system.

Mr. ROONEY. In how many rooms did you do this in that practically new and expensive building in Warsaw?

Mr. GENTILE. We only completely demolished one room. After you once get that one room demolished, you get the system by going on the lines with electronic gear and then you can run these microphones down and ultimately find where they leave the building and thus trace out all the wires that come into the building to the various locations.

This did cause extensive damage in other areas because many of the wires went through concrete in the floor, down through pillars and such things as that. It is quite a feat to tear these out.

We have had now, and do have, an experience factor in using Seabees.

Mr. ROONEY. Who did the tearing out in Warsaw?

Mr. GENTILE. Our technicians. Our counteraudio boys do this type of work for us. Our teams did it. They did the demolition.

COST OF WARSAW BUILDING DAMAGE

Mr. ROONEY. How much damage was done to the building insofar as its finished cost was concerned and how much was necessary in order to find these microphones?

Mr. GENTILE. You mean to find them?

Mr. ROONEY. Yes.

Mr. GENTILE. I am sorry we did not cost out the time our men spent there and what it would be in salaries.

Mr. ROONEY. Has not anybody given the bill to the Polish Government yet?

Mr. GENTILE. We have just had the Seabee teams putting the whole thing back together. I believe the final billing on this is now coming in.

The final report of materials and Seabee labor is just being submitted.

I do not have that figure right now. They just completed within the last week or two the final renovation of the building and it is now back as it was before.

Mr. CROCKETT. We can supply that for the record, Mr. Chairman, because we will get costs on it. We just got a letter saying it is finished.

(The information follows:)

"COST OF DEMOLITION AND REPAIR OF WARSAW EMBASSY

"The demolition and repairs of the Embassy in Warsaw was completed on February 2, 1965, but the report showing the actual costs has not yet been received. The initial estimate of costs was \$12,073."

LABORERS ON WARSAW BUILDING

Mr. ROONEY. In the construction of that building in Warsaw, the labor used was entirely local Polish labor?

Mr. GENTILE. Yes, sir.

Mr. ROONEY. Who selected the laborers who worked on this building?

Mr. GENTILE. The Polish government or the company that had the contract. We have no control, sir, over who does this, which electricians, or what have you. There would be no meaningful check we could make of the local workers from a country or who they put on the building.

Mr. CROCKETT. We had extra Marine guards detailed on the building but they were certainly not versed in construction. Obviously not enough because they did not prevent this from happening.

Mr. ROONEY. This probably was done before the Marine guards moved over to the new building?

Mr. GENTILE. Yes, sir; the Marine guards got there about half-way through when construction started. This started from the day they dug the hole. This was shown to us the way the wires existed. The thing was built from the ground right up when this whole system went in.

Mr. ROONEY. This is quite a good-sized building, is it not?

Mr. GENTILE. Yes.

Mr. ROONEY. How many stories high?

Mr. GENTILE. Four stories high, I believe, above the ground level. The consular area is ground level, and then there are four stories up, but they are not all the way around. It is just a superstructure in front of the building.

Mr. ROONEY. Do you have a picture of it here? I have seen it but other members may like to see a photo.

Mr. GENTILE. No, I do not.

Mr. ROONEY. It is a very substantial building?

Mr. GENTILE. Yes, sir.

RESTITUTION FOR DAMAGES TO WARSAW BUILDING

Mr. CROCKETT. The Ambassador did not protest against it, Mr. Chairman. He told them we were going to expect financial restitution for damages and the expense of finding this system. It was obviously put in there by their operators.

Mr. ROONEY. You say you have only pulled the one out, and that would be Mr. Sherer's office?

Mr. GENTILE. No; we pulled microphones out throughout the building.

Mr. ROONEY. How many rooms? I understand you to say at the outset that you pulled down only one room?

Mr. GENTILE. We only have to pull down one and once you find one, you go on the wires and through electrical gadgets and what not, you can locate the remaining microphones.

Mr. ROONEY. How many rooms did you have to damage in order to pursue this?

Mr. GENTILE. I think approximately 30 rooms.

Mr. ROONEY. Thirty rooms?

Mr. GENTILE. Yes, sir; some rooms even had two microphones in them.

Mr. CROCKETT. There is always the obvious question though, whether these are separate systems or independent systems, whether we got all. We think we got all of the microphones connected to a single system.

