

was called as a witness because, as the Department of Justice said, Mr. Wenzell was employed by the Bureau of the Budget. Mr. Wenzell was the famous vice president of the First Boston Corp., a financial institution engaged in floating bonds and other securities; the famous vice president whose counsel before the committee, Mr. Arthur Dean, is now a leading member of the New York City law firm of Sullivan & Cromwell, of which the late John Foster Dulles was formerly the principal member.

WENZELL'S TWO HATS

Mr. Arthur Dean, counsel for Mr. Wenzell, testifying before our committee, acknowledged that Mr. Wenzell was wearing two hats, one hat that of the Bureau of the Budget, the other hat that of the First Boston Corp., which was apparently interested in securing a flotation of bonds and other securities.

The First Boston Corp. afterward disclaimed any interest in getting a fee out of this contract. The First Boston Corp. became worried by the situation which was developing; so they withdrew. Of course, it was well that they did, because the Government of the United States, by the order of the President of the United States, canceled the contract, in spite of the fact that the nominee for the position of Secretary of Commerce felt then, and feels now, that it was a sound contract.

I read the testimony of Budget Director Rowland Hughes, from page 1220 of the hearings of the subcommittee of the Committee on the Judiciary on the Dixon-Yates contract. This statement is very important. I shall read it deliberately, because it is the statement of the head of the Bureau of the Budget, appointed by President Eisenhower, telling what he knew. These are the words he used in talking about the contract:

"I did not know anything about this, of course. This came to me as a finished job by Messrs. Dodge and Strauss, to find the solution by providing a relief to the TVA of its power in the power demands, of the AEC power demands on TVA."

Of course, Mr. Hughes was talking under pressure, and some of his language is a little confused, but not this part. These words are clear. Even the editors of the newspapers who are clamoring to let the President have his own Secretary of Commerce, and that the Senate should waive its constitutional rights, to give its consent, should understand this language. Let them read it. Let the members of the Press Gallery take notice:

"I did not know anything about this, of course. This came to me as a finished job by Messrs. Dodge and Strauss."

Mr. Hughes was washing his hands clean of any participation in the preparation of this invalid contract; but Admiral Strauss is still proud of it, although the President asked him to cancel it.

Shall the Senate place the seal of its approval upon this man, who is still in government, and who Director of the Budget Hughes testified was one of the authors of the invalid contract? Mr. Dodge, the other author, was the original Director of the Bureau of the Budget under the present administration. Admiral Strauss undertook to initiate the attempt to have the Atomic Energy Commission produce, by a contract of this kind, electric energy for the Tennessee Valley