

Date : 07/28/95

Page : 1

JFK ASSASSINATION SYSTEM
IDENTIFICATION FORM-----
AGENCY INFORMATION

AGENCY : SSCSGO
RECORD NUMBER : 157-10014-10007
RECORDS SERIES : HEARINGS
AGENCY FILE NUMBER : 01-H-07

CIA HAS NO OBJECTION TO
DECLASSIFICATION AND/OR
RELEASE OF CIA INFORMATION
IN THIS DOCUMENT AS SANITIZED

CAB/wh, 6/3/98

DOCUMENT INFORMATION

ORIGINATOR : SSCSGO
FROM : ANGLETON, JAMES
TO :
TITLE :
DATE : 09/17/75
PAGES : 124
SUBJECTS : ANGLETON, JAMES

CIA

HTLINGUAL

LAW ENFORCEMENT, MAIL INTERCEPTIONS

DOCUMENT TYPE : TRANSCRIPT
CLASSIFICATION : TOP SECRET
RESTRICTIONS : REFERRED
CURRENT STATUS : POSTPONED IN FULL
DATE OF LAST REVIEW : 06/25/97
OPENING CRITERIA :
COMMENTS : Box 1

see
redacted
version

[R] - ITEM IS RESTRICTED

~~TOP SECRET~~

ORIGINAL

Vol. 1 OF 3

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject
to Criminal Sanctions

The United States Senate R1218

Report of Proceedings

INVENTORIED

DN 2/15/77

BY BC

Hearing held before

Senate Select Committee to Study Governmental
Operations With Respect to Intelligence Activities

Wednesday, September 17, 1975

Washington, D. C.

(Stenotype Tape and Waste turned over
to the Committee for destruction)

WARD & PAUL

410 FIRST STREET, S. E.
WASHINGTON, D. C. 20003

(202) 544-6000

~~TOP SECRET~~

76000011135

AMT

Phone (Area 202) 544-6000

7600011136

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

A

C O N T E N T S

1		
2	<u>TESTIMONY OF</u>	<u>PAGE</u>
3	James Angleton	4
4		
5		
6	<u>EXHIBIT</u>	<u>EXHIBITS</u>
7	No. 1	<u>FOR IDENTIFICATION</u>
8	No. 2	8
9	No. 3	30
10	No. 4	40
11	No. 5	51
12	No. 6	60
13	No. 7	62
14	No. 8	63
15	No. 9	70
16	No. 10a	74
17	No. 10b	
18	No. 10c	
19	No. 11	
20	No. 12	
21		
22		
23		
24		
25		

TOP SECRET

WARD/sml
t. 1
Angleton

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 3 3 ?
WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1

STAFF INTERVIEW

- - -

Wednesday, September 17, 1975

- - -

United States Senate,
Select Committee to Study Governmental
Operations With Respect to
Governmental Activities,
Washington, D. C.

The Committee met, pursuant to notice, at 2:10 o'clock
p.m., in Room 608, The Carroll Arms.

Staff: Paul Wallach and James Dick, Professional Staff
Members.

- - -

TOP SECRET

2

TOP SECRET

2

P R O C E E D I N G S

1 Mr. Wallach. Mr. Angleton, on behalf of the Committee,
2 let me express our appreciation on the record for your coming
3 back again. As you recall, I was present for a portion of the
4 testimony that you gave to Mr. Johnson on the Houston Plan, and
5 I still think for this session that the oath that was applied
6 at that time would still pertain.
7

8 Do you understand that you are still under oath?

9 Mr. Angleton. I don't know. You know the regulations.

10 Mr. Wallach. In any event, you at that time were also
11 given then, you were advised of your rights to counsel, etc.

12 I take it, once again, by the fact that you have come without
13 counsel, that you have taken to waive that right.

14 Is that right?

15 Mr. Angleton. That's right.

16 Mr. Wallach. The subject matter that we'll be discussing
17 here today primarily focuses upon the New York mail intercept
18 program that was run by the CIA for approximately 20 years.

19 I realize you've already given some testimony on this,
20 both for the record, for the Commission, and briefly touched upon
21 it as a sidelight to Mr. Johnston's examination, and I will try as
22 best I can not to be repetitive. I, of course, have access
23 to the Rockefeller material and have read it, and we will try
24 again not to cover the same ground except insofar as I would like
25 to hit upon certain specifics that I don't believe we've gone

TOP SECRET

Phone (Area 202) 544-5300

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

3

TOP SECRET

3

1 into.

2 I also have some documents here I would like to show you
3 in varying degrees that will have to be read, and I think we can
4 take them one at a time, and you will be given an adequate chance
5 to read them, and should we reach a determination it is necessary
6 to do so, the minute there are any questions on them, we can
7 do that for each document.

8 Mr. Angleton, do you recall when you became aware that there
9 was a mail intercept project in New York City?

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7600011139

4
TOP SECRET

1 TESTIMONY OF JAMES ANGLETON -- Resumed

2 Mr. Angleton. I don't know the date, but I assume that I
3 learned of it through Herman Horton, who was my Deputy in 1954.

4 Mr. Wallach. At that time it was being run by the Office
5 of Security, is that correct?

6 Mr. Angleton. That's right.

7 Mr. Wallach. Did there come a point in time when the
8 operation was taken over, at least the substantive parts of the
9 operations as compared to the procedural and mechanical aspects
10 of gathering together and intercepting the mail, that this was
11 taken over by the CIA staff?

12 Mr. Angleton. That's right.

13 Mr. Wallach. When was that, sir?

14 Mr. Angleton. Well, there is a chrono on this entire
15 thing. I think the best chrono is this report, if I can find
16 it in the Rockefeller Commission. '55, I believe, at the time.

17 Mr. Wallach. Is the document you are looking at now the
18 attachment, prepared for the Rockefeller Commission and submitted
19 the day you testified there?

20 Mr. Angleton. That's right.

21 The time was 1955.

22 Mr. Wallach. Given that approximate time, Mr. Angleton,
23 do you recall how the decision was reached that CIA staff would
24 take over the project?

25 Mr. Angleton. Well, I think there was a question, I think

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

5

5

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 1 1 1 1

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 there were a number of matters involved here. I think one of
2 them was that security was undergoing some kind of freeze.
3 Second, I believe the Division wanted out. I think there were
4 a combination of factors which led to the feeling on the part
5 of many that the program would be discontinued for lack of
6 funding and personnel. The other point is that Mr. Horton
7 had very close relationships with the Office of Security and
8 I assume they went to him on it because even though there is a
9 memorandum by DiSilva to the effect that the project was not
10 to be used for counterintelligence purposes, that is very
11 unrealistic, because Mr. Timm, who put up the project, was
12 himself a counterintelligence officer. He had been formerly
13 FBI, and then he was OSS counterintelligence during the war,
14 in fact his whole career was in a professional sense in counter-
15 intelligence. And I don't feel that the thrust of it was
16 entirely positive intelligence in his mind.

17 I knew him extremely well.

18 Further, there was, which I have not seen reflected in
19 the papers I have read, the security was very much involved
20 operationally in terms of penetration of the Agency in
21 security cases, and this goes back to the post-OSS period,
22 at least after the war when I was abroad, and there were a lot
23 of hearings on penetration of OSS, and this was supported by
24 some very highly sensitive documentation, Soviet in nature, to
25 the extent of penetration and security were charged with this

TOP SECRET

6 TOP SECRET 6

1 problem of trying to clean out the combination of Communist
2 Party members, probably Soviet intelligence, and also known
3 homosexuals which also were in the counter-intelligence side.

4 So, I think that what the record does not reflect is that
5 there were very strong counter-intelligence stressed by the
6 very people who, in a sense, played a part in the originating
7 of the entire program.

8 And I find that conflict with, as I say, DiSilva or Doran,
9 *Dana Duzand?* Dan Doran, or he stated or made some comment that it should
10 not be a -- it was not for counter-intelligence purposes, that
11 it was entirely misleading.

12 And in the penetration part of it, of the problems con-
13 fronting security, Mr. Horton had much to do with that as well
14 as Mr. O'Neal. In other words, there was a very firm
15 relationship going back into all of the other kinds of cases.

16 Mr. Wallach. I'm not entirely sure I understand, when
17 you talk about the Office of Security at that time probably
18 continually being occupied with penetration, how that would
19 affect their handling the project. Are you talking strictly
20 about manpower, because it is my understanding that project
21 still took up a heck of a lot of time for the Office of
22 Security in terms of manpower.

23 Are you talking about manpower down at Headquarters?

24 Mr. Angleton. No. I only saw and noticed the effect that
25 in one of Herman's memos which he drafted, he talked about the

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7
TOP SECRET

1 freeze in Security, the fact that Security were hamstrung for
2 personnel, etc, and starting out in '55, the staff having been
3 pulled together in '54, we did have a lot of slots and we had
4 a lot of latitude, that it would be very natural in terms of
5 the associations for someone to put up to the staff for taking
6 away the project.

7 Mr. Wallach. This might be kind of a hypothetical that I'm
8 going to pose, but if you really don't feel that you can give an
9 answer on it, just let me know.

10 For example, if Security had continued with the project,
11 would they have had the expertise to really do anything with it
12 besides really straight, positive intelligence? I think you may
13 have suggested that, that there was sort of a natural gravitation
14 to CI staff once it developed.

15 Mr. Angleton. Yes, I think there was a natural gravitation.
16 I think the Security's interest, they would have been able to
17 handle, but it would have been a very small slice of the project.
18 In other words, theirs would have only been personnel, and then,
19 in correspondence within Agency people, and Soviet units and
20 so on.

21 Mr. Wallach. I would like at this time, Mr. Angleton, to
22 show you a document that I will just ask the Reporter to subse-
23 quently mark as Angleton Exhibit 1 for identification of
24 this date. It is --, I am not actually sure whether it is
25 one memorandum -- I'm sorry, there is an attachment that shouldn't

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

8

TOP SECRET

8

1 be -- it is one memorandum in a couple of different sections,
2 some 16 pages, dated November 7, 1955, on HTLINGUAL. I think
3 that is a sufficient identification, and I'll ask you just to
4 take a quick look at that.

(The document referred to was
marked Angleton Exhibit No. 1
for identification.)

(Angleton Exhibit No. 1 will
be found in the files of the
Committee.)

Phone (Area 202) 544-6000

7600011144

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

9
TOP SECRET

1 Mr. Angleton. I have seen this. It is a fairly involved
2 memo.

3 Mr. Wallach. The reason I said not to look at it thoroughly
4 is there are a lot of facts and figures that we'll be going into,
5 but do take a look at it.

6 Mr. Angleton. Well, if you want to call my attention to
7 any specifics in it.

8 Mr. Wallach. Well, just take a quick look through and I'll
9 call your attention to a couple of specifics.

10 My first question was going to be whether or not you
11 recall this before. In fact, there is some handwriting on I
12 guess the third page and fourth page, and I wonder if that is
13 yours.

14 Mr. Angleton. No. No, I don't recognize it. It might have
15 been *Bird* Bert O'Neal's. I'm not sure.

16 Mr. Wallach. But in any event, you believe you at least
17 saw this document at some point in time.

18 Mr. Angleton. I have seen it, certainly after, you know,
19 recently, but this is apparently a draft, is it not? It is a
20 draft document?

21 Mr. Wallach. Does it say that on it? Why do you say
22 apparently?

23 Mr. Angleton. Well, it wouldn't be a document with all
24 of these corrections on it.

25 Mr. Wallach. We are unable to determine if we got it from

TOP SECRET

Phone (Area 202) 544-6000

11145

WARD & PAUL

76000

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

Phone (Area 202) 544-6000

7600011146

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 an individual's file or not, or if someone just may have made
2 comments on it or crossed things out after they received it.

3 Mr. Angleton. No, no. This thing looks as though it had
4 gone from one party to another.

5 Mr. Wallach. I agree. For example, on page 6 there are
6 portions crossed out and additions made.

7 Mr. Angleton. It looks very much like a paper that was
8 run through a staffing process.

9 Mr. Wallach. In any event, we haven't found a final
10 version, if there is one. So this is all we have to work from
11 at this time.

12 I don't think I'll have any questions on the portions that
13 are crossed out or handwritten in.

14 Mr. Angleton. The language is very much like O'Neal's.
15 Every "i" is dotted and every "t" is crossed.

16 Mr. Wallach. When the project was taken over by CI staff,
17 was it then a mail opening project or was it just a mail inter-
18 cept, mail cover project?

19 Mr. Angleton. Well, I really don't know. It could have been
20 both. It could have been in the process of changing, but I had
21 a feeling that openings had been taking place before.

22 But the paragraph 5 which I am looking at now --

23 (Pause)

24 Although on page 3 there is the line to the effect that
25 under the conditions existing now, our personnel are getting

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600001147

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 access, etc., for exterior examination. It is possible,
2 discretely to gain exclusive access to the contents of a limited
3 number of selected communications, and I think that seems to
4 be at variance with some other paper I have also seen.

5 I thought an earlier part, that openings were taking place.

6 Mr. Wallach. Are the documents you're looking at now
7 copies of documents that went into the Rockefeller Commission?

8 Mr. Angleton. No. I got it from a fellow. I haven't
9 examined it.

10 Mr. Wallach. From whom?

11 Mr. Angleton. From the project -- no, not the project
12 but one of the men who's still back on the staff.

13 Mr. Wallach. Mr. Tsikerdanos?

14 Mr. Angleton. Yes.

15 (Pause)

16 Mr. Wallach. While Mr. Angleton is looking through the
17 documents I would like to explain, going a bit into the
18 Rockefeller Commission, that there is some question as to
19 whether or not there was ever explicit authorization in terms
20 of switching from a mail intercept, mail cover to a mail
21 opening project.

22 Mr. Angleton. I understand the question.

23 Mr. Wallach. But I think a couple of later documents
24 suggest that -- well, I will let Mr. Angleton finish looking
25 through the documents that he has.

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600091143

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. Well, I just want to see if I can see this
2 to find anything --

3 (Pause)

4 Mr. Wallach. In one of the documents there is reference
5 to the fact that openings have been going on for some time. I
6 think that is a year after this document, I think it is a '56
7 document that that is in.

8 Mr. Angleton. Well, this is so repetitious that --

9 (Pause)

10 In '53, December, they are discussing this, saying we
11 now wish to carry out the second step of this arrangement, and
12 that is to photograph the fronts and backs of first class mail.

13 Mr. Wallach. I think the first step there just might have
14 been a survey to see how much mail came in and out.

15 Are those documents entirely related to the New York
16 project, Mr. Angleton?

17 Mr. Angleton. Either that or collateral.

18 Mr. Wallach. Do you have any objection to letting us take
19 a look at them?

20 Mr. Angleton. Well, I would rather leave that to the
21 Agency. I was supposed to see the General Counsel and I have not
22 been able to get a hold of him.

23 Mr. Wallach. I don't understand what seeing the General
24 Counsel --

25 Mr. Angleton. Well, I mean, I was supposed to get the

TOP SECRET

13

TOP SECRET

13

1 guidelines for appearing here.

2 Mr. Wallach. You mean even before your appearance last
3 week?

4 Mr. Angleton. Yes. And they were all tied up.

5 Mr. Wallach. I just think for the purposes of examination
6 I would like to go on your memory. You have been over the
7 subject before.

8 Mr. Angleton. I mean, I don't recall the first time they
9 were actually opened, whether it was with us. I was under the
10 impression that there had been something going on in the opening,
11 but there wasn't very much because there wasn't much personnel
12 and they didn't have the people to process. In other words,
13 that is my impression, that there had been opening. In November
14 of '55 there is a statement that the only added function that
15 would be formed by Security in the new project is that more
16 letters will be opened, the implication being that letters were
17 being opened.

18 They are presently able to open only a very limited number.
19 Under the new setup, with full time employees, Security will
20 be able to obtain the addressor, addressees and total correspon-
21 dence against approximately 75 percent at the present time.

22 So, I mean, if that sentence is correct, then it means
23 that the letters were being opened, and that the only thing,
24 one of the changes would be that more letters would be
25 opened.

TOP SECRET

ant

TOP SECRET

14

1 Mr. Wallach. I think you'll find the documents do not
2 pin down a specific date for the authorization of the actual
3 beginning of the project. I think it may, in fact, have
4 happened -- the interceptors may have begun to do it themselves
5 and then the Agency responding, it says, well, it looks like
6 we can do it. But I was wondering what your actual recollection
7 was. I realize it's twenty-odd years ago.

8 Mr. Angleton. Well, it isn't quite that. I mean, I take
9 full responsibility for everything, but I really didn't spend
10 that much time in this business, and what I am really trying
11 to say is Mr. Horton, who was my Deputy, was the one who
12 detailed, go through all of this negotiating, and so on.

13 Mr. Wallach. I'd just like to make it clear that I'm
14 not really here to assess responsibility or anything like that.
15 All I'm trying to do is get your memory as to --

16 Mr. Angleton. Well, I mean my point being that almost
17 everything I know about the origins of the mail have been from
18 December of last year on in terms of going back through all
19 these little papers.