* * * * *

Mr. ROONEY. Unlike the building in Moscow, where we are a tenant, the building in Warsaw was built with our funds; is that right?

Mr. CROCKETT. That is right.

* * * * *

Mr. ROONEY. Tell us about Moscow and what damage had to be done there in order to find additional microphones. We have been finding microphones in that building for as long as I can remember. Go ahead, please.

Mr. GENTILE. In Moscow, it was again a ripping out, completely ripping out, of a room. The room was torn up and when we find a mike, again this leads to other microphones.

* * * * *

SITUATION IN BELGRADE

Mr. ROONEY. What about the situation in Belgrade?

Mr. GENTILE. We did a demolition of a room there and we did not come up with any find. Our experience, as you can see, has shown us that the two buildings where we found wired microphones were built prior to our occupancy, and this is our concern, on new construction and renovations, adding rooms and floors.

Mr. ROONEY. Were you able to get anybody to figure out, or were you able to figure out yourselves, how long the microphones had been in the Moscow building?

Mr. GENTILE. We are quite certain they were put in when the building was fixed for occupancy in 1953.

Mr. CROCKETT. And there has been almost constant review, the chopping out of walls and listening mechanisms placed on the walls, I do not know whether more than annually but certainly every year there was a program because everybody was certain they were there.

EXPENSES OF SEABEES

Mr. ROONEY. How much is in here for the Seabees?

Mr. GENTILE. Of the total of \$1,673,100, \$1,371,500 is for Seabees and this amount is geared against the construction coming up over the next fiscal year. There are 15 different posts which have either new buildings or renovations to be done which we think require Seabees being present.

Mr. ROONEY. Mr. Lewis, what is the total cost in salaries and expenses for Seabees?

Mr. LEWIS. \$1,644,600

* * * * *

NUMBER AND ACTIVITIES OF SEABEES

Mr. ROONEY. The amount with regard to Seabees is contingent upon the amount of construction, is it not?

Mr. GENTILE. Yes, sir.

Mr. ROONEY. And this would be the case in the ensuing years?

Mr. GENTILE. Yes, sir.

Mr. CROCKETT. But not necessarily just new construction.

Mr. ROONEY. New construction or reconstruction?

Mr. CROCKETT. Yes, sir.

Mr. GENTILE. We actually have Seabees broken down into two categories. Of the 155 Seabees we propose to have 27 broken up into 4 groups and assigned to our technical centers overseas so they could travel with our technicians and when they want to tear out a wall or a floor they can do it and have a technician with them to put it together. In the past, many posts have been unhappy to have a man go rip up a floor and have to wait indefinitely to have it put together again. This would also relieve us in putting up these secure rooms. This is a tremendous undertaking. These Seabees could do that and it would help in our secure room program.

These 27 we have spoken of would be stationed overseas, and the other 128 Seabees will be drawn right here in the States and sent over to a particular construction job and will come back at the completion of that job. As I said previously, there are 15 such, either additions or new construction, going on that would require, we feel, some kind of Seabee coverage, depending on the size.

Mr. ROONEY. Who checks the Seabees, and to what extent, for security reasons?

Mr. GENTILE. We will check their clearance status with the military, and if they do not have it we will give them the clearance required and give them a training program to bring them up in what our problems are and what we are looking for.

Mr. CROCKETT. I would think we would clear them in every case.

Mr. GENTILE. We get the investigative results and determine what needs to be done in addition.

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, yourself, ever talk with Mr. Reilly about the bugging of telephones in the State Department?

Mr. CROCKETT. Yes, I did, after I learned of the incident involving Mr. Otepka's telephone.

Mr. SOURWINE. Specifically about the bugging of Otepka's telephone?

Mr. CROCKETT. Yes, sir. Mr. Chayes and I did this together, after the incident had been revealed to us.

Mr. SOURWINE. Was this before the phone had been bugged?

Mr. CROCKETT. No, sir.

Mr. SOURWINE. Afterward?

Mr. CROCKETT. Yes, sir; long afterward.

Mr. SOURWINE. Did you ever talk with Elmer Hill about the bugging of Otepka's phone?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. And that was also after it had been bugged?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. With Mr. Belisle?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Also the same time and sequence?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. Did you talk with each of these gentlemen also about the surveillance of Otepka?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. About searching his burn bag?

Mr. CROCKETT. Yes, sir.

