

The attached memorandum advises that the bill for recomputation of Foreign Service annuities will probably not be acted on this session. It further states the President has merely indicated general approval of some increase for military retirees but a favorable report on approximately 75 bills to this effect is bogged down in the Bureau of the Budget and no action is expected this session.

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JOHN S. WARNER
Legislative Counsel

21 August 1959
(DATE)

Executive Registry
11-9131

9 SEP 1959

21 August 1959

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Status of S. 1502

1. This memorandum is for information only.
2. Subject bill which was introduced by Senator Sparkman directs recomputation on an automatic basis when salaries of Foreign Service officers are increased, the annuities payable to retired Foreign Service officers or their dependents so that all officers of the same class, grade and years of service would receive the same annuity. Hearings were held on this bill in July but it has not yet been reported out of the Subcommittee. It is unlikely that any action will be taken this year. Also, the Administration opposes the bill as such although it would not object to a flat percentage increase in annuities in view of salary increases in the meantime.
3. The statements in THE DACOR BULLETIN, which is returned herewith, are far too optimistic both as to timing and eventual passage of the bill in its present form based on the information we have been able to secure.
4. It is true that the President has indicated general concurrence in an adjustment paid to military retirees. The facts are that approximately 75 bills have been introduced to permit recomputation of annuities to retired military officers based on the Cordiner Pay Increase of 1958. In that law for the first time retirees did not have their annuities recomputed on the basis of the new active duty pay, thus breaking with

the precedent of the past. To say that passage of these bills would constitute precedent for the Foreign Service, as THE DACOR BULLETIN states, seems to strain the matter a bit. While the President may have looked with favor on an increase in retired pay, nevertheless the Bureau of the Budget has yet to clear a favorable report by Department of Defense on these bills. It would be just as logical to argue that Civil Service retirement annuities should be recomputed when legislative increases occur based on the precedent previously established in the military service. Foreign Service and Civil Service have never had such recomputations. The adjustments in the past have been based on flat percentage figures with modest maximums.

5. Attached for possible interest are the hearings on S. 1502 beginning on page 167.

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JOHN S. WARNER
Legislative Counsel

Attachments - 3
DACOR BULLETIN
S. 1502
Hearings on S. 1502

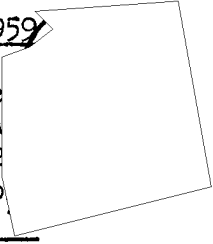
Mr Warner
What is status of this

THE DACOR BULLETIN

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Legislative Committee

The hearing on S-1502 - Senator Sparkman's bill to alter the base of annuities - took place on July 15, 1959, before the Sub-committee of the Senate Foreign Relations Committee. Senator Green was in the Chair and the other Senators present were Senator Sparkman and Senator Mansfield, who is Chairman of the Sub-committee. Those who testified were: Loy W. Henderson, Deputy Under Secretary of State for Administration; Richard Fyfe Boyce; Mrs. Ruth B. Shipley; Robert L. Buell; and Mrs. Charles C. Broy. Senator Sparkman read a strong statement in support of his bill as well as a statement by Mrs. Carol H. Foster.

Mr. Peyton Ford, our Legal Counsel, stated after the hearing concluded, that he was pleased with the hearing and that he will press for as rapid action as possible on the bill.

The Washington press recently reported that the President has agreed to an adjustment in annuities paid to Army and Navy retirees which, if correct, would establish a precedent that it would be difficult not to accord to retired Foreign Service Officers and their widows. Senator Sparkman concurs in this view and is hopeful that we should get much of what we seek before the adjournment of the present session of Congress.

The cooperation of Dacorians has been helpful and is much appreciated.

Placement Committee Chairman Reports on Activities

The committee during the past nine months was able directly to assist 64 members, in most cases by referring prospective employers to biographic material or by calling specific job opportunities to the attention of individual members.