20 Mr. Wallach. In other words, aside from your review of
21 the documents of December on, you really have no independent
22 recollection of that time period?

23 Mr. Angleton. No. My impression is that the documents
24 were being opened, but on a very small scale, due to personnel
25 and due to the procedural set up. They didn't have the

TOP SECRET

Phone (Area 202) 544-6000

760001150

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

310 First Street, S.E., Washington, D.C. 20003

15

24 But in any event, do you see the 12,000 I'm referring
25 to?

TOP SECRET

TOP SECRET

16

Phone (Area 202) 544-6000

7620011132

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. Yes, I do.

2 Unless that was supposed to take up all the mail that had
3 ever been opened prior to that, I don't know. Because it's
4 not responsive to the 1, 2, 3, 4, 5 up above.

5 Mr. Wallach. Well, I don't think there's any explanation
6 as to what that figure means.

7 Mr. Angleton. I can find out, because I talked to Mrs.
8 Matzen last night, and she has her fingertips on practically
9 everything on the project.

10 Mr. Wallach. That is Elana Matzen?

11 Mr. Angleton. Yes.

12 Mr. Wallach. Well, why don't we go back through this
13 document at hand, and for the time being, forego this question?

14 Mr. Angleton. All right.

15 (Pause)

16 I think I can finally answer to that, I would think,
17 without any trouble from her. Has she been asked the question?

18 Mr. Wallach. No, I don't believe she has.

19 Mr. Angleton. And the other person who would know would
20 be Scotty Miler.

21 Mr. Wallach. What was Scotty Miler's position at this
22 time, as of 1955, do you recall?

23 Mr. Angleton. If I recall correctly, he was working with
24 Bertram O'Neal on Special Investigations, which was a unit
25 closely tied in with the Office of Security.

TOP SECRET

TOP SECRET

17

1 The primary task was the penetration of the Agency and
2 the government and historical penetration cases are recruitment
3 of U.S. officials in positions, code clerks. It had a very
4 tight filing system of its own, and it was the only component
5 in the counterintelligence that had access to the security
6 files and the personnel maintained by the Office of Security.
7 And he was either the Deputy or one of the principal officers
8 with O'Neal.

9 Mr. Wallach. I realize that in your testimony before the
10 Rockefeller Commission and in your paper that you prepared for
11 the meeting, it was extensively discussed, I guess the conditions
12 that existed at the time, the Cold War conditions, suspected
13 penetration of the Agency, and other things, and I think that
14 will come out clear. I think it's quite important in focusing
15 on the beginnings of the operation, as you explained, and I
16 don't want to lose sight of that in turning to this memorandum,
17 but for example -- and again, I'm only asking if there were
18 discussions that you remember -- this memorandum, for example,
19 on the first page in Section 3, under "Situations," says:
20 "There's no overt authorized legal censorship or monitoring of
21 first-class mails which enter, depart or transit the United
22 States at the present time."

23 Mr. Angleton. Which memorandum? Is this one I looked
24 at?

25 Mr. Wallach. This is one you looked at.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

76700011153

TOP SECRET

18

1 Mr. Angleton. All right, in try

2 Mr. Wallach. And all I'm trying to get from you is if
3 you recall any discussions at that time as to whether -- about
4 the subject and about the fact that there is no legal monitoring.
5 By that, I take it they mean opening or showing, whatever they
6 mean by monitoring the mails.

7 Do you recall discussions about the legality, or even
8 entering into this?

9 Mr. Angleton. Well, I read a lot about this since, but
10 I don't think I ever participated in any of the meetings dealing
11 with that problem.

12 Mr. Wallach. You say you read about discussions?

13 Mr. Angleton. I read about it since. I mean, I read all
14 of these papers which go into the whole legal business.

15 Mr. Wallach. But I, from reading the documents that we
16 have, and the Agency, has told me for all intents and purposes
17 that is what they have. I do not see any papers which reflect
18 discussions in the '50's on the legality or illegality.

19 Mr. Angleton. Well, doesn't that --

20 Mr. Wallach. This one does, but it doesn't set forth any
21 discussion. It is just a fact that seems to be stated. It does
22 not permit it at this time.

23 I was wondering if you recall any discussions about that
24 at all.

25 Mr. Angleton. Well I mean there were discussions leading

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

19

1 up to Helms and the Director going to the Postmaster General
2 and all of that.

3 Mr. Wallach. That was in 1971.

4 Mr. Angleton. Well, they went much earlier than that.
5 I mean, back in the '50's.

6 Mr. Wallach. Well, Mr. Dulles did go to Mr. Helms, I
7 think back in '54 to meet with the then-Postmaster General,
8 but I don't think the record shows that the Postmaster General
9 was briefed on the fact that there was going to be any mail
10 openings.

11 Mr. Angleton. I mean, to me, I think there was a lot of
12 dispute on whether he was briefed about it.

13 Mr. Wallach. You think there was dispute about whether
14 Mr. Summerfield was briefed in the 1950's, or Mr. Day in '61.

15 Mr. Angleton. Both.

16 Mr. Wallach. In any event -- was Mr. Dulles aware, to the
17 best of your knowledge, that mail was being opened in New
18 York?

19 Mr. Angleton. I don't know. I don't think I ever saw
20 any detailed piece of paper on any of these visits. Well, they
21 were all kind of short.

22 Mr. Wallach. I think I'll have a memorandum later that
23 may cast some doubt as to whether Mr. Dulles was aware the
24 mail was being opened.

25 Do you remember discussing it with him?

TOP SECRET

Phone (Area 202) 544-6000

760001135

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

20

1 Mr. Angleton. I don't remember discussing it with any
2 Director outside of Helms.

3 Mr. Wallach. In other words, you would not know then if
4 Mr. McCone was aware, for example?

5 Mr. Angleton. I don't know. I mean -- let me put it this
6 way. I don't think anyone tried to withhold anything from
7 Mr. McCone. Just being sort of an impression that he himself
8 was disturbed that people didn't tell him, and I think it is
9 not realistic in terms of the way he ran the business.

10 Mr. McCone was an individual who had a lot of experience in
11 government and he had a personal style of his own. He lived
12 by the record. His interest in the business was almost
13 exclusively devoted to items which were subject matters for
14 the Cabinet. In other words, it didn't matter how mundane a
15 program would be, as long as it was Cabinet-level, he went into
16 it in the most exhaustive fashion. He did not deal with the
17 case officers down the line.

18 In one case which I was handling with him, he read not
19 only my analysis and so on. He read all of the attachments
20 down into the interrogations, and whatnot. In other words,
21 the actual data.

22 Once he had discharged that as a Cabinet matter, it then
23 reverted back way down into the bowels of the organization,
24 and six months later there might be a glimmer of this come
25 back again and he would update himself in the intervening

TOP SECRET

Phone (Area 202) 544-6000

7600011156

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

21

Phone (Ar. 202) 544-6000

1 period. And that is the way he ran the Agency. He was not
2 interested in a lot of gratuitous matters dealing, say, with
3 mail intercepts or so on. If there had been mail intercept
4 which involved the penetration high in the government, I can
5 assure you it would have gone to him.

6 Mr. Wallach. Did Mr. Helms run the Agency in a different
7 fashion?

8 Mr. Angleton. Well, I mean, I am just talking about Mr.
9 McCone. He was a very unusual man in the sense of how he ran
10 the Agency. He depended very directly on basically two men,
11 one was Ray Cline and the other was Dick Helms, plus his Exec
12 Officer, and you know, some of the people around his immediate
13 office. But I am just saying to put it in proper perspective,
14 there was no one withholding from Mr. McCone anything, and
15 I think there were many of them who would give a great deal to
16 go up and talk about mundane problems.

17 Mr. Wallach. Well, just going back again to Mr. Dulles,
18 the record does reflect that in '54 he did go over with Mr.
19 Helms and meet with Mr. Summerfield, and I think the record
20 also shows that at that time in '54, at least, it was a mail
21 intercept project in the sense that the mail was just being
22 photograph or transliterated, the covers of the mail. It was
23 not being opened.

24 The only point I was really trying to get at was Mr.
25 Dulles was -- it's not really clear whether or not and I'm not

TOP SECRET

410 First Street, S.E., Washington, D.C. 20003

WARD & PAUL

7 6 0 0 0 1 1 1 5 2

TOP SECRET

22

1 saying anybody was hiding anything from him, that he ever found
2 out that the operation changed.

3 Mr. Angleton. I don't know. I don't know.

4 Let's put it this way. I don't think the project ever had
5 any caveat of not informing the Director of any piece of
6 intercept which had broad implications and should be brought to
7 his attention. I mean that's almost automatic, and it goes
8 for all kinds of collection.

9 Mr. Wallach. Do you recall instances of bringing the
10 product to the attention of various Directors?

11 Mr. Angleton. Well, basically, Mr. Helms, because of a lot
12 of things dealing with civil unrest in that period, about a
13 fugitive from justice, the making of bombs, things of this
14 sort.

15 Mr. Wallach. Was this when he was DDP?

16 Mr. Angleton. No, he was Director.

17 Mr. Wallach. Director.

18 There's one other part I'd like to talk to you about and
19 really get your opinion on in a second. In the next page of
20 this memorandum, it states that "It must be assumed that foreign
21 espionage agents have relied on this policy of the United
22 States government" -- by that, it is referring to the policy
23 of, there's no legal opening or monitoring of mails -- "and
24 this has resulted in extensive use of the mail for intelligence
25 purposes to our detriment."

TOP SECRET

tape 1b

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

23

Phone (Area 202) 544-6000

7 6 9 0 0 1 1 5 2

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 What I would like to get at is if it is your believe that
2 this is really true, or was true then, and did it subsequently
3 change, or do you think it is still true that there is that
4 reliance on the protection, you know, the privacy of the
5 mails?

6 Mr. Angleton. I think there was up to the time that it
7 became exposed.

8 Mr. Wallach. What you're saying then is you do not
9 believe the Soviets knew we were conducting this program?

10 Mr. Angleton. Personally I don't think they did, but I
11 mean, that is purely a personal view on it. Of course, they
12 would have known if there had been any penetration, but I mean,
13 aside from that, I don't think they necessarily knew of it,
14 because after all, you had a number of exchange students using
15 the mails and in their system, no one travelling outside can
16 get either a passport or a valida as foreign exchange who
17 isn't processed by the intelligence organs as to his possible
18 usage, and particularly those scientific schools, and so on.
19 And also a lot of it is preparation for them for future jobs
20 on the American or the British desk.

21 In fact, I would assume that they probably spent several
22 hundred thousand manhours going back through all the cases
23 and files and doing analysis to see what came through the
24 mails.

25 Mr. Wallach. Was it your understanding, then, at least at

TOP SECRET

TOP SECRET

24

1 this time that the project would only pick up mail where either
2 the addressee or the sender was a Soviet?

3 Mr. Angleton. No, I think it was all communications that
4 came out of the Soviet Union and went into it. A lot of the
5 mail was actually sent by third nationals here.

6 In other words, you will find somebody's brother, maybe from
7 Africa or someplace, and his brother is at the Lumumba University
8 or a cousin or a relative and you've got a lot of Latin American
9 mail, people who are relatives, friends or associates in some
10 group that they're studying here in the United States communica-
11 ting to their friend in Moscow. So the linkage is important.

12 Mr. Wallach. Turning again to what you said and was
13 thoroughly described in your attachment to the Rockefeller
14 Report is the tenor of the times that existed then. I think
15 in reading that and then looking at paragraph 6 of this
16 memorandum which deals with security and subparagraph (c) which
17 is on page 7, which reads: "In the event of compromise of the
18 aspect of the project involving internal monitoring of mails,
19 serious public reaction in the United States would probably
20 occur. Conceivably, pressures would be placed on Congress to
21 inquire into such allegations, but it is believed that any
22 problems arising could be satisfactorily handled."

23 What I'm trying to get at is, given that tenor of the times,
24 it would surprise me that you would still believe there would
25 be serious public reaction to finding out about this program.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

410 First Street, S.E., Washington, D.C. 20003

100

25

TOP SECRET

TOP SECRET

26

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 5 2

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Dick. For what period of time was Mr. Horton your
2 Deputy?

3 Mr. Angleton. I have it somewhere here.

4 He started with me when I took over the Counterintelligence
5 Staff. He had been in the FBI and then he had been with the
6 Agency -- I mean, the OSS.

7 He had also been a lawyer. When he started, he was well
8 up on Federal statutes.

9 I cannot put my hands on it right now, but I have all the
10 dates.

11 Mr. Wallach. Well, I think maybe then we can just check
12 it with the Agency if you don't have it right here.

13 Mr. Angleton. No.

14 Mr. Wallach. One other general aspect I'd like to talk
15 to you on which is reflected in the memorandum, and there is
16 no reason now to go over it, is the oft-repeated statement here
17 that the security factors require no disclosure whatever be
18 made to any persons or organizations outside the CIA. And I
19 was wondering, at that time -- and I realize there were certain
20 problems that existed later on between the CIA and the FBI,
21 and we will go into them in the '58 events by which the CIA
22 or the FBI became informed of the project, but I was wondering
23 why, for example, this would not have been thought of as a
24 project that would have been very useful to the FBI at that
25 time, and the FBI also at least brought into the project, or

TOP SECRET

TOP SECRET

27

1 some sort of joint project. Was that just something that
2 didn't happen and then you just realized later on that it
3 didn't happen?

4 Mr. Angleton. Well, I think that the relations with the
5 FBI were very spotty, leading up to '54. When DeLoach was the
6 Liaison Officer there were a number of problems and there was
7 also a very strong feeling by Mr. Hoover about CIA men who had
8 been former FBI people. There wasn't something generated out of
9 the CI Staff. It was one that probably went back since Eric Timm
10 was FBI, Bill Harvey was FBI. We stole a number of FBI people
11 and it wasn't the best of relations.

12 Mr. Wallach. Have you been, or are you aware today, of
13 the various projects, mail intercepts and mail opening projects
14 that were conducted by the Bureau since World War II in the
15 United States?

16 Mr. Angleton. No. I am aware of the fact that there
17 were, from time to time. I mean there, operationally, were
18 matters that would come up, whether we would get a certain mail
19 coverage.

20 Mr. Wallach. Are you aware, for example, of continual
21 projects from 1946 through 1966 of various foreign establishments
22 in the U.S. run by the Bureau, and this is not something that
23 popped up from time to time? Going to the specifics of it,
24 it was existing in '55, but there are no Bureau records that would
25 reflect that anybody at the CIA was made aware of it until

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

28

1 approximately '61.

2 Mr. Angleton. No, I think anything we've done regarding
3 FBI coverage came out of the counterintelligence reports of
4 the case that was broken and the surveillance and whatnot,
5 and after all, you'd learn how to read those reports and know
6 more or less where the sources are from.

7 Mr. Wallach. I think we've gotten the same type of testimony
8 from other people.

9 Mr. Angleton. Yes.

10 Mr. Wallach. In other words, after reading it, and from
11 your experience, you can tell this was gotten from mail
12 intercept?

13 Mr. Angleton. That's right, and they had more sophisticated
14 means. Ours was shotgun treatment, theirs was mainly rifle
15 treatment.

16 Mr. Wallach. What do you mean by that?

17 Mr. Angleton. We were covering a vast amount of mail;
18 the Bureau's interest was more or less 'pinpointed' on matters
19 that came as a result of a breakthrough or identification of
20 some active case. That is at least my understanding of how
21 they operate.

22 Mr. Wallach. Did the Bureau, at any time, stop sending
23 the CIA intelligence reports on cases and things, the ones
24 you described?

25 Mr. Angleton. Well, I think probably the most painful case --

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 Fth Street, S.E., Washington, D.C. 20003

7 6 7 0 0 1 1 5 4

8m
fls amt

Phone (Area 202) 544-6000

7600911135

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1

TOP SECRET

29

1 may I go off the record on this?

2 Mr. Wallach. We'll go off the record.

3 (Discussion off the record.)

4 Mr. Wallach. I think we can go back on the record. I
5 think the record can reflect that when we went off the record,
6 Mr. Angleton went into one or two specific cases and just a
7 further explanation of his reasons why there was not the best
8 of cooperative worlds between the Agency and the Bureau in the
9 early '50s.

10 I would like now to show you a document which I would
11 like marked as Angleton Exhibit 2 for our identification, and
12 it's a two page document, it's a memorandum for Acting
13 Deputy Director of Plans. It's from Mr. Angleton, and there's
14 a date on it that's not entirely legible, but it is a '56
15 document.

16 Mr. Angleton. Does it show the drafter of the document?

17 Mr. Wallach. Well, let me show it to you, Mr. Angleton.

18 (Pause)

19 Mr. Angleton. No, it's not signed by me; it's signed by
20 my Deputy for me, if you look at that.

21 Mr. Wallach. Right. You are correct in that.

22 I'm not going to have any specific questions on it
23 but what I'd like to do is focus your attention on the second
24 paragraph for a minute which goes to the question about
25 Mr. Dulles' knowledge of the mail opening aspect of it. Once

TOP SECRET

2

30

TOP SECRET

Phone (Area 202) 544-6000

7600001136

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 again I'm not saying anything was held back from him. There
2 it says the Director approved the undertaking in principle in
3 its initial stages in May 1954, and took steps which have,
4 through a developmental stage, resulted in a formulation of
5 the program and its approval by you.

