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ORIGINAL 2

RATIONAL SECURITY INFORMATION Unauthorized Disclosure Subject to Criminal Sanctions

The United States Senate R 1218

Report of Proceedings

DN 2/15/27

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

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

Do you understand that you are still under oath?

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

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

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

Is that right?

Mr. Angleton. That's right.

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

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

into.

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

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

TESTIMONY OF JAMES ANGLETON -- Resumed

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

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

Mr. Angleton. That's right.

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

Mr. Angleton. That's right.

Mr. Wallach. When was that, sir?

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

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

Mr. Angleton. That's right.

The time was 1955.

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

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

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

I knew him extremely well.

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

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

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

And I find that conflict with, as I say, Disilva or Doran, Dona Dwam!?

Dan Doran, or he stated or made some comment that it should not be a -- it was not for counter-intelligence purposes, that it was entirely misleading.

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

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

Are you talking about manpower down at Headquarters?

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

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

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

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

Mr. Angleton. Yes, I think there was a natural gravitation.

I think the Security's interest, they would have been able to handle, but it would have been a very small slice of the project.

In other words, theirs would have only been personnel, and then, in correspondence within Agency people, and Soviet units and so on.

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

be -- it is one memorandum in a couple of different sections, some 16 pages, dated November 7, 1955, on HTLINGUAL. I think that is a sufficient identification, and I'll ask you just to 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.)

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

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

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

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

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

Mr. Angleton. No. No, I don't recognize it. It might have Bort O'Neal's. I'm not sure.

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Wallach. When the project was taken over by CI staff, was it then a mail opening project or was it just a mail intercept, mail cover project?

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

But the paragraph 5 which I am looking at now --(Pause)

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

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22 23 access, etc., for exterior examination. It is possible, discretely to gain exclusive access to the contents of a limited number of selected communications, and I think that seems to be at variance with some other paper I have also seen.

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

Mr. Wallach. Are the documents you're looking at now

copies of documents that went into the Rockefeller Commission?

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

Mr. Wallach. From whom?

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

Mr. Wallach: Mr. Tsikerdanos?

Mr. Angleton. Yes.

(Pause)

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

Mr. Angleton. I understand the question.

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

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guidelines for appearing here.

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

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

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

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

They are presently able to open only a very limited number.

Under the new setup, with full time employees, Security will

be able to obtain the addressor, addressees and total correspondence against approximately 75 percent at the present time.

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

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

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

Mr. Wallach. I'd just like to make it clear that I'm not really here to assess responsibility or anything like that.

All I'm trying to do is get your memory as to --

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

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

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

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interpreters, they didn't have the substantive people who could spot. In other words, it was a very poor program in terms of exploitation.

Mr. Wallach. You mean they didn't have the interpreters or the substantive people?

Mr. Angleton. Well, they didn't have them in the sense that we later had people devoted entirely to this project.

Mr. Wallach. Well, without getting into that, you're talking about people back at Headquarters or people at the intercept point?

Mr. Angleton. No, at the Headquarters. I mean there were not files built up, as I recall.

Mr. Wallach. Now I think in your other dates you are correct.

Mr. Angleton. And it took a lot of trial and error to finally get through from handwritten files to punchcard to machine tapes.

Mr. Wallach. I think the figures which I'm sure you've seen which were compiled in January of this year show some 12,000 documents or letters being opened in 1954 which surprised me when I saw these figures, because I hadn't thought it was anywhere near that. I thought the 832 from 1956 was correct, and I think that 12,000 may be in the wrong column.

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

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Mr. Angleton. Yes, I do.

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

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

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

Mr. Wallach. That is Elana Metzen?

Mr. Angleton: Yes.

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

(Pause)

I think I can finally answer to that, I would think, without any trouble from her. Has she been asked the question? Mr. Wallach. No, I don't believe she has.

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

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

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

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

Mr. Wallach. I realize that in your testimony before the Rockefeller Commission and in your paper that you prepared for the meeting, it was extensively discussed, I guess the conditions that existed at the time, the Cold War conditions, suspected penetration of the Agency, and other things, and I think that will come out clear. I think it's quite important in focusing on the beginnings of the operation, as you explained, and I don't want to lose sight of that in turning to this memorandum, but for example -- and again, I'm only asking if there were discussions that you remember -- this memorandum, for example, on the first page in Section 3, under "Situations," says:

"There's no overt authorized legal censorship or monitoring of first-class mails which enter, depart or transit the United States at the present time."

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

Mr. Wallach. This is one you looked at.

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Mr. Angleton. All rightim try

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

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

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

Mr. Wallach. You say you read about discussions?

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

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

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

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

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

Mr. Angleton. Well I mean there were discussions leading

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23 24 25 up to Helms and the Director going to the Postmaster General and all of that.

Mr. Wallach. That was in 1971.

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

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

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

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

Mr. Angleton. Both.

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

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

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

Do you remember discussing it with him?

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

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

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

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

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

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

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

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

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

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

The only point I was really trying to get at was Mr.

Dulles was -- it's not really clear whether or not and I'm not

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

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

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

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

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

Mr. Wallach. Was this when he was DDP?