Direct assistance was not possible in 18 other instances, usually because: 1) Registration forms were filed recently; 2) job objectives were not clearly defined; and 3) registered members in a few cases were not available for employment.

Biographies of most of the 82 listed members were referred to two or more prospective employers in each case. Each of 13 members had his biography referred to five or more prospective employers.

Direct contact with employers produced better results than other placement activities. Details follow:

<u>Ordinary placement activities:</u>	<u>Number of referrals a/</u>	<u>Jobs logged</u>	<u>Members placed</u>
Direct contact			
Administrative-executive	26	7	1
Consultative	15	4	2
Educational (teaching; lectures)	8	2	1
Public relations	2	5	-
General assistance (group research; educational; travel; economic studies; UN and ICA; industries; speaking)	147		
Total	198		
<u>Special activities:</u>		<u>Number</u>	
Mail advertising campaign			
Letters sent		200	
Replies received		39	
Action taken (biographies or summaries sent)		12	
Canvass of research organizations			
Letters sent		10	
Replies (none called for action)		4	

a/ Referrals were effected by sending rosters and biographic material to prospective employers, or by communicating directly with members believed qualified for specific jobs. Dacor members also were reached through publication of appropriate notices of job opportunities in the Dacor Bulletin.

Ellis M. Goodwin
Chairman, Placement Committee

Dacorians Form Consultative Organization

The Placement Committee has been in close contact with a new organization founded by Dacorians to be known as International Development Research Services. The new company at an early date expects to canvass Retired Foreign Service Officers to ascertain possible interest on the part of individuals in becoming associated with the new organization.

The Committee assumes that a number of the 80 Dacorians now registered for placement will wish to explore possibilities of association with International Development Research Services, and that some members not already registered for placement may be prepared to join the new organization. The new company hopes that it may be able, as it expands, to provide useful employment for Dacorians on a salary or fee basis.

Dacorians interested in association with International Development Research Services are invited to address inquiries to the company at 1005 - 13th Street, Washington 5, D.C.

International Development Research Services will endeavor to bring into existence a consultative organization, and other activities, staffed largely by retired Foreign Service specialists, and designed along the lines of the organization described in a letter by the late Philip H. Bagby which was published in the Foreign Service Journal for August, 1958.

While the new enterprise is entirely separate from Dacor, it is being organized by Dacorians, and it owes its origin to Mr. Bagby and to other Dacorians who since 1953 have worked on the project. The new organization promises to supply an outlet for useful employment of the unique talents of our Foreign Service specialists.

Television Committee Chairman Reappointed

President Tittmann reappointed Mrs. Katherine R. Boyce as Chairman of the Television Committee.

Dacor House Rooms Are In Demand

Members and guests staying at Dacor House during July included Ambassador and Mrs. Francis H. Russell, and daughter, Miss Alice Russell, Mr. and Mrs. Earl L. Packer, Mrs. George E. Miller and sons, George and Henry Miller, Mr. and Mrs. John F. Carter, Ridgeway B. Knight, Donald N. Wilber, Mr. and Mrs. Harris R. Hungerford, Charles F. Knox, Mr. and Mrs. Rudolph E. Hirsch, Ambassador Harold B. Minor, W. J. Jones, and Mr. and Mrs. Russell Barron and sons, Russell, Jr., George, and David Barron.

Dacor House Preparing For Autumn Activities

The House Committee is busy in improving Dacor House in time for the opening of a full program this autumn.

In addition to the renovation of the dining room announced last month, the main hall and stairways are being carpeted and a large refrigerator installed to take care of increased demands on the dining room.

The program will center around the Sunday evening buffet suppers, the lecture series, and Thursday night bridge.

Contributions Continue

Contributions in addition to those listed in the July Bulletin are acknowledged with appreciation from A. Bland Calder, Carmel, California, Henry S. Waterman, San Francisco, California, for Dacor, Inc.; Dr. A. Rex Johnson, Washington, D.C., for Dacor House; and Robert D. McMillen, Washington, D.C. for Dacor, Inc. and Dacor House.