6 Now, looking at that language, back in 1954, the CI staff
7 was not involved, and the records seem to reflect that, at least
8 in '54, that there may have just been isolated instances of
9 mail opening, but it was really a mail screening, mail cover
10 project. From this it looked like Mr. Helms himself approved
11 the HTLINGUAL aspects of it, and the CI staff, when they came,
12 there was probably mail opening before, but it was more formalized.

13 Now, I guess it would be more appropriate to ask Mr.
14 Helms, really, did you tell Mr. Dulles about it, but I'm just
15 showing you this second paragraph to -- maybe that would refresh
16 you.

(The document referred to was
marked Angleton Exhibit No. 2
for identification.)

(Angleton Exhibit No. 2 will be
found in the files of the
Committee.)

TOP SECRET

31

TOP SECRET

1 Mr. Angleton. It does not illuminate for me at all.

2 Mr. Wallach. Okay.

3 What I'm really, as you're aware, trying to get at is the
4 procedural part of it, not at the question of responsibility or
5 anything like that, as to a project that Mr. Dulles, you know,
6 may have first briefed Mr. Summerfield on as a mail opening
7 project sort of turned into that. He may or may not have been
8 informed, possibly because he never asked, not because anybody
9 withheld anything.

10 Mr. Angleton. Well, he would have been told the details
11 because he wouldn't have gone there unless he had interrogated
12 who brought up the proposal.

13 Mr. Wallach. But my statement is he went up there in early
14 '54 and at that time we don't really have a mail opening project
15 as such.

16 Mr. Angleton. Well, I mean, that's what I have not been able to
17 find here, whether this is -- let me just see if this throws
18 any light on it.

19 (Pause)

20 Now, going back here, and this is just an aside, but this
21 reflects that Dana Doran, who was head of the Soviet Division,
22 had queried the FBI back in '52, '53, as to whether they had
23 any records of correspondence between Soviet and U. S. citizens,
24 and the Bureau did reply that they did not maintain such records
25 except that uncovered in the general security or espionage

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7600011137

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 5 9

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 cases.

2 Mr. Wallach. What you're looking at is the master list
3 of documents that was in the summaries, that was put together
4 by the Agency?

5 Mr. Angleton. Yes, it's one of the summaries.

6 Mr. Wallach. Well, I really don't think that we should
7 dwell on that point.

8 Mr. Angleton. Well, I am trying to boil this down to a
9 little more perspective, to see whether there is any indication
10 when the mail was opened.

11 Mr. Wallach. I think we can get a clearer indication of that
12 by going back to the vault, I think we may have done this; I don't
13 think we have the papers here, and looking at the first papers in the vault.

14 Mr. Angleton. On what dates were there?

15 Mr. Wallach. Truthfully I don't remember, but I think we
16 can trace it back that way.

17 (Pause.)

18 Mr. Angleton. No, it doesn't say anything unless it does
19 down here.

20 (Pause)

21 Mr. Angleton. No, it skips over the question of when the
22 first openings occurred.

23 Mr. Wallach. All right. I think we might be able to
24 go back the Agency, and we'll get documentation as to that
25 specific point.

TOP SECRET

5 33
TOP SECRET

1 Can you tell me in the early days, I'm talking '55, '56,
2 '57, the fifties, how really the project was set up at Head-
3 quarters in terms, was there any project staff as existed in the
4 later years?

5 Mr. Angleton. Yes, there was a group of about six people.
6 I don't think it went above six. They handled Russian, Yiddish,
7 Spanish, German, French, and these different skills were divided
8 up among the six people who were known as the CI Project, and
9 their purpose was simply to analyze the correspondence that
10 was opened, write a digest, and then there would be cleared
11 people within certain branches, geographic branches in the
12 division who were recipients, and their job was to fuse or
13 meld it with their own activities and to hopefully refine the
14 watch list. In other words, they would levy requirements or
15 indicate that such and such was of no interest.

16 Mr. Wallach. You said levy requirements. They would ask
17 for a particular person to be placed on the watch list, and
18 if any mail came either to or from that person --

19 Mr. Angleton. That's right.

20 Mr. Wallach. It would be intercepted.

21 Mr. Angleton. And then when they finish with the Xerox,
22 a copy of the digest would be sent back to this group where it
23 was destroyed, periodical destruction.

24 Mr. Wallach. Of the copies.

25 Mr. Angleton. Of the copies.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

6

34

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 7 0

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 But they maintained a copy which was first carded
2 manually, and then it went to punch card, and then eventually
3 it went to a tape, the control of which we maintain a computer
4 tape.

5 Mr. Wallach. What instructions were actually given to the
6 Office of Security intercept officers who actually picked up
7 the mail and opened it and then sent it down to Headquarters?

8 Mr. Angleton. Well, they were given, they were told what
9 was of interest and what was not, and I think they had a watch
10 list, and there was one individual who was fairly sophisticated
11 and had a great deal of experience in this field and he,
12 together with the watch list, could make a fairly accurate
13 coverage of the mail.

14 Mr. Wallach. Is that [] you're referring to?

15 Mr. Angleton. Yes, that's right.

16 Mr. Wallach. What I'm really trying to get at is aside
17 from the watch list, which you viewed as []
18 capabilities, he did not have any training in counterintelligence
19 ability, did he?

20 Mr. Angleton. Well, I never have seen his PHS.

21 Mr. Wallach. Have you ever met []

22 Mr. Angleton. No.

23 Mr. Wallach. Well, then, what I'm really trying to find
24 out is aside from the watch list, this is something I am asking
25 most of the people that I've talked to who have been working

TOP SECRET

TOP SECRET

1 on the project, there does not seem to have been any real
2 guidance that went out to the people in the field, the Office of
3 Security people whenever they were trained in counterintelligence
4 or the actual people who were picking up the mail.

5 Mr. Angleton. I think there was definitely guidance
6 explained to them on what was of interest and what was not of
7 interest.

8 Mr. Wallach. You mean separate from the watch list?

9 Mr. Angleton. No, I mean the watch list, the embodiment
10 of it.

11 Mr. Wallach. But I think that at least the figures that
12 have been provided to us show that there were varying figures
13 for varying years, some years as high as 65 percent of the
14 mail was picked up, was randomly picked up, that was not on the
15 watch list.

16 Mr. Angleton. I agree there because there were a lot of
17 P.O. boxes which were catchalls in Moscow, so you'd follow a
18 P.O. box number, a general delivery, and you began to find that
19 certain organizations in the United States were writing to that
20 P.O. box. Some of the correspondence of Philby, as I recall,
21 to people in this country, the return was a Post Office box
22 number. So we put, right across the board, all mail
23 addressed to that Post Office box was picked up.

24 Mr. Wallach. That Post Office box itself was on the watch
25 list.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7600011172

8

36

TOP SECRET

1 Mr. Angleton. That's right.

2 Mr. Wallach. I'm talking about items now that were not
3 on the watch list.

4 Mr. Angleton. Well, I mean, there was a lot of random
5 collection.

6 Mr. Wallach. What I'm trying to get at is how did Mr.
7 Issaef and various other people who helped him at one time or
8 another --

9 Mr. Angleton. Well, he had a good idea what was wanted.
10 He was not completely isolated from what the purpose of the
11 entire project was. In other words, he had many helpful views
12 and ideas on, I mean, what was important.

13 Mr. Wallach. How do you know that, Mr. Angleton?

14 Mr. Angleton. Well, I know it because I was told it.

15 Mr. Wallach. By whom?

16 Mr. Angleton. By people on the project.

17 Mr. Wallach. Would it surprise you then if
18 told us that he did not have any guidance and often really didn't
19 know exactly what it was that was wanted?

20 Mr. Angleton. It would surprise me very much.

21 Mr. Wallach. It would?

22 Mr. Angleton. Yes. I mean, it surprised me a great
23 deal because the people in the project, I've heard them say
24 that it couldn't have been done without him.

25 Mr. Wallach. Is that because of his facility in Russian?

TOP SECRET

TOP SECRET

1 Mr. Angleton. Well, and his general perceptions. I mean,
2 how he could himself interpret the envelopes and the addressees
3 and so on.

4 Mr. Wallach. Well, a good percentage of the mail that
5 went back two and from the Soviet Union was, at least from the
6 Soviet Union, was propaganda.

7 Mr. Angleton. That's right.

8 Mr. Wallach. And I believe that --

9 Mr. Angleton. Well, there was a big interest in government
10 at one time on suppressing propaganda mail. I don't know what
11 happened, but it goes way back. My recollection is, I don't
12 even know whether the mail was in fact suppressed, I mean, the
13 propaganda mail.

14 Mr. Wallach. Did you yourself at any time have occasion
15 to make a cursory review of the types of mail that was coming
16 in?

17 Mr. Angleton. No. Items would be sent to me but they were
18 items relating to cases we were on.

19 Mr. Wallach. What I'm trying to get at is the basis,
20 and you said that people had told you this, saying that it
21 couldn't have been done without [] It seems that if
22 1 million pieces came through, discounting propaganda, if the
23 time is -- there's only a certain amount of mail that Mr.
24 Issaef can get to, and I don't really know how it can be
25 determined if he missed some or didn't miss some.

TOP SECRET

Phone (Area 202) 544-6000

7.

110 First Street, S.E., Washington, D.C. 20003

12 Mr. Wallach. Maybe I'm just not making myself clear.
13 Maybe I just don't understand your answer, but it seems that
14 we're talking about two different things, one at headquarters,
15 and I'm not even inquiring into the process at headquarters.
16 I have no doubt but that there were qualified people there.
17 I am talking about the communications between headquarters and
18 the guys in the field who were essentially -- I realize the
19 only background of them seems to be that they were Office
20 of Security people who were educated, well educated, and who
21 went out there and intercepted mail. It doesn't seem to
22 reflect in here whether there was any real guidance from
23 headquarters except for the watch list.

TOP SECRET

1 Mr. Wallach. What you're saying is you're not really aware
2 of that aspect, are you.

3 Mr. Angleton. I'm not aware of that aspect of it, but
4 I don't have any doubts but that there were guidances given
5 to New York, I mean, they're not out of Personnel. At the
6 same time I'm confident that the guidance was given.

7 Mr. Wallach. In your view of the documents, have you seen
8 one document that talks about guidance for the people in New
9 York besides the watch list?

10 Mr. Angleton. I haven't seen all the documents.

11 Mr. Wallach. You have not seen all the documents, and
12 those documents that you've seen --

13 Mr. Angleton. I've not seen it.

14 Mr. Wallach. You've not seen it.

15 Mr. Angleton. No.

16 Mr. Wallach. Do you know of the particular documents that
17 you haven't seen?

18 Mr. Angleton. Well, there are two filing cabinets, I
19 understand, of documents.

20 Mr. Wallach. Relating to this project?

21 Mr. Angleton. I assume relating to the project, yes.

22 Mr. Wallach. Let's just say that from the documents you have
23 there, it looks like we both have the same amount, so I'm
24 basing my statement on what I've seen.

25 Mr. Angleton. Well, we've been trying to get ahold of

TOP SECRET

1 Mr. Tsikerdanos for three or four days now, but he's gone up
2 in the House.

3 Mr. Wallach. I'm sorry, in where?

4 Mr. Angleton. In the House, in the House committee.

5 Mr. Wallach. Do you know what he's been doing with the
6 House Committee?

7 Mr. Angleton. No. He's simply not been available. I
8 tried to call him last night well past the close of business,
9 and he was in meetings. He's been working with the Department
10 of Justice. And the purpose of it was simply to try to get from
11 him the answers to a lot of questions which I have on my mind,
12 which are not too far distant from the ones you're asking me
13 now.

14 Mr. Wallach. You mean by that the one or two areas that
15 we really covered so far?

16 Mr. Angleton. I've been trying to find out more about the
17 questions and specifics on events that occurred which are not
18 reflected in the papers I've seen.

19 Mr. Wallach. I'd like to show you another document which
20 is an internal FBI memorandum dated January 22, 1958, and it's
21 from Mr. Belmont to Mr. Bordman, and ask you to take a quick
22 look at that, sir.

23 (The document referred to
24 was marked as Angleton Exhibit
25 No. 3 for identification.)

TOP SECRET

Phone (Area 202) 544-6000

1175

end 1b
begin

WARREN PAUL

76000

410 First Street, S.E., Washington, D.C. 20003

12-A

TOP SECRET

40-A

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

(Angleton Exhibit No 3 will be
found in the files of the
Committee.)

TOP SECRET

Phone (Area 202) 544-6000

2

7

9

1

74

14

2'

2.

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 had to get out into an action element of government in which the
2 material was camouflaged, rewritten, and given a false source
3 description. So that would be the normal procedure, even in
4 the case of this material, assuming that there was something of
5 great importance that was turned up.

6 Mr. Wallach. Once again what you're stating, it was
7 kind of assumption or kind of speculation.

8 Mr. Angleton. It's an assumption, but it's one of those
9 questions which I have been trying to find the answer to.

10 Mr. Wallach. Just looking at this memorandum for a second,
11 do you remember going over and speaking to Mr. Belmont about this
12 project on your initiative?

13 Mr. Angleton. No. I talked to Papich.

14 Mr. Wallach. Do you remember going over and talking to
15 Papich?

16 Mr. Angleton. No. He used to come to our place every
17 day.

18 Mr. Wallach. Do you remember, did he broach the subject
19 with you?

20 The reason I'm asking is, it appears the Bureau made
21 inquiries in New York to the Postal Service for the same type
22 of project, not the same type of project, but for a project
23 to mail from the Soviet Union, and that the Postal Service kind
24 of called CIA Headquarters and said the Bureau is inquiring,
25 what do you want us to do. And that sort of set the time

TOP SECRET

15
43
TOP SECRET

1 frame, you might have gone over there. And then there's a
2 meeting a couple of days later with the CIA.

3 Mr. Angleton. Well, this is a question where dates are
4 important, but I do know the files reflect in some part, as I
5 recall, two different stories, one that the Bureau contacted
6 the Postal authorities and were told to see CIA, and another
7 one in which the Postal authorities contacted the CIA to say
8 the Bureau wants to get into the same field. And anyway, the
9 decision was made the Bureau had to be cut in.

10 Mr. Wallach. In Mr. Belmont's memorandum -- and I under-
11 stand he wrote the memorandum and not you -- he quotes you as
12 saying that the sole purpose of the New York operation was for
13 the coverage -- the sole purpose of the New York operation's
14 coverage was to identify persons behind the Iron Curtain who
15 might have some ties in the U.S. and who could be approached in
16 their countries as contacts and sources for CIA.

17 Is that your understanding of the sole purpose of the
18 operation?

19 Mr. Angleton. No.

20 Mr. Wallach. Well, I think that this may sidetrack us
21 for a second, but if you would really on the record explain,
22 it's been, it's kind of documented in various parts here as to
23 what really you feel are the purposes and benefits of this
24 operation.

25 Mr. Angleton. Well, I think the basics are simply that

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

760001139

16

TOP SECRET

44

1 it -- well, starting off first was this security, hopefully
2 from the Soviets, that this activity was going on, in other
3 words, that the one would hope that they did not have any
4 knowledge of it. Otherwise, it could have become a channel
5 also for deception on their part in a major way.

6 Now, my feeling on that is particularly reviewing Boudien's
7 letters and Philby's, is that they were unaware of the censorship.

8 Now, I said before and I'll say it again, that the obstacles
9 for counterintelligence in a democratic society working against
10 a totalitarian type of intelligence service is very inadequate,
11 and the obstacles of simply trying to accomplish even the most
12 minimal investigations or coverage and of course, this varies
13 to a large extent in the west. I mean, there are many western
14 services that do have rather complete counterintelligence
15 coverage, and it is afforded by the entire government.

16 Here, I mean in terms of the perspective of our assets,
17 the mail program loomed as an extremely important object, I mean
18 in terms of exsight and insight into Soviets who were traveling
19 here, Soviet students, and we had an active program of
20 recruitment, attempted recruitments of Soviet students, our
21 knowledge that practically every Soviet student is at the
22 sufferance of KGB, where it is worked in necessarily into the
23 mechanism. It is also the grounds for preparing young people
24 in American realities who come back and go into the service
25 and more active roles.

TOP SECRET

17
TOP SECRET

45

1 So that I think that by way of counterintelligence weapons
2 outside of communications intelligence, and there's practically
3 little or none of that for the time being, that it was probably
4 most important overview that Counterintelligence had. It was
5 also an overview, and we were very active in propaganda in all
6 different forms, the Cord Meyer operations and so on. And
7 it had the specific cases, going back into the period of
8 civil strife and whatnot, it was the only source of information
9 in those cases.

10 And I think you've seen the requirements which the Bureau
11 levied, and again, it was the only source of information which
12 the FBI ever had in those subjects.

