

Vol. 1

The United States Senate

Report of Proceedings

Hearing held before

Committee on Armed Services

NOMINATION OF JOHN ~~A.~~ McCONE

TO BE DIRECTOR OF CENTRAL INTELLIGENCE AGENCY

NOMINATION OF FRED ~~M.~~ KORTH

TO BE SECRETARY OF THE NAVY

NOMINATION OF NEIL E. HARIAN

TO BE ASSISTANT SECRETARY OF THE AIR FORCE

EXECUTIVE SESSION

Washington, D. C.

Monday, January 22, 1962

WARD & PAUL

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WASHINGTON, D. C.

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EXECUTIVE SESSION

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NOMINATION OF JOHN A. McCONE

Ref. # 15

TO BE DIRECTOR OF CENTRAL INTELLIGENCE AGENCY

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NOMINATION OF FRED H. KORTH

Ref. # 18 6

TO BE SECRETARY OF THE NAVY

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Ref. # 18 2

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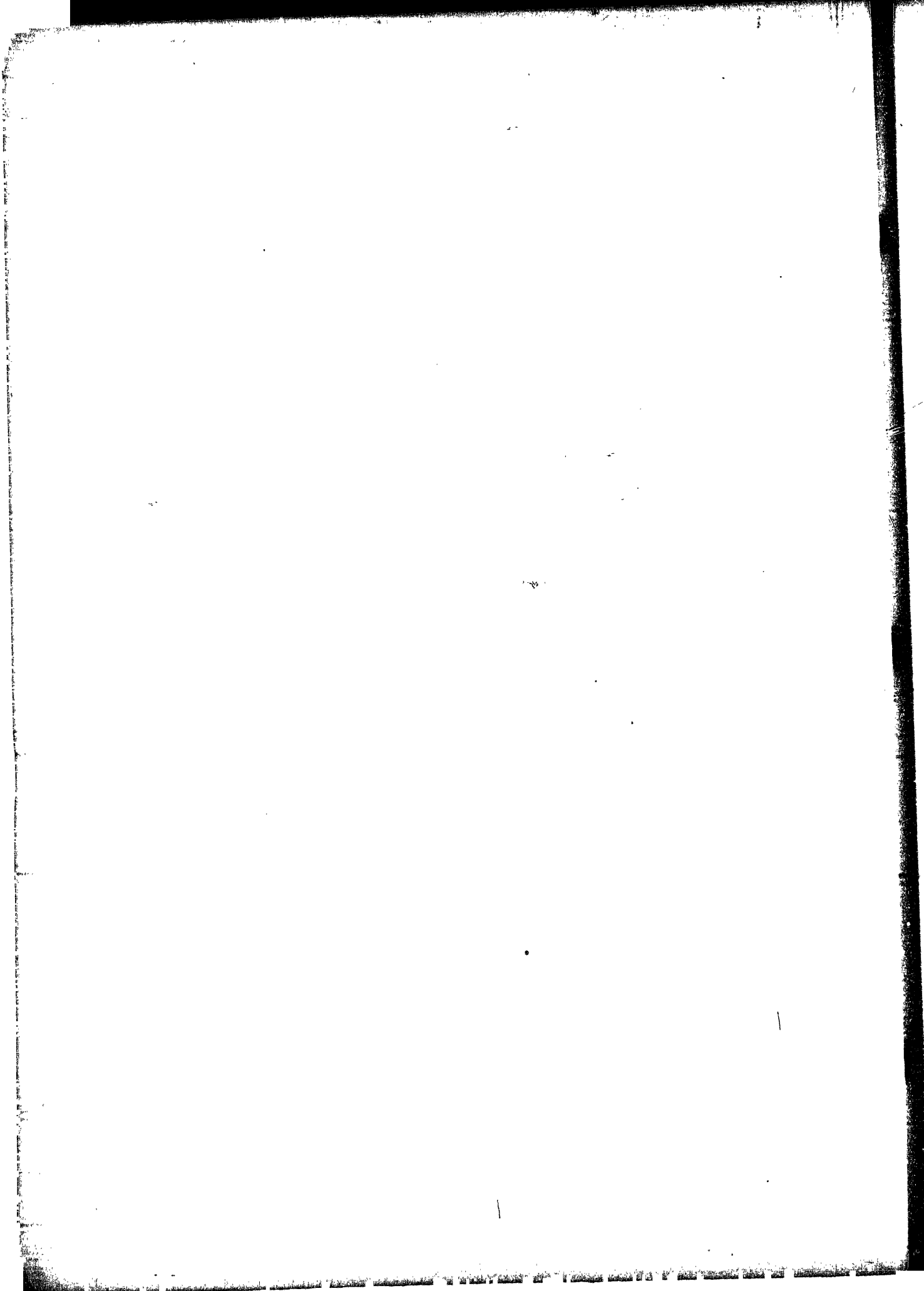
United States Senate,
Committee on Armed Services,
Washington, D. C.