Payment of Delinquent Dacor Dues Urged

One hundred thirteen members of Dacor, Inc. are in arrears in their dues for the calendar year 1959 and previous periods.

It is understandable that some of these members may have been traveling or changed their addresses and may not have received statements mailed in January. Others may not have realized that dues are based on a calendar year, payable January 1. A few could have confused Dacor House dues with those of Dacor, Inc. Most probably just overlooked it.

In any case, as the officers and various committees are making every effort to improve the organization and services, it would be appreciated if the members in arrears would give their support by forwarding the dues indicated on statements recently mailed to them.

Thirty-four of the members in arrears have policies under Dacor's Cooperative Insurance Plan. They should give this matter special attention, for claims against these policies are paid only to Dacor members in good standing.

PERSONALS

WILLIAM E. DUNN has resigned as Director of the Inter-American School Service due primarily to health reasons. He became Director in 1953, with a background of more than 40 years educational, diplomatic, and business activity in Latin America. Dr. Dunn is a member of the Board of Governors of Dacor and until recently was Chairman of the Placement Committee.

JOHN BRAYTON REDECKER AND MISS INGRID CORINTH were married at Greenwich, Connecticut on June 29. The bride is the daughter of Mrs. Horst Corinth, of Berlin, Germany and the late Dr. Corinth. The bridegroom is the son of former Consul General and Mrs. Sydney Brayton Redecker and great grandson of the late Chief Justice and Mrs. George Arnold Brayton of Rhode Island. He graduated from Williams College, class of 1955, and subsequently from the United States Navy Officers Candidate School in Newport, and will shortly resume his duties as Lieutenant, j.g. with the American Mission in Berlin.

RICHARD FYFE BOYCE recently returned from a four months' business trip in South America for the Philco Corporation and has taken up his duties as Secretary of Dacor.

FRANK A. SCHULER, JR., Chicago, has been appointed Director of Public Relations of the Chicago and Eastern Illinois Railroad.

MRS. PAUL S. GUINN, Executive Secretary of Dacor, is back from two months' vacation in Europe. Mr. Guinn, a member of the Dacor Placement Committee, having passed the Virginia Real Estate examination, has joined a firm specializing in properties in the northern Virginia area adjacent to Washington.

AMBASSADOR AND MRS. AMOS J. PEASLEE had a reunion of all members of his staff and their families who had served with him in Australia and are now in the area. The reunion took place at the Peaslees' summer place at Mantoloking, New Jersey over the week-end of July 17. Among those present were Dacorians Arthur B. Emmons III and Robert G. Cleveland, with wives and children; Mr. and Mrs. Stephen Winship; Mr. and Mrs. Gerald Warner; Mr. and Mrs. Herbert F. Propps; Mr. and Mrs. Givon Parsons and Mr. and Mrs. Douglass K. Ballentine. There were seventeen Foreign Service children in the party.

IN MEMORIAM

JOHN CORRIGAN passed away on July 6th, at the age of 80, at Durban, South Africa, where he has resided since his retirement as Consul in 1943. He was born at Atlanta, Georgia, in 1878, and was with the U. S. Army, 1917-1919, serving as Captain overseas. Prior to his military service Mr. Corrigan was Washington correspondent for the Atlanta Constitution for many years and later was manager for the paper's Washington Bureau. He was one of the founders of the Washington Press Club. His consular posts included Havre, Cherbourg, Dublin, Smyrna, Venice and Durban. Mr. Corrigan has been ill for several years, spending the last two in King George V Hospital, Dormer P. O., Natal, South Africa. Friends in DACOR have kept in touch with him through letters, cards, and occasional books, and he, in turn, has written or sent messages through Mrs. Corrigan to let his former colleagues

know of his deep interest in his country's affairs and in the news from DACOR concerning his former associates. He never lost the light Irish air he inherited from his forebears which made his writings so enjoyable, and which combined with his Georgia birthright made him a fine, true representative of America, cast in the gracious mold of the old South. He is survived by his widow, residing in Durban, and by his sister, Miss Regina Corrigan, of Atlanta, Georgia.