13 Mr. Wallach. That is assuming that the Bureau did not have
14 its own project.

15 Mr. Angleton. I mean, in spite of all of that, this
16 was documentation, you know, where it differs, I mean, it
17 goes up to the top of the class in the sense of grading the
18 bona fides of the sources and information next to Communications
19 Intelligence; if the opposition does not know it, then the
20 mail becomes an extremely important source of very high level
21 information. I mean, it's factual.

22 Mr. Wallach. May I take you one step further on that?

23 Would there be any benefit to an operation like this
24 if we had, for example, back in '51 Congress had passed a
25 specific statute and said in certain circumstances the CIA can

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7 6 0 0 1 1 3 2

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 1 1 3 5

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 open mail, and the Soviets would have known that the CIA could
2 possibly have done that, and let's say today we passed that
3 legislation. I think you can understand what I'm getting at.

4 Now, would that have any benefit in just reviewing, I
5 think probably less benefit, if there was any benefit, but of
6 having that kind of statute in narrowly prescribed circumstances,
7 it could be entirely held secret, you know, possibly given
8 the approval of the President or whatever, if there was different
9 types of legislation, because I don't believe it now exists --
10 that it would be of any benefit.

11 I mean, I think this is one of the questions that academia --

12 Mr. Angleton. Well, personally, I am too close to these
13 inquiries to be very objective on what if because my own personal
14 view is that, you know, counterintelligence and the work on
15 the Bloc in large measure has been destroyed by these hearings.
16 That's my personal view.

17 I cannot see a Soviet defector coming over to the United
18 States, so to speak, in a sense committing suicide. I don't
19 think that agents who are high level agents are going to have
20 anything to do with the Agency for a great deal of time with
21 all of these exposures. I think the Soviets have had very
22 high level discussions and conferences regarding how they can
23 exploit this period to achieve the maximum benefits for
24 themselves.

25 I think they will probably run a damage report on what

TOP SECRET

TOP SECRET

1 they have uncovered through these public hearings in terms of
2 how it affected their operations. I would also say they probably
3 put a tremendous number of agents on ice in order to avoid any
4 type of a reaction.

5 For example, I mean, they've done it in the past when they've
6 been in a period of crisis, where there's been a crisis in the
7 West, they have put agents on ice in order to avoid any kind of
8 political scandal.

9 Mr. Wallach. You're seeing some sort of a backlash in the
10 U.S.?

11 Mr. Angleton. That type of thing, but after the Gozenko^u
12 cases up in Canada for ten years there was a type of prohibition
13 on operations in Canada because of the impact in Canada politi-
14 cally that that had in many areas of the world, and these were
15 conscious decisions that they arrived at.

16 Now, I think any of them saying, what has happened to the
17 U.S. intelligence community, that the only people they would make
18 use of would be agents of influence, and find another way of
19 putting water on the wheel without themselves becoming directly
20 implicated. I think this would be the normal direction of any
21 adversary service, when it sees that somebody else is doing
22 the job for them.

23 So going back to this basic question that you have asked,
24 I think there may have been in the '50s an opportunity to
25 have influenced the Congress to have some kind of bills passed

TOP SECRET

TOP SECRET

1 that would have aided the investigative agencies on the problem
2 of espionage. Other countries do have it.

3 But our General Counsel -- and I am not speaking authori-
4 tatively here -- it is my impression is that one of our weak-
5 nesses is that we did not have the General Counsel work into
6 the planning phases of operations. Usually we went to the
7 General Counsel when something was going wrong, but not in the
8 inception of operations. If there had been much more of that,
9 that type of consultation of things being originated, then a
10 General Counsel might have been able to cure a number of these
11 programs by proposing types of legislation.

12 Now, this was not done. Now I think it is too late. I
13 don't think the mood of the country would support that type of
14 legislation.

15 Mr. Wallach. Are you saying it's too late because of the
16 mood of the country or too late for practical reasons?

17 Mr. Angleton. No, I think it is the mood of the country
18 principally, and then, as I say, I suspend judgment, my own
19 personal view is that it would not have the same benefits.
20 In time it might again, if the pendulum swings again, but I
21 don't foresee that happening.

22 But I think that the other -- to put this in further
23 perspective, I don't know if people really appreciate how diffi-
24 cult it is to work against the Soviets. When we have a major
25 leakage in the Government, and I will refer to one case which

TOP SECRET

Phone (Area 202) 544-5000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 involved some government documents which have fallen into the
2 hands of the opposition, for a number of years they would take
3 those documents and then falsify either a cover letter of an
4 American official to another official, and float that document
5 in the third world. And the attachments would be bona fide.
6 They were actually military documents on weaponry, whereas
7 the thrust of the entire operation was disinformation, total
8 fabrication.

9 We could identify in our holdings the American documents
10 which were authentic, the attachments. When we tried to work
11 on the case, and even coming to the original recipients, it ran
12 into over 300 names or more, without going down to all of the
13 Xeroxes that were made of those documents, or all of the people
14 who were not listed as recipients in different offices.

15 On the Soviet side, if there is a leakage, they can pinpoint
16 very rapidly that there were only two or three people who knew
17 the secret, and that one of them was in the west. So the problem
18 that they have in terms of filling in the holes are relatively
19 simple under their system, because they have every bigot list
20 in terms of the need to know. So if there is a leakage, as
21 there was in one of our biggest cases, the Popov case, which was
22 the speech of Zhukov in Germany, and immediately it centered or
23 focused attention on our agent, and that document went through
24 the hands of George Blake in Berlin. So all he did was tell
25 his case officer, Soviet, that he saw the speech, a copy of the

TOP SECRET

1 speech that Zhukov gave to the General Staff in Germany, all they
2 had to do was look as to which of their officers had access, was
3 in the west, and that had to be our agent.

4 Mr. Wallach. Now, I think, although I am personally quite
5 interested in what you're talking about, it would be a better
6 matter to raise --

7 Mr. Angleton. Well, you asked me the original question to
8 try to define the intercept program. Unless you understand
9 what the state of the art is, I mean, it would be difficult for
10 you to put as high an evaluation on it as we do, or as the
11 SB Division gave it in the times when they were first set up
12 as a geographic unit.

13 Mr. Wallach. Well, let me at this time continue, so that
14 without marking for the time being, and without asking you to
15 read the whole thing, because it is twelve pages, and there's
16 only one or two sections of it I would like you to look at, is
17 Annex 2 of the Inspector General's survey of the Office of
18 Security, which is dated in 1960, and I'll just give this to
19 you. And the bottom of the first page is not that clear, but
20 we're not going to go to that.

21 Mr. Angleton. This was 1960?

22 Mr. Wallach. Yes, sir.

23 As a matter of fact, why don't I mark this as Exhibit 4,
24 the above-described document, which is an annex to and is 12
25 pages.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

(The document referred to was
marked Angleton Exhibit No. 4
for identification.)

(Angleton Exhibit No. 4 will
be found in the files of the
Committee.)

Phone (Area 202) 544-6000

7600011133

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25**TOP SECRET**

TOP SECRET

1 Mr. Wallach. And since that is stamped Top Secret, we
2 will classify the entire transcript as Top Secret.

3 Mr. Angleton. I am just scanning this. I have not seen it
4 before.

5 Mr. Wallach. Right.

6 As I said before, I have a couple of specific questions and
7 you can read those paragraphs.

8 Mr. Angleton. I am unaware of the first Recommendation A.
9 I am aware of the Recommendation B. I have not seen this
10 document before.

11 Mr. Wallach. I realize you've only had quick opportunity
12 to just skim it at this time.

13 Did you in your capacity as Chief of Counterintelligence
14 have occasion to get any input from the Inspector General's
15 office from surveys?

16 Mr. Angleton. On occasion.

17 Mr. Wallach. I, for example, was told by someone else
18 that this was held by the Office of Security, and you'll see
19 there's a later one here, an IG survey of the CI staff that
20 at least one or two people I have spoken to who were involved
21 at that time had no occasion to get any feedback from this, and
22 I was wondering if you at your level had, after a review was
23 made, be it through the Office of Security, about a project
24 that was essentially CI's, did have feedback from this?

25 Mr. Angleton. I think the only feedback was on the question

TOP SECRET

TOP SECRET

1 of the cover story.

2 Mr. Wallach. And I have a couple of documents here that I
3 think you've probably seen recently that I'll show you again.
4 But, for example, and there are a couple of specific questions I
5 have.

6 In the second paragraph of this, the IG report annex
7 states, "the activity cannot be called a 'project' in the usual
8 sense because it was never processed through the approval
9 system and has no separate funds." And then it goes on to
10 explain that the various components involved have been carrying
11 out the responsibility as a part of their normal staff functions.

12 And really, all I want to get is an understanding of what
13 they mean, if you know, by approval system.

14 Mr. Angleton. Well, the approval system would have meant
15 that this would have had to go to a great number of components
16 who would have to sign off on it, and it would receive tremendous
17 dissemination in the Agency.

18 Mr. Wallach. That, at least to me, seems the opposite
19 of a highly sensitive operation.

20 Mr. Angleton. That is the reason I think it was excepted
21 from it, and that way it short circuited the normal project
22 approval process.

23 Mr. Wallach. In other words, from approval, they're not
24 talking about going straight up to the Director. They are talking
25 about laterally going out?

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. Yes, more or less. When a project is
2 conceived, it might cut across many jurisdictions to begin with,
3 I mean different geographic divisions and so on, so there would
4 have to be a signoff by the various components, and then it would
5 go before a project review board, which again the members would
6 be drawn from many parts of the clandestine services, and I
7 mean, you would have this tremendous opening up of the activity
8 to a great number of people.

9 Mr. Wallach. But it would just seem to me -- obviously
10 my knowledge of the Agency is limited -- that this would entirely
11 be, you know, again kind of totally against the grain of any
12 sort of need to know concept.

13 Are you saying it is not because the components usually
14 involved would have some need to know?

15 Mr. Angleton. No. Because of the fact that it involved
16 Security, it involved ourselves, in the SA Division, and since
17 the Director and everybody concerned were so familiar with it,
18 it was very easy to exempt it from the project system.

19 Mr. Wallach. Who would make a determination as to what
20 could be exempted and what could not be exempted?

21 Mr. Angleton. Oh, the Deputy Director probably could. I
22 mean, it would depend on what the operation is. I mean there
23 could be operations where he himself would not give the exemption,
24 he'd want the Director to sign off on it.

25 Mr. Wallach. I call your attention to the paragraph

TOP SECRET

TOP SECRET

1 numbered six on page 3. It states, "The principal guidance
2 furnished to the interception team is the watch list of names
3 compiled by the CI Staff. The names may be submitted by the
4 SR Division, the FBI, CI Staff, and the Office of Security.
5 The list is revised quarterly to remove names no longer of
6 interest, and it ranges between 300 or 400 names." And then
7 it just goes on and states, "Headquarters has prepared the
8 actual watch list intercepts with the photographs of all
9 exteriors. There has not yet been a case of a watch list item
10 having been missed by interceptors. Of total items opened,
11 about one third are on the watch list and the others are
12 selected at random. Over the years, however, the interceptors
13 have developed a sixth sense or intuition, and many of the names
14 on the watch list were placed there as a result of interest
15 created by the random openings.

16 "A limited amount of guidance is given in the specific
17 area of topical requirements, but this is not very satisfactory.
18 The interception team has to rely largely on its own judgment
19 in the selection of two thirds of the openings, and it should
20 have more first hand knowledge of the objectives and plans of
21 operational components which levy the requirements. Information
22 is now filtered through several echelons, and is more or less
23 sterile by the time it is received in New York."

24 And I don't really want to take argument with this or not.
25 My real question is whether or not this was really conveyed

TOP SECRET

TOP SECRET

1 to you, because at least from the people I have interviewed and
2 talked to, including numerous of the intercept people, they
3 really felt left out in the cold in certain circumstances, and
4 there was no feedback at all on the operation.

5 And here I think we have a kind of a recommendation, although
6 it may not be formalized and per se a recommendation, where they
7 are saying let's give them more guidance. I just really want to
8 know if this was brought to your attention, for example.

9 Mr. Angleton. Well I was never aware that anyone in the
10 operation felt that he was not getting guidance, and as I say,
11 I have not, to my knowledge, I've never seen this report. The
12 only thing I've ever seen on it is a memorandum that starts off
13 something about the IG report, and it got into the whole question
14 of the cover story.

15 Mr. Wallach. One last reference on this, Mr. Angleton,
16 on page 11, the paragraph numbered 13, it begins, "Operational
17 evaluation should include an assessment of overall potential.
18 It is improbable that anyone inside Russia would wittingly
19 send or receive mail containing anything of obvious intelligence
20 or political significance."

21 Then it continues on, including comments to the effect
22 that certain innocent statements can have intelligence
23 significance, such as prices, crop conditions, etc., that goes
24 by censorship. But that really doesn't seem to vitiate the
25 first sentence, at least, which was it's improbable that anyone

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 inside Russia would wittingly send or receive mail containing
2 anything of obvious intelligence or political significance.

3 Mr. Angleton. I don't think that is accurate, though.

4 Mr. Wallach. That's what I was going to ask you.

5 Mr. Angleton. I don't think that's accurate. I think
6 that the case, one that we could cite is the case of one of
7 Hammer's illegitimate sons came over here. He had previously
8 been identified to us as KGB. And I don't know if you are
9 familiar with that whole period of the New Economic Policies in
10 the '20s, but in any event, many industrialists put their all,
11 so to speak, in Russia, had second families and illegitimate
12 children. The project of the net was run by Derjinski under
13 Lenin's order. Derjinski was head of the OGPU, and the purpose
14 of it was the improvement of capitalists on a broad basis, and
15 it was one of the foundations of the entire field of Lenin's
16 strategy, which to our way of thinking has been resuscitated
17 as a result of de-Stalinization.

18 But anyway, he went to New York. He was acknowledged
19 by the family and he wrote a great number of letters back, all
20 of which we intercepted. Now, we know he is a staff officer
21 in KGB and his ostensible assignment here was to write on the
22 Kennedy assassination, which is a recurring theme among KGB
23 people, i.e., a right wing conspiracy, etc.

24 Now, all of this went to the Bureau. I am not saying how
25 much coverage was given to him. And I would say that a great

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 deal of this information has been acquired here, has not been
2 put into operational or investigative -- it has not been
3 exploited. But that has a lot to do with the cadres and the
4 amount of personnel that is involved.

5 The same goes for one of the biggest cases that's engaged
6 practically all western intelligence, is Victor Luis, and that
7 whole history and background.

8 Mr. Wallach. I think I understand you're taking argument.

9 Mr. Angleton. Yes, I take argument because these people,
10 or whoever made those comments simply was not aware of the
11 cases that were of interest.

12 Mr. Wallach. Well, that really goes to the heart of my
13 question. Here we have a group that's really theoretically
14 reviewing projects and making recommendations, and in one respect
15 they're supposed to be the internal reviewing arm of the Agency,
16 and possibly the General Counsel's office, that whole side of
17 the Agency, and really from what you said, it doesn't seem
18 really tuned in, so to speak, as to the value of the project,
19 and I think that it continues in the '69.

20 I'm not disputing with you at this point that the project
21 did or did not have value. All I'm saying is that --

22 Mr. Angleton. Well, I mean, I don't like to have to
23 defend it in that sense because to begin with, I never had any
24 meetings with these people, and I see here as a result of the
25 Inspector General's survey, December '60 --

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 1 1 1 2 5

WARD & PAUL

end 2
begin 2b

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 Mr. Wallach. I think the memorandum you're referring to
2 is the next memorandum I had that I was going to show you.

3 Mr. Angleton. It is a Security memorandum.

4 Mr. Wallach. But I think there's a subsequent memorandum
5 following that up from the Deputy Chief of the CI Staff dated
6 1 February '62, but in any event, all I said, the only point I'm
7 trying to get at is very truthfully that you seem to have an
8 internal review that really did not have some sort of under-
9 standing of the project, and whether or not there was any
10 really internal review of it at all.

11 Mr. Angleton. Well, the point where I have to be very
12 careful is, I don't know whether they interviewed my own people,
13 you see. I mean, they interviewed ^{Burch} Bert O'Neal, Scotty Miler.
14 If they did, I am unaware of it. If they did, I am unaware of
15 it, but again, the only notification I see, the only thing I
16 see in Counterintelligence is this memorandum from Security
17 dealing only with the cover programs, nothing here on the
18 question of guidance.

19 Mr. Wallach. What is your understanding of the reasons
20 behind the Inspector General's survey of the various
21 projects?

22 Mr. Angleton. Well, let me put it this way. I would
23 imagine there would always be a reluctance on the part of
24 everyone to have an office, a Security Office, an IG report
25 ever go to any other component. That would be very unusual.

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600011J97

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 It was generally accepted in the Agency, and I think quite
2 rightly, that the Office of Security has to be completely sealed
3 off from all other elements in the Agency, I mean in terms of their
4 internal workings.