Mr. SOURWINE. And about opening his safe?

Mr. CROCKETT. I am not aware of that.

Mr. SOURWINE. Were you aware of the fact that some time ago, while Mr. Elmer Hill was still employed by the State Department, devices were put on a number of telephones in the Department for the purpose of protecting those particular instruments against electronic surveillance?

Mr. CROCKETT. At the time of Mr. Hill's employment with the Department of State, the Office of Security had a contract with H.R.B. Singer, Inc., of State College, Pa. (No. SCC-29075) to design and fabricate 50 "telephone security units." This contract was initiated in June 1961 and completed in January 1962. The total amount of the contract was \$23,120.72. The 50 devices manufactured were intended as prototype units and were distributed to a number of Foreign Service posts to test user acceptability and the electronic design of the devices. Two of these devices were used on telephones within the Office of Security during this period, simply for evaluation purposes prior to contracting for a production quantity. One device was installed on one of two instruments in Mr. Boswell's office (then Deputy Assistant Secretary for Security) and the second device was installed on the telephone in Mr. Iams' office. Mr. Iams was Mr. Hill's predecessor.

In June 1963, acting upon the field test data received from the users of the initial lot of 50 (American Embassy, Moscow; American Embassy, Buenos Aires), a contract was negotiated with the Grass Valley Group to optimize and improve upon the initial design. This contract was signed for the amount of \$4,600 under contract No. SCC-30485.

As a result of the Grass Valley design improvements in the telephone security unit, contract No. SCC-30632 was awarded through competitive bidding to the Grass Valley Group on December 3, 1963, for the production of 525 units at a total cost of \$34,862.50. The units were received by the Department of State in May 1964 and have subsequently been issued to a number of sensitive Foreign Service posts for installation. None of these units are presently in use within the Department of State. To date, the production contract devices have performed according to design specifications and no failures have been reported.

Mr. SOURWINE. Can you provide the committee with a figure representing the cost of fabrication and installation of these devices?

Mr. CROCKETT. Installation costs: \$62,583.22.

Mr. SOURWINE. Will you furnish also a statement showing any outside contracts in connection with this project, the contractor in each such case, and the amount of the contract?

Mr. CROCKETT. SCC-29095: H.R.B. Singer, \$23,120.72. SCS-30485: Grass Valley Group, \$4,600. SCC-30632: Grass Valley Group, \$34,862.50.

Mr. SOURWINE. Do you know whether any of these devices were found defective?

Mr. CROCKETT. No. The initial quantity could not be considered defective as they were only intended as prototype units and design changes were expected.

Mr. SOURWINE. Do you know when it was first discovered that any of them were defective?

Mr. CROCKETT. I have explained before they were not defective.

Mr. SOURWINE. Do you know how many of them are still in use?

Mr. CROCKETT. The initial 50 units are still in use with the exception of the 2 units by Mr. Boswell and Mr. Iams. These units are now stored in the Office of Security laboratory.

Mr. SOURWINE. Are you aware that some of them have been removed?

Mr. CROCKETT. Certainly, the two units previously installed in the Office of the Deputy Assistant Secretary for Security and in the Office of the Chief of Technical Services.

Mr. SOURWINE. Were all of them removed?

Mr. CROCKETT. The units sent to the field are still in use to the best of my knowledge.

Mr. SOURWINE. Can you furnish the committee with a statement as to the cost of removing these instruments?

Mr. CROCKETT. There was no expense involved in the removal. The installation or removal of these devices is no more complicated than installing a new electric light bulb in a table lamp.

Mr. SOURWINE. Can you furnish a statement showing what was done with them?

Mr. CROCKETT. The production units (525) and the prototype units (50) are presently in use at overseas posts throughout the world with the noted exception of the 2 units installed and removed in the 2 offices previously mentioned.

Mr. SOURWINE. Would you say all the money involved in installing these devices and taking them out was wasted. If not, why not?

Mr. CROCKETT. No funds were expended in the installation or removal other than the normal salaries of the security officers involved and minor transportation costs incurred in transporting the new units to the field.

I do not consider any money spent in the interest of security as being wasted whether or not the devices turn out to be effective. To the extent these devices afforded protection to officers involved in sensitive work and our people abroad, then to that extent the national interest is being protected. These are not the total answers to the problem but they are a step in the right direction.

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