(Ruth B. Shipley)

IN MEMORIAM

HENRY PRATHER FLETCHER died July 10 at the age of 86 at his summer home at Newport, Rhode Island. A native of Greencastle, Pennsylvania, he volunteered early in his legal career as a private in the Spanish-American War in the First Cavalry Volunteers -- the Roosevelt Rough Riders. Later he was commissioned a First Lieutenant and served two years in the Philippines. He entered the Diplomatic Service in 1902 and served with high distinction for nearly thirty years under six presidents in many important posts, including Minister to Chile, 1909, Ambassador to Chile, 1914; Ambassador to Mexico 1916, Under Secretary of State, 1921, Ambassador to Belgium, 1922, and to Italy. 1924, from which he resigned in 1929. He was later Chairman of the United States Tariff Commission until he entered private life to be Chairman of the Republican National Committee. Mr. Fletcher had a reputation for humor and quick wit that served him well in diplomacy and politics, and won for him many friends over the world. He is survived by a brother, J. Gilmore Fletcher, Manor, Pennsylvania, and two sisters, Mrs. Mary Fletcher Martin and Mrs. Florence Fletcher Bitner, both of Greencastle, Pennsylvania. Mr. Fletcher's wife, the former Beatrice Bend died in 1941.

Mr. Fletcher belonged to "The Family", the original group at 1718 H Street, which in 1950 became Dacor House.

(Ruth B. Shipley)

IN MEMORIAM

ADMIRAL WILLIAM D. LEAHY, former Chief of Naval Operations, Governor of Puerto Rico, Ambassador to the Vichy Government in France, and Chief of Staff to Presidents Roosevelt and Truman during World War II, died July 20 at Bethesda Naval Hospital. He was 84 years of age.

DACOR GROUP INSURANCE

Seventh Anniversary Announcement

ADDITIONAL HOSPITAL BENEFITS AVAILABLE UNDER PLAN 1 - EXTRA

Many Dacorians need more health insurance because the cost of sickness and accidents is rising faster than other items in the cost of living indices. When most of us retired, hospital room and board cost \$12 a day in Washington but now ranges from \$21 to \$28. In other states it has risen to \$40 and is expected soon to reach \$50 a day.

In response to many questions from members, new insurance plans were announced in the April and July Bulletins. An additional plan is now submitted to supplement Plan 1 - Hospitalization and Surgery.

Benefits - \$5 daily for hospital room and board.
\$50 additional miscellaneous for hospital expenses.

Eligibles - Those insured under Plan 1 and new applicants for Plan 1.

- ADVANTAGES:
1. Members accepted regardless of physical condition.
 2. Premiums cannot be increased because of age and Protection cannot be cancelled or ridered by insuring Company as long as you remain a member of DACOR and this Coop Group is continued.
 3. Benefits payable for up to 90 days for each illness or injury, in addition to any amounts collected under other policies.
 4. No Enrollment Fee.

<u>PREMIUMS:</u>	<u>QUARTERLY</u>		<u>ANNUALLY</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Before 66th Birthday	\$4.80	\$6.30	\$19.20	\$25.20
Age 66 to 75 Inc.	7.20	9.30	28.80	37.20
One child under 18	2.70	2.70	10.80	10.80
Two or more children (under 18)	5.40	5.40	21.60	21.60

This special offer is open to September 1, 1959 only. If less than 75 apply, premiums will be refunded.

Original Group Insurance Available To All Members During August

It includes Hospitalization and Surgery, and Disability-Medical. Members who did not take advantage of this protection when they joined Dacor can obtain the same protection as those already insured and for the same premiums. Those who have only one policy can now obtain the other for themselves if they apply before September 1, 1959, and for their wives, children and members of their families as well.