5 Mr. Wallach. In other words, a review might have been
6 made --

7 Mr. Angleton. No. They should have extracted, from our
8 way of thinking, they should have extracted that memorandum,
9 that part of it, and sent it to us.

10 Mr. Wallach. Well, that's all I was trying to --

11 Mr. Angleton. But they may have done so, but I have never
12 seen it, and I cannot believe that it would have gone to my
13 people whose really -- who are really making quite a fuss about
14 it, as they did on the cover program.

15 Now, it may have been an oversight, I don't know. I
16 can't reconstruct -- what was the date on this again?

17 Mr. Wallach. It's in 1960, sir. The exact date is back
18 at the office, but it's a 1960 survey.

19 Did you know Mr. Thomas Abernathy?

20 Mr. Angleton. Yes.

21 Mr. Wallach. Let me give you a two page memorandum and
22 mark it as Exhibit 5.

23 (The document referred to was
24 marked Angleton Exhibit No.
25 5 for identification.)

TOP SECRET

32-A

TOP SECRET

60-A

(Angleton Exhibit No. 5 will be
found in the files of the
Committee.)

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

TOP SECRET

61

33

1 Mr. Wallach. Apparently Mr. Abernathy prepared, subsequent
2 to this Inspector General's report in the Office of Security,
3 and I ask you to take a quick look at this. I'm going to have
4 a couple of questions on Paragraph 3.

5 Mr. Angleton. What was his title then, do you know?

6 Mr. Wallach. Very frankly, no, I do not.

7 Mr. Angleton. Well, I think it's the same Abernathy
8 who is now very senior in administration.

9 He must have been on the inspection staff from the way it
10 reads.

11 Mr. Wallach. Exactly. It refers to recommendations. I
12 am sure he was on the inspection staff. I just don't know his
13 title.

14 Mr. Angleton. Where did he ever get a figure that the CI
15 Staff had about 30 people working on it full time?

16 Mr. Wallach. I don't know. I think we probably should
17 ask him that. It would seem at least from some of the figures
18 he has here that he would have at least have attempted to talk
19 to somebody in CI about a project that was run by CI Staff.

20 Mr. Angleton. I don't know, I don't understand it. I
21 didn't know there was ever any issue of that sort.

22 Mr. Wallach. In other words, neither Mr. Abernathy nor
23 Mr. Belmon ever came in to talk to you about it?

24 Mr. Angleton. No.

25 Mr. Wallach. And said we think there's a problem; let's

TOP SECRET

Phone (Area 202) 544-6000

7600911199

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 talk about it?

2 Mr. Angleton. No. They may have talked to ^{Birch} Bert O'Neal,
3 who would be the logical person to come to first.

4 Mr. Wallach. Is Mr. O'Neal still with the Agency?

5 Mr. Angleton. No, he's retired some time ago. I think he's
6 in the area. But I think again the person who would be most
7 knowledgeable would be Mr. Miler.

8 Mr. Wallach. I mark now as Exhibit 6 a January 2, 1962
9 memorandum for Chief, CI Staff, Attention, and the name is
10 deleted. The subject is Project HTLINGUAL, and it's from the
11 Deputy Chief, Office of Security. I think that was Mr. White
12 at that time.

(The document referred to was
marked Angleton Exhibit No. 6
for identification.)

(Angleton Exhibit No. 6 will be
found in the files of the
Committee.)

TOP SECRET

TOP SECRET

1 Mr. Wallach. And we'll mark as Exhibit 7 for identification
2 as 1 February '62 memorandum for the Director, Office of
3 Security, Subject: Project HTLINGUAL. This is from the
4 Deputy Chief, CI Staff.

(The document referred to was
marked Angleton Exhibit No. 7
for identification.)
(Angleton Exhibit No. 7 will
be found in the files of the
Committee.)

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

TOP SECRET

1 Mr. Wallach. And I believe that these are two memoranda
2 regarding the cover story for the project that Mr. Angleton had
3 referred to before.

4 Mr. Angleton. Let me just see if I have a memo here which
5 says where it originated at.

6 Mr. Wallach. I think your memorandum might not have the
7 name blocked out like ours. It is fairly easy to trace in
8 certain circumstances, and in others it is more difficult.

9 (Pause)

10 Mr. Angleton. This originally went to Mr. John Mertz, who
11 was my Executive Officer.

12 Mr. Wallach. He was at one time the project chief, was
13 he not?

14 Mr. Angleton. Yes, I think so. Yes, he was the project
15 chief.

16 Mr. Wallach. You're talking about the January 11th
17 memorandum went to John Mertz?

18 Do you recall ever discussing it with him on or about
19 January 11, '62?

20 Mr. Angleton. I did not discuss it with him. He prepared
21 on 1 February '62 the answer. The project, actually, the head
22 of the project at that time was a man called Chalmers.

23 Mr. Wallach. You say Mr. Mertz prepared the 1 February
24 '62 memorandum?

25 Mr. Angleton. Yes.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

37
TOP SECRET

65

Phone (Area 202) 544-5000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Wallach. He prepared it under the signature of the
2 Deputy Chief, CI Staff?

3 Mr. Angleton. That's right.

4 Mr. Wallach. Who would that have been at that time?

5 Mr. Angleton. His name was James R. Hunt.

6 Mr. Wallach. Do you recall ever discussing this cover
7 story in the early '60s, '62, or the need for a cover story?

8 Mr. Angleton. I can't recall that. We had a major defector
9 in December '61, and I think from then on for a year or so that
10 was about my own ^{only} preoccupation, but I do not recall this -- I
11 mean, I have read it since.

12 Mr. Wallach. Do you think that in today's time there would
13 be consideration given to a cover story such as this as was
14 considered in the early '60s?

15 Mr. Angleton. Well, you see, your report says a memorandum
16 for CI staff. The actual thing is for Chief, CI Staff, Attention:
17 Mr. Mertz.

18 Mr. Wallach. Yes. I think this says attention CI, also
19 and his name is blocked out.

20 Mr. Angleton. I didn't see that.

21 Mr. Wallach. I am saying it did or did not get to you.
22 You say it didn't, and that is a matter of record. But the
23 memorandum which Mr. Mertz sent in reply under Mr. Hunt's
24 signature really in Paragraph 5 states, "It is most important
25 that all Federal law enforcement and U.S. intelligence agencies

TOP SECRET

TOP SECRET

1 vigorously deny any association, direct or indirect, with any
2 such activity as charged." And his stated reason is that since
3 no good purpose can be served by an official admission of the
4 violation, and existing Federal statutes preclude the concoction
5 of any legal excuse for such violation, it must be recognized
6 that no cover story is available to any government agency.

7 And then it goes on to say, "In the event of a compromise,
8 this position should be made known immediately to the Postmaster
9 General. He is fully knowledgeable of the project."

10 And I would like to stop there and ask you if you have
11 any knowledge that the then Postmaster General, I think it was
12 Mr. Day, was fully knowledgeable of the project.

13 Mr. Angleton. Well, do you have a paper that deals with
14 any meetings with Day before this?

15 Mr. Wallach. Well, I have a paper that Mr. Helms wrote
16 that I think you have.

17 Mr. Angleton. That was before this?

18 Mr. Wallach. A 1961 paper, sir, in which it says, "withheld
19 no relevant details."

20 Very truthfully, Mr. Helms does not recall whether or not
21 he told Mr. Day what -- well, in essence he doesn't recall
22 what was held -- what no relevant detail meant. He doesn't
23 recall what he told him, and there is a later CCI project
24 note in '74, or '73, I am sorry, which again says Mr. Helms
25 really leaves some doubt as to what he meant.

TOP SECRET

TOP SECRET

1 I am just wondering if you had any knowledge.

2 Obviously Mr. Mertz did, but I was wondering if you did,
3 whether the Postmaster General was fully knowledgeable of the
4 project.

5 Mr. Angleton. No, that would be speculation, but I would
6 have thought that Mr. Helms would have told him everything, for
7 the simple reason that he knew him quite well outside government.

8 Mr. Wallach. Mr. Day?

9 Mr. Angleton. Yes. I mean, I met him at Helms' house. He
10 seemed to be a friend of the family.

11 Mr. Wallach. Was there a reason why certain Postmasters
12 General would have been told and certain would not have been
13 told? I think there were three or four between Mr. Day and
14 Mr. Blount?

15 Mr. Angleton. I don't know the reasoning one way or
16 another, but I think that behind all of it was that the
17 Postmaster General in those days was also at the very top in
18 terms of the party in power.

19 Mr. Wallach. You mean a Cabinet official?

20 Mr. Angleton. Yeah. It was the standard sinecure for
21 the campaign head of the party.

22 Mr. Wallach. So was Mr. O'Brien after that, Mr. Gronouski?

23 Mr. Angleton. I am saying in Day's case that I would have
24 thought that everything was told to him about the project. I
25 can't see any reason going over and seeing him unless he was

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7600011205

TOP SECRET

1 given very full disclosure, but that again is my own speculation,
2 plus, fortified by the line in Dick's memorandum -- would you
3 mind recalling it to me?

4 Mr. Wallach. "Withheld no relevant details."

5 Mr. Angleton. That's right.

6 Mr. Wallach. Just getting into the fact of a cover story
7 here, in essence it seems that Mr. Mertz's replying to the
8 memorandum that was sent to him saying, the hell, we can't
9 have a cover story here, we've just got to deny, you know, any
10 participation in it!

11 Mr. Angleton. I agree with his conclusions.

12 Mr. Wallach. All right. I guess I don't see any more point
13 to go into that.

14 Mr. Angleton. It is possible that Hunt might have discussed
15 it with me, and this is one month after that defection, and that
16 was a full time, seven day a week business.

17 I also note here in passing that the memorandum of
18 20 December '62 from Sheffield Edwards to Deputy Director,
19 Support, subject: Inspection of Office of Security by
20 Inspector General -- it goes on and refers to Recommendation
21 41A of Inspector General's report and subsequent evaluation, and
22 to the subsequent evaluation of HTLINGUAL. "In connection with
23 the above-mentioned evaluation, this is to advise you that the
24 project has been thoroughly reviewed by all interested Agency
25 components. This review has resulted in the conclusion that the

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

41 69
TOP SECRET

1 project is of value to the Agency's overall mission in the
2 collection of intelligence, and as such, it should be continued."

3 Mr. Wallach. But that really doesn't go -- still doesn't
4 go to what I was going to before, that you were informed after
5 interviewing certain people that there were certain problems.
6 I realize you may have been preoccupied with certain other
7 things.

8 Mr. Angleton. I mean I am simply stating that there must
9 have been some meetings that were held which I don't see any
10 record of between the Office of Security and our project
11 people.

12 Mr. Wallach. Well, I take it that after the first couple
13 of months, that this project really held no value per se for the
14 Office of Security. It was primarily of value to the CI Staff.

15 Mr. Angleton. Quite the contrary, I think that it was
16 of value to the Office of Security. I think that they built
17 up their own files and records on the whole thing. They had
18 a very first rate research and analysis group that had a lot
19 to do with their responsibilities on employment and distribution
20 of employees. So there was a great deal turned up in the
21 project that related to organizations and things of this sort.

22 Mr. Wallach. Along those lines, are you aware that any
23 time of one of the categories of mail that was requested to
24 be intercepted and opened was mailed to or from elected or
25 appointed U.S. officials?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. Well, I know there is a memorandum, and it
2 may be well after the event that forbids it.

3 Mr. Wallach. Are you talking about the December 1971
4 memorandum?

5 Mr. Angleton. I don't know which one.

6 Mr. Wallach. Well, let me get that out, Mr. Angleton,
7 because I think a clear reading of that will make it obvious
8 that it is not forbidden. The only thing that happens as a
9 result of that memorandum is that separate procedures are set
10 up, and I think I have a copy here for you. If it is not the
11 one we are referring to, we can look at the other one, and I
12 would like to mark the 22nd December 1971 memorandum as
13 Exhibit 8, and the subject is Handling of Items to or from
14 Elected or Appointed U.S. Officials.

15 (The document referred to was
16 marked Angleton Exhibit No. 8
17 for identification.)

18 (Angleton Exhibit No. 8 will
19 be found in the files of the
20 Committee.)
21
22
23
24
25

TOP SECRET

TOP SECRET

1 Mr. Wallach. I would ask you if this is the item you were
2 referring to.

3 (Pause)

4 Mr. Angleton. Well, first, I don't know what prompted this,
5 I mean, what prompted their --

6 Mr. Wallach. Well, let me see if I can refresh your
7 recollection, but first let me ask if this is a document that
8 you were referring to before?

9 Mr. Angleton. It is the same document.

10 Mr. Wallach. Would you agree with me that it does not
11 preclude the intercepting or opening of mail to or from elected
12 or appointed U. S. officials?

13 Mr. Angleton. Yes. In Paragraph 1(b)

14 Mr. Wallach. Do you recall ever discussing this matter?

15 Mr. Angleton. It is possible, but it doesn't stick out.

16 Mr. Wallach. Do you recall anything ever called special
17 category items or special file that's referred to in Paragraph
18 F, that would be set up?

19 Mr. Angleton. Not necessarily, but I mean, it wouldn't
20 surprise me.

21 Mr. Wallach. One doesn't exist.

22 Mr. Angleton. Well, I mean, normally in all projects,
23 as they developed they would always be something that is pushed
24 aside that is very sensitive.

25 Mr. Wallach. Mr. Rocca was at this time your Deputy, was

TOP SECRET

44 12
TOP SECRET

1 he not?

2 Mr. Angleton. Yes.

3 Mr. Wallach. Do you recall at any time Mr. Rocca calling
4 to your attention that a large number of communications to
5 Senators Church and Kennedy had been picked up and that this
6 might not be a great idea to disseminate it throughout the
7 Agency or to the Bureau, and that there may be a need for a
8 different procedure once the material reached headquarters?

9 Does that ring a bell at all?

10 Mr. Angleton. Who were the two?

11 Mr. Wallach. Senators Kennedy and Church, and also a
12 Congressman, I can't remember his name now. The last name
13 begins with a "G" I believe. And apparently
14 who was the Chief of the project at this time, passed these on
15 to Mr. Rocca because he thought they were interesting, or for
16 whatever reason, and Mr. Rocca --

17 Mr. Angleton. Was that something he wrote on a pink
18 cover sheet and holographed, to your knowledge?

19 Mr. Wallach. I don't know, sir, very truthfully, sir.

20 It outlines the same question you raised, what precipitated
21 this memorandum, it took a month and a half of investigating to
22 find out that there was a special files category that did exist
23 and that there were previous memoranda that for one reason or
24 another the Agency had not given to us, although they were
25 requested, and we made a priority request again yesterday

TOP SECRET

45 23 73
TOP SECRET

1 morning.

2 Mr. Angleton. Well, the special category doesn't surprise
3 me because certain letters such as that Hammer business, and
4 Philby and a few other things, would go into -- I mean, would
5 be segregated, because there would be a lot of collateral
6 probably attached to it.

7 Mr. Wallach. I'm not disagreeing with you, but it is my
8 understanding that all of the special category items included
9 was mail to or from appointed or elected U.S. officials, or at
10 least a special category or file, so there may have been other
11 special files, and I think we've had testimony that insofar
12 as this project was concerned, except for the occasional hot
13 item that might be sent directly to someone higher, that this
14 was the only special procedure set up, and it was precipitated
15 as a result of correspondence coming in that was described
16 before.

17 I think if you remember, that was back at the time of
18 Vietnam, and we mentioned Congress was acting on that, and I
19 believe Senator Church was just taking a tour and was receiving
20 correspondence.

21 I don't want to say that I know exactly what's in that
22 file, because I don't.

23 Mr. Angleton. No, well, I mean, I am unaware that although
24 I want to see here -- well, I don't know.

25 Mr. Wallach. I have been told that there was an August 30,

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 '71 memorandum which precipitated this, and just for your
2 information you might want to ask to see that.

3 Mr. Angleton. August?

4 Mr. Wallach. August 30, 1971 memorandum. We do not have
5 a copy of it, otherwise I would show it to you.

6 As Exhibit 9 for identification I would like to ask a one
7 page letter dated January 13, 1971 -- I'm sorry, it is a two
8 page letter, but really, before I do that, I would like to ask
9 Mr. Angleton to focus his attention on a time that has become
10 more clear in more recent months, when Mr. Cotter became Chief
11 of the Inspection Service.

12 (The document referred to was
13 marked Angleton Exhibit No. 9
14 for identification.)

15 (Angleton Exhibit No. 9 will
16 be found in the files of the
17 Committee.)
18
19
20
21
22
23
24
25

TOP SECRET

47 75
TOP SECRET

1 Mr. Wallach. Really what I'm going to be getting into now
2 is, although it took four years, the termination of the project
3 and the events that happened during that time, and if we could
4 focus our attention on that.

5 What is the first time that you recall, Mr. Angleton, that
6 you recall there was any consideration being given to really
7 terminating the project?

8 Mr. Angleton. It came up more than once, and it usually
9 came up as a result of somebody who was a contact of Security
10 going to Security and telling them that they had better have
11 new principals or they had a change of some sort, they wanted
12 reassurance.