The Committee met, pursuant to notice, at 12:30 o'clock, p.m., in Room 212, Senate Office Building.

Present: Senators Russell (Chairman), Byrd of Virginia, Stennis, Symington, Jackson, Thurmond, Bartlett, Cannon, Saltonstall, Smith of Maine, Case, Bush, and Beall.

Also present: Harry L. Wingate, Jr., Chief Clerk; Herbert S. Atkinson, Assistant Chief Clerk; and William H. Darden, T. Edward Braswell, and Gordon A. Nease of the Committee Staff.

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Chairman Russell. Well, members of the Committee, we have before us these three nominations. We will take them in the order in which they are ranked. The first is the nomination of John S. McCone of California to be Director of Central Intelligence Agency, vice Allen Welsh Dulles, resigned.

What is the pleasure of the Committee?

Senator Thurmond. I move he be confirmed.

Senator Bush. Second the motion.

Senator Beall. Second the motion.

Senator Case. Mr. Chairman, has Mr. McCone filed with the Committee the statement he promised?

Chairman Russell. Yes, sir. I have not seen the letter. He has filed a statement with respect to his holdings and assets. It is available to the Committee. We do not usually make them available. It is here in the Committee.

Senator Case. I just want to know if it had been done.

Chairman Russell. He did file it?

Mr. Darden. Yes, sir.

Senator Smith. Mr. Chairman?

Chairman Russell. Senator Smith.

Senator Smith. Mr. Chairman, all of the six prior directors of CIA have had training and experience in the field of intelligence, and in answer to a question of mine, Mr. McCone said he had had none. This disturbs me and disturbs

me greatly.

I can find no objection to his moral fitness for the position, and I am not going to vote against reporting his name out, the nomination out.

I would like the record, however, to carry that I do reserve the right to oppose him on the floor if that is what I decide to do.

Chairman Russell. That is your right, and it is always desirable for members of the Committee to do so if they feel they may change their minds.

Senator Symington. Did Vandenberg have any experience in intelligence, because he was bitterly opposed, and the only reason was that he had no experience in intelligence.

Senator Smith. The report came to me, I asked for a report on all of them, and it was that he was the only one who had no intelligence training.

Chairman Russell. Is there any further discussion of this nomination?

Senator Byrd of Virginia. I would like to know if there is any conflict of interest in the mind of anybody? I was not able to be here myself.

Chairman Russell. That is for each member to determine, Senator. I couldn't answer on behalf of the Committee. I do not see anything against him, but I can see how a person could feel there was. I do not. But I would not be critical of

anybody so feeling.

Senator Byrd of Virginia. Was there evidence before us of his holdings?

Chairman Russell. He has vast holdings.

Senator Byrd of Virginia. Would that come under the rules we have laid down?

Chairman Russell. If he were buying from the Standard Oil Company it would. But he has claimed he does not procure anything from them, therefore it does not disturb me. I am going to vote for him.

Senator Byrd of Virginia. Was that established on the record?

Chairman Russell. Yes, and he has a lot of other oil stock, all kinds of stocks.

Senator Byrd of Virginia. It is not a procurement agency.

Chairman Russell. No, he does not own any aircraft stocks.

Senator Bush. Oh, yes, aircraft.

Chairman Russell. Yes.

Senator Bush. Air Transport he has.

Chairman Russell. I know, but air manufacturing.

