

have seen the transcript of the first hearing on the 24th of June. I have read these two documents.

Mr. JONES. Then you are familiar with the pertinent questions that were presented to the committee.

Dr. CAIN. I am, sir.

Mr. JONES. Would you like to accommodate the committee by going to the allegations and giving us your involvement and participation and discussions?

Dr. CAIN. If this is the way you would like me to proceed, I would be happy to do that, sir.

Mr. JONES. I will let you proceed in your own manner.

Dr. CAIN. May I first take up one matter which concerns me very deeply? I first encountered this question in reading an article in the Evening Star of the 25th of June with the byline of Brian Kelly in which I find a quotation from Mr. Saylor which was made with respect to the difference in price between the dry land that was purchased and the price paid the State for the acreage which would be acquired in case of fill. And this news article says, "very frankly, somebody is getting paid. It's just evident," Saylor also charged."

Now, I find on reading the transcript, page 47, June 24, that this is actually elaborated. And if I may, I would like to read a few sentences here. I will pick up in the middle of one sentence where it says:

There is no doubt about it that Assistant Secretary Cain, stupidly or not, told the truth when he said there must be some "political considerations."

Let us figure out what the political consideration has to be. It has to be somebody who is out to make a fast buck and who must have some connection with members of the Democratic Party.

And this goes on to say something about the dollar values of land. And then a subsequent sentence says, "and very frankly, somebody is getting paid. It is just that evident."

Now, in connection with this "fast buck" statement, I would like to say to this committee that no one with any connection with, no representative of, the Hoffman Associates or any other interests in the granting of this permit has ever, at any time, made any contact with me. And I find in this remark, whether intended or not, a reflection on my character. This is a statement I would like to make for the record.

In this connection I do feel that it would be useful for me to explain my use of the word "political" in one of the memorandums that I wrote. And I might say that when Mr. Indritz and another staff man visited me I volunteered copies to them of all the memorandums which were in my file, that is to say, the file in my office as Assistant Secretary. And I told them also that this was not a complete file, that a complete file existed in the Bureau. And I talked very freely to them.

Now, with respect to what I meant by using the word "political," I certainly did not mean political in the sense of political parties. There are many meanings to the word "political."

Mr. JONES. Yes, unfortunately there are.

Dr. CAIN. I do not think that I need to quote the dictionary to you gentlemen. But I did look it up last night, and I found at least eight meanings, only one of which referred to parties. So that is what I had in mind when in my memorandum I used the word, "political." As Mr. Saylor used the word "political" in the quote I just gave you, it has a different kind of meaning.