13 Mr. Wallach. What do you mean by new principals?

14 Mr. Angleton. A new Postmaster General, basically that. I
15 mean there would be a change of people at the top.

16 Mr. Wallach. Well, you say it happened more than once.
17 You mean it happened more than once in the life of the project?

18 You're talking about the period -- we're talking
19 about --

20 Mr. Angleton. I'm talking about through the life of the
21 project, I mean, if there were any changes in the Post Office
22 or something, there would be concern expressed that those
23 people should be briefed.

24 Mr. Wallach. Was there concern, if you know, that the
25 Postmaster should be briefed that the CIA had a mail cover,

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

Phone (Area 202) 544-6000

100

#10 First Street, S.E., Washington, D.C. 20003

10 But there is doubt that any of them knew that mail was
11 actually being opened; such is their testimony. It would almost
12 seem to make more sense to brief the Postmaster General, yes,
13 we have this intercept, and it's not in accordance with the
14 usual procedures, but we are just covering the mail and, you know,
15 we just wanted to let you know about that.

16 And I really, when I ask if you know either way of whether
17 that was the concern, or the concern was to tell them that we
18 were opening mail.

19 Mr. Angleton. Well, I mean, I cannot remember specifically.
20 I never attended any meeting with the Postmasters, and the
21 memorandum, though, well it came back, were fairly general.
22 There wasn't any detailed memorandum of the conversation, as
23 I recall it, but there's no question, though, through the life
24 of the project, the question of continuing it or not came up
25 from time to time.

TOP SECRET

TOP SECRET

1 Mr. Wallach. Aside from the question of continuing it,
2 was there any difference of degree in that question after Mr.
3 Cotter came on board as the Chief Postal Inspector, say from
4 '69 on?

5 Mr. Angleton. When did he come on board?

6 Mr. Wallach. April, 1969.

7 Mr. Angleton. I don't know, really. I mean, he obviously
8 was much more sophisticated, he'd been in Security, and I think in
9 many ways he was probably more conscious of the flap.

10 Mr. Wallach. On the other hand, because he was in Security,
11 and because he had been assigned in the mid-'50s to the
12 Manhattan field office, he did know that mail was being
13 opened.

14 I don't know if you are aware of that or not.

15 Mr. Angleton. Well, I knew that he at some stage knew
16 it.

17 Mr. Wallach. In any event, he did know that mail was
18 being opened. I don't know if he knew the dimensions of the
19 project because it had grown since '55 or whatever, approximately
20 '56, when he was there, but in any event, he did know, he was
21 back at Headquarters for a time, and then before he went over,
22 word bubbled up again, the project was continuing. So, I
23 think you really don't know anything about what his concern
24 was, or you never really discussed that?

25 Mr. Angleton. I don't think -- my understanding is his

TOP SECRET

TOP SECRET

1 concern was the extent to which he would be compromised, I mean,
2 his job would be compromised in the Post Office, and he always
3 wanted some kind of laying on of hands, that is, the Director
4 seeing the Postmaster General and making sure that there was
5 some kind of touching of base there. That is my general
6 impression of Cotter's concern.

7 Mr. Wallach. Is that essentially -- I'm not trying to
8 put words in your mouth -- that he was trying to protect himself
9 to make sure that his boss knew?

10 Mr. Angleton. Yes, I think so. I mean, that is my
11 impression. I mean, I read the papers about his appearances
12 and so on, and I don't bear him any ill will for his statements.
13 I mean, I think all throughout he was torn about this project.
14 He was very ill at ease with it, and I think he -- that his
15 position was very difficult.

16 Mr. Wallach. I would like to get from you, as best you
17 can, if you remember the sequence until the termination, and
18 we have a couple of documents here. I'm sure that these are
19 documents that you have seen and you do have, but in any event,
20 I will show them to you, but I would like to get at your
21 memory now as to what happened in general terms.

22 Mr. Angleton. On the termination?

23 Mr. Wallach. The events leading to the termination.

24 Mr. Angleton. Well, what I recall simply is again a
25 meeting had occurred, I think, while Helms was still Director,

TOP SECRET

TOP SECRET

1 regarding the question of Cotter, and it was decided to still
2 go ahead with the project. I can't remember whether there were
3 any recommendations about seeing anybody at this moment.

4 Subsequently, when Dr. Schlesinger came aboard, Cotter
5 did raise a very strong issue with the Office of Security, and
6 he coupled it with sort of an ultimatum that if certain steps
7 were not taken, that he would abandon the operation, and I was
8 not present, and the ultimatum was presented to Dr. Schlesinger,
9 and I assume it was Osborn who signed, or somebody. So the
10 issue was drawn.

11 There was to have been a meeting on this in which there would
12 be arguments presented to Dr. Schlesinger. Then something
13 happened there. It was the same day, I think, that Colby was
14 made the Deputy Director for Operations, to succeed Karamessines.
15 So the meeting did not take place which had been scheduled,
16 and Colby wrote an opinion about doing away with the operation.

end 2b

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

tape 3 amt 1

TOP SECRET

80

Phone (Area 202) 544-6000

1 In my argument, I induced him to go to a meeting that I
2 had scheduled on another subject with the Director and so I
3 pre-empted some of the time in Colby's presence to put up
4 another argument to the Director to the effect that in my
5 opinion the President had a vested interest in this.

6 Mr. Wallach. You say the President?

7 Mr. Angleton. Yes. And I say the decision -- I mean, I
8 questioned that the Director of Central Intelligence could do
9 away with the project, without it being a decision of the
10 Executive.

11 Mr. Wallach. Was the President aware of the project?

12 Mr. Angleton. Well, can I come back to your question?
13 I'm just trying to recount what I recall here.

14 Mr. Wallach. Go ahead.

15 Mr. Angleton. Because I felt that there was really grounds
16 for very deep examination of the value of it, its value to the
17 Bureau and ourselves, and he, in effect told me and he told
18 Colby also that he would be very pleased, or words to that
19 effect, to consult the President, and he overruled his
20 previous ruling with Colby about closing it down and instructed
21 Colby to get word through to Cotter that if he would hold off
22 on his ultimatum that he would consult with higher authority,
23 and this word was passed through Colby to Security who, in turn,
24 talked to Cotter and he refused to do it and it was closed down
25 that evening.

TOP SECRET

410 First Street, S.E., Washington, D.C. 20003

WARD & PAUL

7600011213

TOP SECRET

81

2

1 Mr. Wallach. I take it one of the things and what do you
2 say, was it Mr. Colby who was in favor of closing it down?

3 Mr. Angleton. Yes.

4 Mr. Wallach. Is that because of his general non-predisposi-
5 tion to counterintelligence, or were there other reasons,
6 specifically, with this project?

7 Mr. Angleton. Well, I think that -- I mean, I don't want
8 to try to put thoughts into how his mind was, but I think that
9 the whole Watergate business, the way it was handled, by taking
10 all of the documents and simply throwing them all over the
11 White House and everything, out of the Agency, which has gone
12 on ever since, that this was part and parcel of his own, I mean,
13 what he had decided he was going to do. In other words, there
14 would be a hurried-up meeting which Dick Ober and myself would be
15 called over there and without any explanation be requested to furnish
16 all kinds of documents. There is to my knowledge, I don't think
17 mine or Ober's were even logged in or logged out. It was one of
18 these crash things where somebody was standing in the same room
19 waiting until all those xeroxes were made and then rushing them
20 over to the White House. So that was the general atmosphere of
21 the period.

22 Mr. Wallach. Well, I'd like to focus more particularly on
23 the question of have you had any discussions with Mr. Colby and
24 did he have any specific reason why he wanted to close the
25 project down? Did he ever discuss it that he thought it wasn't

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

3

TOP SECRET

82

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

legal?

Mr. Angleton. Oh, yes, very definitely.

Mr. Wallach. Therefore he was worried about sort of the flap potential, so to speak?

Mr. Angleton. Oh, yes.

Mr. Wallach. And I take it that his estimate of the value of the project was quite different than yours?

Mr. Angleton. He never mentioned that to me. I saw a comment to the effect where it stated that Dr. Schlesinger did not feel that the product was worth the risk. He never made that statement to me, in fact, he was quite prepared to take it up to the President, if Cotter had held off.

Mr. Wallach. What was Mr. Schlesinger's initial, then, reason for sending out the memorandum cutting off the project or instructing Mr. Colby to do so?

Mr. Angleton. I don't know if I've seen that memorandum. Was there a memorandum of that sort? I didn't think so.

Mr. Wallach. It's a good time to mark this and we can take a look at it, as Exhibit 10. It's a one-page document dated 28 February '73 which is actually an official routing slip. 10A, a one-page memorandum dated February 15, 1973, signed by Mr. Colby.

10B, a one-page document dated February 14, 1973.

Mr. Angleton. What was the date on Mr. Colby's?

Mr. Wallach. February 15th, and this is February 14th. I'll

TOP SECRET

110 First Street, S.E., Washington, D.C. 20003

1
2
3
4
5
6
7
8
9
10

003

(The documents will be found in the files of the Committee.)

TOP SECRET

TOP SECRET

84

1 Mr. Angleton. This buck sheet from Colby is dated 20
2 February, and I assume that is what is attached to all of this.

3 Mr. Wallach. To be very honest with you, Mr. Angleton,
4 I am not positive that it was attached. This is the way we
5 got it, and I'm not sure that it totally makes sense in this
6 fashion.

7 Do you have copies of these memoranda in your files?

8 Mr. Angleton. I have.

9 The facts are that the Bureau informally was canvassed by
10 me. From the informal reaction, it was quite obvious that
11 all of these proposals for passing the project over to the FBI
12 were not realistic.

13 Mr. Wallach. Who did you talk to there?

14 Mr. Angleton. To one of the senior officers.

15 Mr. Wallach. You won't mention his name?

16 Mr. Angleton. I don't think it is necessary, because he
17 didn't take it up to higher authority, but he was senior enough
18 to know the Bureau's feelings about matters of this sort.

19 Mr. Wallach. What did he tell you the Bureau's feelings
20 were?

21 Mr. Angleton. He simply stated, forget it. They didn't
22 have the personnel to handle this type of thing, and so on.
23 But I understood this from so many other things of the Bureau
24 over the years, I mean, Mr. Hoover was opposed to bringing
25 aboard as Bureau officers people who were not active. He didn't

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

85

1 want a lot of translators and so on and so on.

2 Mr. Wallach. This was after Mr. Hoover, was it not?

3 Mr. Angleton. Yes. This was after, but I think the
4 judgments he had on these things were -- I mean, everyone agreed
5 to them and there was no problem for me to understand the
6 Bureau's position.

7 Mr. Wallach. But going back -- and this may be a difficult
8 question to ask you, because you say you do not have any
9 specific knowledge -- but I can tell you that the Bureau did
10 run numerous mail intercept opening projects at different
11 points in time.

12 Mr. Angleton. But they were connected directly to some-
13 thing operational. I mean, they had a specific reason for
14 each thing that they did.

15 Mr. Wallach. What was your understanding of those
16 projects?

17 Mr. Angleton. What projects?

18 Mr. Wallach. Of the Bureau's?

19 Mr. Angleton. My understanding only is that it was based
20 specifically on a piece of information regarding some operational
21 matter of the opposition.

22 In other words, it wasn't a project of this sort.

23 Mr. Wallach. Are you talking about something to the
24 effect of an indicator?

25 Mr. Angleton. Pardon?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

7600011223

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 0 0 4
WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1

Mr. Wallach. Something like an indicator?

2

Mr. Angleton. What I mean --

3

4

Mr. Wallach. Are you saying you just went after one person?

5

6

Mr. Angleton. Well, more or less. Either that or looking for a category of communication.

7

8

Mr. Wallach. What you're saying is although it may have had this same format, it was much narrower in the items that they picked up.

10

11

Mr. Angleton. And I assumed that it was very temporary for the life of that particular internal security matter.

12

13

Mr. Wallach. You're saying then that you would have no knowledge of a project that lasted 18 years?

14

15

16

Mr. Angleton. No.

Mr. Wallach. You're saying of a project, the matter would run in our particular case for x-number of months?

17

18

Mr. Angleton. That's right, where they identified the same agent.

19

20

Mr. Wallach. But you don't know of any projects that they used just to try to identify agents?

21

22

23

24

Mr. Angleton. Well, I know of that type of thing but I thought that that was of relatively short duration. Those were in the questions of ^{illegals}legals. I mean where they were trying to get patterns of communication.

25

Mr. Wallach. Well, when you say short duration, are

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600011225

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 you talking about months or years? Well, when you tell me

2 Mr. Angleton. Well, when you tell me 18 years, I

3 never dreamed the Bureau would have that kind of operation.

4 Mr. Wallach. Have you ever heard of the term z coverage?

5 Mr. Angleton. What?

6 Mr. Wallach. Z coverage.

7 Mr. Angleton. I've heard of it, but I didn't know it

8 was specifically mail.

9 Mr. Wallach. It may have been other things, too.

10 In other words it was not a realistic possibility to

11 assume the Bureau would take this over?

12 You mean they you went through the formalities of

13 asking?

14 Mr. Angleton. No, I mean when I called up and asked

15 this fellow a curbstome opinion as to whether the FBI would

16 be prepared to take on the Hunter and he just told me to

17 forget it. Simply they wouldn't be able to man it or to

18 handle it.

19 Mr. Wallach. Was there any discussion?

20 Mr. Angleton. Of course there would be another policy

21 reason for that. I don't think the Bureau would get into

22 an operation of this sort where they would be passing to us

23 the raw materials. I mean that is again Bureau policy.

24 In other words, we had a different customer's list than

25 he would have should they take this project on.

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 2 2 6

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Wallach. Do you recall who was the Deputy Chief
2 of CI staff on January 27th, 1961 or 1961 who that would have
3 been?

4 Mr. Angleton. That would have been Jim Hunt.

5 Mr. Wallach. In the memorandum for the Chief of Operations
6 EDP that date Mr. Hunt says: "On January 5, 1961, Don
7 Moore, Deputy to Al Belmont, very confidentially
8 advised that they" -- by that "they" he means the Bureau --
9 "had set up a similar but more limited coverage to examine
10 mail to certain cities in Europe. Their examination is solely
11 to look for suspicious letters that might be mailed by
12 illegal Soviet agents. This coverage has positively located one
13 GRU illegal channel."

14 (Discussion off the record.)

15 Mr. Angleton. I just wanted to grasp here, I just saw
16 in one of the memorandums that you referred to --

17 Mr. Wallach. Is that the 27th January, '61 memorandum?

18 Mr. Angleton. No, this is again going back to the
19 batch of memos --

20 Mr. Wallach. Exhibit 10.

21 Mr. Angleton. Colby and Schlesinger.

22 Mr. Wallach. Yes, sir.

23 Mr. Angleton. There is our presentation for the
24 project.

25 Mr. Wallach. Is that essentially that paper that you

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

76000011227

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 gave to the Director?

2 Mr. Angleton. Well, I don't know exactly what stimulated
3 it, except that it was a paper, I think, prepared to show the
4 concern of the meeting that we were going to have to take
5 place. There was supposed to be a meeting with Mr. Austin,
6 myself, and probably my deputy and Karamessines and so on.
7 And that was cancelled.

8 But in any event, what I was referring to was in going
9 through the chronology here on page 3, there is a statement
10 made on page 3, paragraph C:

11 "Occasional exploratory openings conducted at
12 secure CIA installation nearby proved so rewarding that continu-
13 ation on a highly selective basis was deemed necessary
14 in the national security interest."

15
16 Now that sequentially in terms of what they're discussing
17 would have been prior to our taking on the project.

18 Mr. Wallach. But again, this was a document that was
19 prepared in early '73 or late '72, but probably would have
20 looked back at other documents to be prepared?

21 Mr. Angleton. It would have been a synthesis of the
22 holdings on the project probably prepared by Scotty Miler in
23 February, '73.

24 And since it is a chronology, it is a chronology which
25 talks about the exploratory openings before it came to counter-

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 2 2 9

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 intelligence. This is a feeling I've always had. but --

2 Mr. Wallach. Do you remember Mr. Schlesinger discussing

3 with you the cost of the operation in terms of actual funds?

4 Mr. Angleton. No. We only talked to the question of

5 content and the relation to the Bureau. And this was a very

6 brief discussion.

7 Mr. Wallach. Well, who was getting that performance to

8 Angleton and reading that January 27, 1961 memorandum, which

9 talks about Don Moore offering to put CIA names on an FBI

10 watch list? I was wondering, this sort of cuts against what

11 you said about the Bureau not conducting any operations like

12 this.

13 Mr. Angleton. I know that operation you are discussing.

14 That again was one where it was designed for a very specific

15 purpose and one purpose alone, and that was to get the pattern

16 of communications to certain neutral country places before

17 it went on to Moscow with illegals.

18 Mr. Wallach. Do you know when those projects that you

19 are talking about ended? Did they end?

20 Mr. Angleton. Well, I say none of this do I know

21 officially.