Senator Jackson. Procurement.

Senator Byrd of Virginia. But there is no conflict in question with respect to this position?

Chairman Russell. There is not any in my mind, Senator.

I am not undertaking to answer for any members of the Committee. Some questions were raised feeling there was, but there is no question in my mind.

Senator Byrd of Virginia. This does not call for procurement. I did not know that they did any procurement.

Chairman Russell. They have procured airplanes in the past. As a matter of fact, they bought the U-2.

Senator Stennis. Just a few and occasional ones.

Chairman Russell. I know. But I asked the question of him as to whether he owned any airplane manufacturing stock, and he said not.

Senator Byrd of Virginia. That would be the only conflict?

Chairman Russell. That is the only one I know of. I expect CIA buys pistols, S&W pistols.

Senator Case. Mr. Chairman, I asked several questions bearing on that matter, and, in the first place, we do not have the precise statute dealing with the CIA that you had with the Atomic Energy Commission where there is a specific prohibition against engaging in business, and so forth.

But the point which concerned me was whether or not his extensive interests in certain areas would affect his objectivity in directing the operations of CIA or the emphasis that he would give to the intelligence from certain areas.

Off the record.

(Discussion off the record.)

Senator Byrd of Virginia. There is no direct procurement?

Senator Case. So far as procurement is concerned.

Chairman Russell. I think it is well that you asked those questions, Senator Case, but I want to say this: It is inconceivable to me that any Director of Central Intelligence would operate anywhere without the direct consent and approval of the President of the United States. He would have to do that.

Senator Byrd of Virginia. I want it to be clear that there is no direct conflict of interest.

Chairman Russell. I know of none.

Senator Saltonstall. I know of none.

I would say this, Mr. Chairman, to the Senator's questions, that you have got to state that his objectivity for giving information would be affected by his ownership of stock in a certain company, and I think --

Chairman Russell. Objectivity in giving information, and neither withholding it or exaggerating it and giving it to the National Security Council.

Senator Saltonstall. That is what I tried to say.

Senator Case. Or conceiving of a covert operation as an application to be undertaken by CIA.

Senator Byrd of Virginia. I do not think he would do

anything like that.

Senator Case. I do not think he would intentionally. I thought, by raising the questions, I would sort of make him sensitive in that area.

Chairman Russell. I think it serves its purpose. I am certainly glad you asked it.

Is there any further discussion? If not, those of you who favor the nomination of Mr. McCone being reported favorably will raise their right hands.

(There was a showing of hands.)

Chairman Russell. Those opposed?

(No response.)

Chairman Russell. The nomination will be favorably reported.

NOMINATION OF FRED ~~A.~~ KORTH,
TO BE SECRETARY OF THE NAVY.

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Monday, January 22, 1962

Chairman Russell. The next nomination is that of Mr. Fred Korth to be Secretary of the Navy vice John B. Connally, resigned.

What is the conflict of interest concerning him, Senator Byrd? This fellow has cleaned himself up as much as anybody I have seen here. There is no question of conflict of interest.

Senator Byrd of Virginia. He had no stocks?

Chairman Russell. He is president of a corporation, but he sold his stock.

Is there any objection to the favorable reporting of the nomination of Mr. Korth?

Senator Stennis. I move he be reported favorably.

Chairman Russell. If there is no objection, the motion prevails that he be reported favorably.

NOMINATION OF NEIL E. HARLAN,
TO BE ASSISTANT SECRETARY OF THE AIR FORCE

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Monday, January 22, 1962

Chairman Russell. The next nomination is that of Neil E. Harlan of Massachusetts to be an Assistant Secretary of the Air Force, vice Lyle S. Garlock, resigned.

Senator Jackson. His portfolio is hardly much to even discuss. He is a poor Harvard boy.

Chairman Russell. He is a Harvard graduate and Harvard teacher. He brought it out right off the bat.

Senator Saltonstall. And he was a University of Arkansas graduate. Doesn't that ameliorate it?

Chairman Russell. If there is no objection, Mr. Harlan will be favorably reported.

(Whereupon, the Committee was adjourned at 12:40 o'clock, p.m.)

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