22 Mr. Wallach. Well, I realize it's hearsay and it

23 percolated up, but you, for example, said you can read

24 intelligence reports and through your experience, as other

25 people have said, tell us something was received from a

TOP SECRET

TOP SECRET

1 mail intercept.

2 Mr. Angleton. Well, when I say "mail intercept," I
3 mean --

4 Mr. Wallach. An opening of a letter?

5 Mr. Angleton. An opening of a letter. But it could
6 also have been a bag job of some sort.

7 But in any event, the precision of what followed was
8 something that must have come off of a document.

9 Mr. Wallach. Well, did you, for example, note that
10 this ended when Mr. Hoover died, for example, that the FBI
11 stopped at least instances of mail openings at that time, or
12 did you notice any stoppage at all?

13 Mr. Angleton. Nope.

14 Mr. Wallach. You're saying that insofar as you know,
15 the same mail -- in other words, it continued in the same
16 pattern that it had always been.

17 Mr. Angleton. Well, you see, I am not cognizant of
18 any long-term mail opening by the Bureau. But let's take a
19 simple case. If they were surveilling a man and he put a
20 letter in a mailbox down at the Post Office, they might have
21 somebody down behind the counter who "picked up the letter."

22 Mr. Wallach. What I am asking is, really, these types
23 of incidents you are describing, did you know this, and I
24 realize this is only from what you gleaned, sir, that it stopped,
25 for example, when Mr. Hoover died?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 Mr. Angleton. No.

2 Mr. Wallach. In other words, you noticed no termination
3 of this type of thing?

4 Mr. Angleton. Well, I mean I do not remember so many
5 specific things after that anyway. By that time, I mean --

6 Mr. Wallach. Do you remember Mr. Brannigan, for example,
7 in 1971, sending you some of Jane Fonda's correspondence?

8 Mr. Angleton. That would normally go to the liaison
9 office, but I don't remember it as such. I know the flap
10 over Jane Fonda. I mean we were getting stuff from the Bureau
11 reguarly. It came every day.

12 Mr. Wallach. Is there a ^{log} law which is kept as to which
13 documents the Bureau supplied?

14 Mr. Angleton. It used to be.

15 Mr. Wallach. When was that stopped?

16 Mr. Angleton. I don't know if it was stopped, but in
17 '73 I lost the liaison office.

18 But prior to that we had a detailed log with everything
19 from the Bureau plus the gist of all meetings and discussions
20 with people in branches and so on.

21 Mr. Wallach. Would that have been in the liaison office?

22 Mr. Angleton. Yes.

23 Mr. Wallach. The log actually physically kept there?

24 Mr. Angleton. That's right.

25 Mr. Wallach. If, for example, the Bureau had, assume,

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

25 Mr. Wallach. I have a problem reading it and I wonder

1113 First Street, S.E., Washington, D.C. 20003

7 6 5 4 3 2 1

Phone (Area 202) 544-6000

60

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

21 So I told him that I had a meeting at 3:00, that I was
22 going to contest his memorandum closing down the operation
23 with Mr. Schlesinger, and I asked him if he would come along
24 with me at that time because there was a real time factor
25 involved, which he did.

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 2 3 3

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 And so I went up and explained to the Director that
2 I wanted to protest the decision. And that is when I put
3 up the proposal and I went through the question of the FBI
4 and whatnot, and then the suggestion was put up by Mr. Colby
5 that we could detail all of our personnel over there to the
6 FBI, which was totally in my view unrealistic because the
7 people's careers are in our business. And second, I mean the
8 FBI would never accept such a proposal. It was totally
9 unrealistic. And that was when I put up the proposition that
10 prior to the final death of the project, that in my view it
11 should be raised at the highest executive level as to whether
12 it should be terminated or not, since, if it was terminated,
13 it would not be re-opened again. At least give the President
14 that option.

15 So Dr. Schlesinger turned to Mr. Colby and stated that
16 he would like him -- that he had reconsidered, that he
17 would like him to go back to Cotter with the statement of
18 suspending that for a few days in order that he could take
19 it up "at the highest level." But he had told both of us
20 that he was prepared to discuss it with the President and
21 that's the end of it.

22 Mr. Wallach. I think you've given me a very good
23 accounting of that. I would just like to have a couple more
24 questions on two meetings -- I'm sure you've seen these
25 two memoranda and I would like to mark them as Exhibit 11,

TOP SECRET

TOP SECRET

1 which is a 19 May '71 memorandum on the DCI meeting concerning
2 HTLINGUAL.

3 You can take a look at that to make sure you've seen it.

4 (The document referred to was
5 marked Angleton Exhibit No. 11
6 for identification.)

7 (Angleton Exhibit No. 11 may be
8 found in the files of the
9 Committee.)

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

TOP SECRET

97

2

1 Mr. Wallach. And Exhibit 12 is a 3 June 1971 memorandum
2 for the record, Subject: Meeting in DCI's office concerning
3 HTLINGUAL.

4 (The document referred to was
5 marked Angleton Exhibit No. 12
6 for identification.)
7 (Angleton Exhibit No. 12 will
8 be found in the files of the
9 Committee.)
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Phone (Area 202) 544-5000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

3 TOP SECRET

98

1 (Pause)

2 Mr. Angleton. I have seen this one.

3 All right, I read that.

4 Mr. Wallach. Calling your attention, Mr. Angleton, to the
5 May 19, 1971 memorandum, I just have a couple of questions.

6 You were present at that meeting, were you not?

7 Mr. Angleton. That's right.

8 Mr. Wallach. And calling your attention to Paragraph 5,
9 which discusses the theft of FBI documents from Media,
10 Pennsylvania, do you have any recollection of discussing that
11 at all, except what is written down here?

12 It doesn't even say that you discussed it, but do you
13 recall that coming up?

14 Mr. Angleton. No, I really don't recall it. It would not
15 have surprised me, but I don't think that Karamessines got it
16 very straight there. I mean, I think he misunderstood something.

17 Mr. Wallach. Why do you say Karamessines?

18 Mr. Angleton. He was the DDP.

19 Mr. Wallach. All right.

20 He states he had been informed.

21 Mr. Angleton. That's it.

22 Mr. Wallach. In the event he may have been informed of
23 something that is incorrect?

24 Mr. Angleton. There was never to my knowledge the damage
25 report submitted to the Agency by the FBI as to what materials

TOP SECRET

Phone (Area 202) 544-6000

7600011036

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

99

1 of ours were compromised in that Media, Pennsylvania breakin.

2 Mr. Wallach. Calling your attention to paragraph 9, sir,
3 the paragraph numbered 9 on the third page, it states, on the
4 question of continuance, the DDP stated that he is gravely
5 concerned for any flap would cause CIA the worst possible
6 publicity and embarrassment. He opined that the operation should
7 be done by the FBI because they could better withstand such
8 publicity, inasmuch as it is a type of domestic surveillance.

9 The DS stated that he thought the operation served mainly
10 an FBI requirement. The CCI countered that the Bureau would
11 not take over the operation now and could not serve essential
12 CIA requirements as we have served theirs; that, moreover, CI
13 staff sees the operation as foreign surveillance.

14 There are a couple of things I would like to discuss
15 really, you know, first. In there we have the Director of
16 Security stating that the operation serves mainly an FBI
17 requirement, and I think throughout my discussions in depositions
18 of security people, they almost uniformly stated that all they
19 did was provide the documents, and it really didn't serve any
20 of their purposes, you know, including past Directors of
21 Security.

22 I'm just wondering if their feeling seems to differ as
23 to what you've expressed before as to the benefits that resulted
24 from this. They feel they were minimal at best.

25 Mr. Angleton. I would have to -- maybe as of the time

TOP SECRET

Phone (Area 202) 544-6000

7 6 0 0 0 1 1 2 3 7

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

5 **TOP SECRET**

100

1 spelled out here, that that was their feeling.

2 Mr. Wallach. Do you recall any discussions with Mr. Osborn
3 about this, with Mr. King about this?

4 Mr. Angleton. Well, they were present at the meeting. I
5 mean, Mr. Osborn was.

6 Mr. Wallach. It seems that Mr. Karamessines was also
7 saying here that this was domestic surveillance, and one of
8 your responses was that this was foreign surveillance.

9 Could you kind of elaborate on that? Is there really a
10 distinction?

11 Mr. Angleton. I am not sure, I think that we're both
12 saying the same things in a way. The -- I think that the basic
13 thrust of Mr. Karamessines' feeling was the question, to what
14 extent it had been compromised and whether there would be a
15 flap, and his thought of passing it over to the FBI, in my
16 view, it just simply would not fly at all. In other words,
17 they would not accept it.

18 The Agency was much more qualified in terms of the
19 product and the handling of it than anybody else, to our way
20 of thinking, and it was, no question that it served both domestic
21 and foreign interests, about things, Soviets who came here and
22 Soviets who returned there.

23 Mr. Wallach. Was there any discussion of it making any
24 difference as to whether the mail was opened outside the U.S.
25 as opposed to inside the U.S.?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

end 3
begin 3b

TOP SECRET

1 Mr. Angleton. Well, those discussions had taken place
2 at various stages over a long period of time because we obviously
3 had mail opening benefits. Well, maybe we didn't do it but
4 we had people who opened mail abroad, and where we got the
5 product.

6 Mr. Wallach. Was the German operation at Frankfurt, the
7 German authorities in the army of major benefit to the Agency,
8 or are you qualified to answer that really?

9 Mr. Angleton. Well, I think that is my general under-
10 standing.

11 Mr. Wallach. What other specific mail intercept and
12 opening operations are you aware of that took place within
13 the United States?

14 Mr. Angleton. Well, I have heard since all of this happened
15 about the one in New Orleans, the one in San Francisco, and the
16 one in Honolulu.

17 Mr. Wallach. But during your time at the Agency up until
18 this became public, you really did not know of anyone besides
19 the New York Operation.

20 Mr. Angleton. Nope. It's possible that one of my men
21 may have known it.

22 Mr. Wallach. I take it, then, that TSD or TS in the
23 San Francisco operation never came to you and said would you
24 like some of the take from this, take a look at some of the
25 Chinese stuff.

TOP SECRET

TOP SECRET

1 Mr. Angleton. I mean, I don't recall that, although
2 I say I'm not excluding that they may have gone to Scotty
3 Miler or somebody and stated that we have this or that. But I
4 don't think so.

5 Mr. Wallach. In other words, nobody's ever told you that.
6 You're just saying it could have happened.

7 Mr. Angleton. I mean I don't recall it. I mean when I
8 saw the intercept or anything broke open is when I learned, I
9 know specifically, to my own knowledge, about the San Francisco,
10 and then I was told at that time there were three others.

11 Mr. Wallach. Do you know about any individual instances
12 of mail intercepts in the United States that you can recall?
13 I have one memorandum here, and I think we have some others back
14 there that I did not have time to get, which I will show you;
15 the 22 November '67 memorandum, which I again might not have
16 gotten to you. It's to the attention of somebody else whose
17 name is whited out, which refers to Syrian items.

18 Mr. Angleton. No, I never saw this.

19 Mr. Wallach. You're not aware, I take it, of any coverage
20 of Middle Eastern mail in the middle or late sixties, when
21 mail was actually intercepted and opened.

22 Mr. Angleton. No.

23 Mr. Wallach. Have you ever heard of a project called
24 SRINDIAN?

25 Mr. Angleton. No.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

8

103

TOP SECRET

1 Mr. Wallach. Are you aware of an operation by which the
2 mail of certain embassies was opened in the United States,
3 diplomatic pouches?

4 Mr. Angleton. Well, I know it's going on.

5 Mr. Wallach. But the CIA wasn't primarily involved in that?

6 Mr. Angleton. I think they were not done by the Agency.

7 Mr. Wallach. Well, it's hard for me to really recount this
8 area. It's my understanding that it was.

9 Mr. Angleton. Well, I mean, I'm not aware of it. I mean,
10 it doesn't surprise me, mind you, it doesn't surprise me, but
11 I'm not aware of it.

12 Mr. Wallach. Did you know about it prior to 1974?

13 Mr. Angleton. Well, we've had, going back to OSS days,
14 we've had operations that were domestic, in the war, all the
15 way through.

16 Mr. Wallach. Well, I'm really asking from '60 on.

17 Mr. Angleton. I was not aware of the Agency being involved,
18 but it would not surprise me if some of our people helped the
19 Bureau or something of this sort.

20 Mr. Wallach. Are you aware of Customs being involved in
21 that?

22 Mr. Angleton. Well, I mean if they're going to do it,
23 they'd probably have a lot of people involved.

24 Mr. Wallach. Well, what is your understanding of the
25 project?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

104

9

1 Mr. Angleton. I don't know the project. But I mean, I
2 do know that we had some of the best experts in the community
3 as far as locks and picks are concerned.

4 Mr. Wallach. Have you ever heard of a wax and seals course?

5 Mr. Angleton. A what?

6 Mr. Wallach. A wax and seals course.

7 Mr. Angleton. I know the course.

8 Mr. Wallach. That's flaps and seals. I'm asking you
9 if you know wax and seals.

10 Mr. Angleton. Well, it's the same. People don't use
11 wax anymore anyway.

12 Mr. Wallach. Well, I think I have one other question
13 in the line of questions.

14 Are you aware of any mail intercept projects where the
15 Bureau cooperated with the Agency or any other agency actually
16 provided mail to the CIA?

17 Mr. Angleton. No.

18 Mr. Wallach. How about where they provided intelligence
19 reports that actually contained mail on a continual basis?

20 Mr. Angleton. Like the what?

21 Mr. Wallach. Instead of providing a copy of the mail, they
22 provided intelligence reports that you were aware contained
23 mail from a study project, like the thing we mentioned before.

24 Mr. Angleton. No.

25 Mr. Wallach. In other words, you're not aware as to whether

TOP SECRET

Phone (Area 202) 544-6000

7600011342

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

Phone (Area 202) 544-6000

76000311243

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 the CIA receives copies of diplomatic mail?

2 Mr. Angleton. Well, I mean I know about some mail abroad,
3 I mean, I don't know specifically but I know there has been.

4 Mr. Wallach. I am talking right now about mail coming to
5 the United States that's actually opened in the United States.

6 Mr. Angleton. No.

7 Mr. Wallach. Do you recall the meeting of June 1, 1971,
8 which was reflected in the June 3rd, '71 memorandum? I mean,
9 without reference to that memorandum, really.

10 Mr. Angleton. This is the one about Mitchell and so on?

11 Mr. Wallach. Do you have an independent recollection of
12 that meeting, Mr. Angleton?

13 Mr. Angleton. I am trying to remember. See, I knew all
14 about the -- I know everything about the Attorney General on that
15 point.

16 Mr. Wallach. Well, let me ask you a couple of specific
17 questions.

18 Do you recall Mr. Helms telling you at that meeting, telling
19 you that he told Mr. Mitchell that the CIA was opening mail in
20 New York City?

21 Mr. Angleton. I can't recall it, but my feeling was that
22 I told that to Mr. Mitchell.

23 Mr. Wallach. When do you think you told that to Mr.
24 Mitchell?

25 Mr. Angleton. I mean, I didn't tell him, I mean, I showed

TOP SECRET

11
TOP SECRET

106

1 him exemplars on some cases.

2 Mr. Wallach. When was that?

3 Mr. Angleton. I cannot give you a date.

4 Mr. Wallach. Was it in connection with the Special Report
5 involved on the so-called Houston Plan?

6 Mr. Angleton. It might well have been.

7 Mr. Wallach. In any event, you do have a definite
8 recollection of showing Mr. Mitchell selections?

9 Mr. Angleton. Of course, I took a couple up with me.

10 Mr. Wallach. Do you recall specifically who they were on?

11 Mr. Angleton. ^{Boudien} Boudien and one on the murder, I believe,
12 in Maryland, but I think Dick may have seen him subsequently.

13 Mr. Wallach. Do you recall what Mr. Mitchell said when you
14 discussed this with him, if anything?

15 Mr. Angleton. No. I mean, he was very interested.

16 Mr. Wallach. Did he ask about the details of the project
17 and how long it had been going on and questions like that?

18 Mr. Angleton. I don't think so. I think that the main
19 thing was that the only information the government had was
20 here was a young girl in New York who was a fugitive from
21 justice who had written twelve letters from Moscow to people
22 throughout the United States, and they were the only leads,
23 and it raised the big question of what was she doing in Moscow?

24 Mr. Wallach. Did he ask you if you passed this information
25 on to the Bureau?

TOP SECRET

Phone (Area 202) 544-6000

7600011214

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

Phone (Area 202) 544-6000

7600011345

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. I think I told him. I mean I am certain I
2 told him. I mean, after all, it was the Department of Justice.

3 Mr. Wallach. Did he ask you if the Bureau had some of
4 the programs?

5 I take it you told him this mail had been gotten from the
6 New York intercept operation.

7 Mr. Angleton. I think so. I mean, there was no reason
8 to hold anything back from him. You know, he was there and the
9 problems we were discussing got down into this whole question
10 of -- I mean, let me put it to you another way.

11 Going back into the difficulties we had in the liaison
12 was interrupted. We then had eventually Mr. Gray come aboard,
13 and so it raised questions of whether we would be able to resolve
14 with Mr. Gray during his tenure a number of these outstanding
15 matters which had sort of hung fire over a long period of time
16 after Mr. Hoover's death, and before. So just as we thought we
17 were getting along all right and setting the stage for a number
18 of meetings with Mr. Gray, then he disappeared, and along came
19 Mr. Ruckelshaus, and he didn't stay very long. In other words,
20 there was a whole series of very urgent business in the pending
21 box that never got out of the pending box, given the changes in
22 the FBI.

23 Mr. Wallach. Did it strike you as funny then, on June
24 3rd, when Mr. Helms said he had briefed Mr. Mitchell about the
25 project, that Mr. Helms didn't say why, I know you did, too?

TOP SECRET

7600011246

13

108

TOP SECRET

1 Mr. Angleton. No. This could be an entirely separate
2 meeting that he had.

3 Mr. Wallach. But I'm saying if you had briefed Mr. Mitchell
4 before --

5 Mr. Angleton. I know, but I briefed -- the mail intercept
6 was only a small part of our discussions. I mean, the contents
7 of the letters which he saw relating to mail intercepts.

8 Mr. Wallach. But in any event, this developing series
9 of documents that we have would suggest that Mr. Cotter had
10 asked that either the Attorney General or the Postmaster General
11 be briefed by Mr. Helms, and he wanted that to protect his
12 back, so to speak, and Mr. Helms had concurred because for
13 whatever reasons, he went ahead and did it, and it seems funny
14 that Mr. Mitchell wouldn't have said I knew, and he would have
15 come back to the meeting and said, Jim, I'm glad you briefed
16 him, that type of thing.

17 Mr. Angleton. Well, I don't think it was in that context.
18 I think in my discussions with the Attorney General was simply
19 on substantive cases, but also of discussing the whole problem
20 of coverage.

21 As I read this, Helms' discussion was prompted by Cotter's
22 problem.

23 Mr. Wallach. Exactly, but all I'm saying is that Mr.
24 Helms' purpose, from what I can see from these documents and
25 from talking to him, is going over there and letting Mr. Mitchell

TOP SECRET

7600011247

14

109

TOP SECRET

1 know that there is a project going on in New York.

2 Mr. Angleton. That's true.

3 Mr. Wallach. And even if it wasn't your stated purpose in
4 going to see him before that, at least he was made aware of that,
5 from your testimony, now, and just didn't it strike you as
6 curious?

7 Mr. Angleton. Yes, but I cannot remember the exact date
8 when we had the meeting with Mitchell.

9 Mr. Wallach. It might have been after this?

10 Mr. Angleton. That is what is bothering me.

11 Mr. Wallach. In other words, you might have known that
12 Helms talked to him and that it was okay for you --

13 Mr. Angleton. No. I had every intention to brief him.

14 Mr. Wallach. Do you remember Helms at this meeting coming
15 in and saying I showed Blount a sample of the product and
16 described the operation to him?

17 Mr. Angleton. Vaguely.

18 Mr. Wallach. Does this Paragraph 3 accord with your
19 recollection, basically, or does it accord with your recollection?

20 Mr. Angleton. I tell you very frankly I can't seem to
21 focus on this.

22 Mr. Wallach. Well, in any event, I want to ask you to read
23 through it now, but you said you did have a vague recollection
24 of that.

25 Just a couple more questions, Mr. Angleton.

TOP SECRET

TOP SECRET

1 Mr. Angleton. I do remember the latter part of all of
2 this.

3 Mr. Wallach. You mean the idea of stopping first and investi-
4 gating later?

5 Mr. Angleton. No, the whole -- yes, that part in the
6 Paragraph 6, and 7 in particular.

7 Mr. Wallach. Okay.

8 Okay, turning your attention for one second to your
9 NA cover of Mr. Johnson, I won't belabor it, especially the report
10 of the Interagency Committee on Intelligence, which was
11 eventually signed by Mr. Hoover, Mr. Helms, Mr. Bennett and
12 Mr. Gaylor, Mr. Helms has told us that you primarily worked on
13 this from the CIA standpoint, is that correct?

14 Mr. Angleton. I was the Agency's representative in the
15 working group.

16 Mr. Wallach. In Part 2, sir, which is restraints on
17 intelligence collection, it states, "The Committee noted
18 that the President had made it clear that he desired full
19 consideration be given to any regulations, policies or procedures
20 which tend to limit the effectiveness of domestic intelligence
21 collection. The Committee further noted that the President
22 wanted the pros and cons of such restraints clearly set forth
23 so that the President will be able to decide whether or not
24 the change in current policies, practices, or procedures should
25 be made."

TOP SECRET

TOP SECRET

1 And then going down and talking about specific operational
2 restraints, Subsection (c) is mail coverage, there is a
3 discussion and the document will speak for itself on page 29,
4 30, etc., and I don't want to read it again into the record,
5 between legal and illegal mail coverage under the present state
6 of the law, and illegal mail coverage is defined as opening
7 mail.

8 In here it states that covert coverage has been discontinued
9 while routine coverage has been reduced primarily as an outgrowth
10 of publicity arising from disclosure of routine mail coverage
11 during legal proceedings and publicity afforded this matter in
12 Congressional hearings involving accusations of governmental
13 invasion of privacy.

14 Did you actually participate in the drafting of this
15 report?

16 Mr. Angleton. Well, I don't think that, as I recall, we
17 didn't do any drafting.

18 Mr. Wallach. Was it Mr. Sullivan?

19 Mr. Angleton. Everybody submitted, my recollection is
20 that everybody submitted their own input. The Bureau went off
21 and came back with drafts, which were then discussed, and then
22 they went off and the procedure was that. I had Ober present
23 as my leg man, getting papers and all that, and it's possible
24 that he may have had something to do with dealing with the
25 Bureau people who were handling the drafting.

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 Mr. Wallach. Let me ask you this.

2 Did you read the report before it was signed by Mr. Helms?

3 Mr. Angleton. I read the report.

4 Mr. Wallach. Do you know why there's a statement in there
5 to the President that covert coverage, which is defined as the
6 opening of mail, has been discontinued?

7 Mr. Angleton. I think that was mainly a Bureau contribu-
8 tion.

9 Mr. Wallach. If it was mainly a Bureau contribution, the
10 Bureau states in a note here the FBI is opposed to implementing
11 any covert mail coverage because it is clearly illegal, and it
12 is likely that if done information will leak out of the Post
13 Office to the press, and serious damage will be done to the
14 intelligence community.

15 Mr. Angleton. That is the comment made after the report
16 was submitted.

17 Mr. Wallach. There was comment made after the report was
18 submitted?

19 Mr. Angleton. It was not a comment made, to my knowledge,
20 to the working group, was it?

21 Mr. Wallach. I don't know, but it appears to be part of
22 the regular type -- report that was signed as a footnote, to
23 go in.

24 Mr. Angleton. I don't know, but if I recall, the report
25 was pulled together and finalized, and Mr. Hoover put his

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600011251

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 objections.

2 Mr. Wallach. Mr. Angleton, without quibbling about footnotes,
3 it seems that in any event the Bureau was not pushing for the
4 implementation of covert mail coverage.

5 But in any event --

6 Mr. Angleton. That was after, that was the position of
7 Mr. Hoover's which did not jive with Mr. Sullivan, who was the
8 Chairman of the working group.

9 Mr. Wallach. So, what you're saying is the fact that it's
10 written here, covert coverage has been discontinued, referred
11 only to the FBI?

12 Mr. Angleton. No. I'm referring only to the footnote.

13 Mr. Wallach. I know, but I'd like to -- I understand the
14 explanation. I believe you're correct, in fact, I know you
15 are correct, but what I'm asking is that the President here is
16 asking what cannot we do and what haven't we been able to do
17 because of the laws as they exist, and here you are saying we
18 cannot do covert coverage because it is illegal, but yet, on
19 the other hand, covert coverage was going on, at least in
20 San Francisco and at least in New York.

21 Mr. Angleton. But not known to the other parties in the
22 working group.

23 Mr. Wallach. Mr. Sullivan knew, didn't he?

24 Mr. Angleton. Yes, but he was the only one.

25 Mr. Wallach. But then would not this be a misrepresentation

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

7600011252

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 to the President unless he knew?

2 Mr. Angleton. Well, it was a question that was asked me.

3 Mr. Wallach. Asked you by whom?

4 Mr. Angleton. Mr. Johnson.

5 Mr. Wallach. Well, I'm sorry --

6 Mr. Angleton. Well, I'm going to -- may I look at that a
7 moment, because there's something that escaped my attention.

8 Mr. Wallach. Surely.

9 I think any light you can shed on this would be useful.
10 It's just, I don't think anybody --

11 Mr. Angleton. You see, the basic -- the Bureau presided
12 over all of these proceedings. The other representatives outside
13 of ourselves were unaware of our mail coverage, and therefore
14 it is my understanding -- let me see -- that as far as I know,
15 we did not spell out to anyone present about what we were
16 doing. So it stood to reason, except when you come down to
17 page 30, and this is where I've got to get together with Mr.
18 Ober, it comes down to covert coverage. It states, high
19 level postal authorities have in the past provided complete
20 cooperation and maintained full security of this program.

21 Now, this is -- what I can't understand is whether this
22 is referring to LINGUAL, because only high postal authorities
23 knew of its existence, and persons involved are highly trained,
24 etc.

25 Mr. Wallach. Did Mr. Mitchell ever tell you that he told

TOP SECRET

TOP SECRET

1 the President about the mail operation in New York and the
2 results, locating ^{Boudin} Boudien?

3 Mr. Angleton. No. But when I saw him, and Helms said
4 that he picked and chose, as he saw fit, to brief the President.

5 Mr. Wallach. But at least you agree that this document
6 appears, on reading, to be -- I'm not saying anyone was trying
7 to mislead the President, but it's just not clear, in any event.
8 If you read that document on mail coverage, it appears that
9 mail was discontinued, covert mail coverage, i.e., opening of
10 mail. And you're asking for Presidential permission to do it
11 again.

12 Mr. Angleton. The only point being, if you're going into
13 this, it gets back into, know of its existence. It is in the
14 present tense. Only high echelon Postal Authorities know of
15 its existence.

16 Mr. Wallach. Of the existence of the technique of covert
17 mail coverage. I don't think there's any suggestion there that
18 that is a program that is ongoing, if you look at the precedents.

19 Mr. Angleton. Well, I mean, I got that.

20 Mr. Wallach. It says "High level Postal authorities have
21 in the past provided complete cooperation," and it goes on to
22 say that the technique involves negligible risk.

23 Mr. Angleton. Well, this must be entirely Bureau input
24 dealing with what they had in the past.

25 Mr. Wallach. Well, I don't want to --

TOP SECRET

TOP SECRET

1 Mr. Angleton. All I can say is that it must be their
2 input into the exercise because it is going into diplomatic
3 establishments.

4 Mr. Wallach. And it's not this example, I realize the
5 bottom part of this is not clear.

6 Mr. Angleton. That would be a Bureau case.

7 Mr. Wallach. That was a Bureau case?

8 (Pause).

9 Mr. Angleton. I have a feeling it is a Bureau case.

10 I don't know. I mean, that's where I have to get clarifi-
11 cation from Ober because I can't really --

12 Mr. Wallach. In any event, just upon my reading --

13 Mr. Angleton. My reading of the recommendation being put
14 in the way it was put in. It was simply one of saving or with-
15 holding from the other participants the actualities. We had
16 the Army participant, made very clear to us on more than one
17 occasion that he couldn't even safeguard the documents, that he
18 couldn't even trust the typists, etc. He didn't even know how
19 it was going to go through channels, to present it at high
20 enough levels in the Department of Defense to have it approved.

21 So, if you're running into that type of thing throughout
22 these meetings, this was a bald statement made of the security
23 situation in DIA.

24 Mr. Wallach. Who was the Army representative that actually
25 was there?

TOP SECRET

TOP SECRET

Phone (Area 202) 544-6000

13

12

11

10

9

8

7

6

5

4

3

2

1

0

9

8

7

6

5

4

3

2

1

0

9

8

7

6

5

4

3

WARD & PAUL

310 First Street, S.E., Washington, D.C. 20003

1 Mr. Angleton. A Colonel whose name I know -- well, I've
2 forgotten it for the moment, but Johnson has it.

3 Mr. Wallach. Well, I don't want to press this point --

4 Mr. Angleton. Well, I mean I want to try to find out
5 more but I don't know where I'm going to go to find it out, but
6 I think that was a Bureau input.

7 Mr. Wallach. Well, was there any discussion about saying,
8 well, we'll deceive these agencies but we've got to let the
9 President know the reason we're doing this?

10 Mr. Angleton. Well, there were discussions between
11 Sullivan and myself and so on, and there's no memo of records
12 on it. I mean, they were just things about before he went in,
13 or he called me after a meeting or something of that sort.

14 Mr. Wallach. Do you recall discussions specifically along
15 those lines, as you said before, we cannot let these other
16 guys know about it, but we're going to put this in here,
17 shouldn't we let the President know?

18 Mr. Angleton. It would have stood to reason that we would
19 have made some comment of that sort when on the Agenda, of
20 course, of mail intercepts.

21 But you see, there was a great deal about these meetings,
22 and I'd like to go off the record on this.

23 (Discussion off the record.)

24 Mr. Wallach. If we can go back on the record, going back
25 to what we discussed before we went off the record, Mr.

TOP SECRET

TOP SECRET

1 Angleton, would it have been your position that you would rather
2 not have informed the President about this rather than prejudice
3 the program in terms of its value?

4 Mr. Angleton. Not at all.

5 Mr. Wallach. I just wanted to get it clear that what you
6 were saying was that when the point in time came when it was
7 laid on the table, that you would have told him in this regard
8 that the report was incorrect.

9 Mr. Angleton. Absolutely.

10 Mr. Wallach. One last very quick area, and I don't know
11 if Mr. Johnson had discussed it with you. If he did, just let
12 me know.

13 This involves a case, one of the cases, the Didi Freeman
14 case. I don't know if you recall it.

15 Mr. Angleton. The which one?

16 Mr. Wallach. Didi Freeman, the waitress, and the penetration
17 of the Bureau?

18 Mr. Angleton. I've heard of it.

19 Mr. Wallach. Have you had any discussions with anyone
20 about the case?

21 Mr. Angleton. I never heard about it until relatively
22 recently. I mean I didn't know about it in the past.

23 Mr. Wallach. Who did you discuss it with?

24 Mr. Angleton. I mean, I have known -- am I supposed to have
25 discussed this case with the Bureau?

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

TOP SECRET

1 Mr. Wallach. I'm sorry, discussed it with the Bureau?

2 Mr. Angleton. Yes. I mean, I misunderstood you.

3 Mr. Wallach. No. I asked you if you discussed it with
4 anyone from the Bureau.

5 My question before I think was --

6 Mr. Angleton. When was the case? When did the case come
7 out in print or become known?

8 Mr. Wallach. I am not sure exactly when it came out.

9 Mr. Angleton. It was recently. Hasn't it come out in
10 print someplace?

11 Mr. Wallach. I think it only came out about six months
12 ago.

13 Mr. Angleton. I don't think I ever knew the case before-
14 hand. I never knew that case. I mean I have known of cases and
15 rumors of cases.

16 Mr. Wallach. You know of no instance in respect to that
17 case, whether the FBI asked the CIA for help to cover it up?

18 Mr. Angleton. I never heard of that case.

19 Mr. Wallach. Okay.

20 I'd like to say once again thank you very much for coming
21 down. We've spent four hours here and you have been most
22 cooperative.

23 Mr. Angleton. Well, I haven't been able to help you,
24 I'm afraid. That's the trouble.

25 Mr. Wallach. Well, there are a couple of areas where the

TOP SECRET

Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 documents don't speak so loudly.

2 Mr. Angleton. Let me leave it this way, that I will try
3 to get into this stuff, and particularly if I have a chance to
4 see Tsikerdanos, and then I'll give you a ring if I've learned
5 anything that is more pertinent on the questions you asked.

6 Mr. Wallach. If you could really help us, maybe we should
7 call him in and have you sit in on the meeting with him.

8 Mr. Angleton. Well, I think he's having a difficult time
9 with it because he was not involved.

10 Mr. Wallach. I understand that.

11 Mr. Angleton. And therefore he's going back into strange
12 territory on this. But the only way this can properly be done
13 in my view is to first deal with the various project officers,
14 and then principally with Mr. Miler who had the day to day
15 work, and he could probably answer off the top of his head
16 every question and every detail. He's a very good man on detail.

17 Mr. Wallach. He's still with the Agency?

18 Mr. Angleton. No.

19 Mr. Wallach. He's not?

20 Mr. Angleton. He left with me. He lives in Alexandria,
21 But I think he's more or less out of town, but he knows fac-
22 tually all of the ins and outs of the whole thing from the
23 beginning.

24 Mr. Wallach. Once again, thank you.

25 (Whereupon, at 6:02 o'clock p.m. the interview was concluded.)