Mr. Angleton. No, he was Director.

Mr. Wallach. Director.

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

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

Mr. Angleton. I think there was up to the time that it bacame exposed.

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

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

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

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

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

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

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

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

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

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Mr. Angleton. Whoever drafted that had great prescience. I mean, I do not know who drafted it, but they turned out to be right.

Mr. Wallach. Well, I think it turned out to be right in 1975, but I am very truthfully too young to appreciate what was going on back at that time, and I, from talking to many people at the Agency, have kind of got a different opinion, sort of all explained to me very thoroughly the tenor of the times that existed then and that different outlooks, certain pressures from President Eisenhower on penetration of the intelligence community, and then a lot of other concerns that --Senator McCarthy and other things.

I was surprised to see that in 1955 someone fairly high up in the then-young CI staff would have felt that there would be serious public reaction to some disclosure of this, you know, it was for intelligence purposes, and you know, that surprised me. And I was just wondering if you could possibly recall if you would have thought that back then.

Mr. Angleton. Now don't -- I can't really say one way or the other, and I have not gotten in touch with Herman Horton. I believe I had an afternoon with him, and a lot of things became much clearer, I mean, all the meetings and the people that he saw.

Mr. Wallach. He's retired now, isn't he?

Mr. Angleton: He's retired.

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

Mr. Angleton. I have it somewhere here.

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

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

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

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

Mr. Angleton. No.

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

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

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

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

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

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

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approximately '61.

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

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

Mr. Angleton. Yes.

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

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

Mr. Wallach. What do you mean by that?

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

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

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

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23 24 25 may I go off the record on this?

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

(Discussion off the record.)

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

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

Mr. Angleton. Does it show the drafter of the document? Mr. Wallach. Well, let me show it to you, Mr. Angleton. (Pause)

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

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

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

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

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

Now, I guess it would be more appropriate to ask Mr.

Helms, really, did you tell Mr. Dulles about it, but I'm just showing you this second paragraph to -- maybe that would refresh 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.)

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Mr. Angleton. It does not illuminate for me at all.
Mr. Wallach. Okay.

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

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

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

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

(Pause)

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

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cases.

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

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

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

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

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

Mr. Angleton. On what dates were there?

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

(Pause.)

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

(Pause)

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

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

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

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

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

Mr. Angleton. That's right.

Mr. Wallach. It would be intercepted.

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

Mr. Wallach. Of the copies.

Mr. Angleton. Of the copies.

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

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

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

Mr. Wallach. Is that Mr. Issaeff you're referring to?

Mr. Angleton. Yes, that's right.

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

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

' Mr. Wallach. Have you ever met Mr. Issaeff?

Mr. Angleton. No.

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

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

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

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

Mr. Angleton. No, I mean the watch list, the embodyment of it.

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

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

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

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Mr. Angleton. That's right.

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

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

Mr. Wallach. What I'm trying to get at is how did Mr.

Issaeff and various other people who helped him at one time or another --

Mr. Angleton. Well, he had a good idea what was wanted.

He was not completely isolated from what the purpose of the

entire project was. In other words, he had many helpful views

and ideas on, I mean, what was important.

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

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

Mr. Wallach. By whom?

Mr. Angleton. By people on the project.

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

Mr. Angleton. It would surprise me very much.

Mr. Wallach. It would? ,

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

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

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

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

Mr. Angleton. That's right.

Mr. Wallach. And I believe that --

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

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

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

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

How could anybody back at Headquarters make that judgment as to whether he was getting all that was good, or just 10 percent of what was good, which looked like a lot, if nobody really know. That's what I'm --

Mr. Angleton. Well, I don't think that is correct.

Scotty Miler and Virgil Mayowand another lady who was there were very much on top of this mail business, and also on the requirements. In other words, they had a very strong voice in what was sent to the various branches and divisions, and had a lot to do with the screening of requests for coverage and fit it into their activity.

Mr. Wallach. Maybe I'm just not making myself clear.

Maybe I just don't understand your answer, but it seems that

we're talking about two different things, one at headquarters,

and I'm not even inquiring into the process at headquarters.

I have no doubt but that there were qualified people there.

I am talking about the communications between headquarters and
the guys in the field who were essentially -- I realize the

only background of them seems to be that they were Office

of Security people who were educated, well educated, and who

went out there and intercepted mail. It doesn't seem to

reflect in here whether there was any real guidance from

headquarters except for the watch list.

Mr. Angleton. Well, I'll have to talk to Miler for that.

He can explain that.

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

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

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

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

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

Mr. Angleton. I've not seen it.

Mr. Wallach. You've not seen it.

Mr. Angleton. No.

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

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

Mr. Wallach. Relating to this project?

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

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

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

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

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

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

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

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

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

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

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

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

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Mr. Angleton. I see the source there is to protect the British.

Mr. Wallach. In any event, we do have an agreement that the Bureau that any documents that they give us, that we protect sources and methods, and we do. If it's required we can go ahead and get them, but we usually don't.

Mr. Angleton. Well, I see where they crossed it out, but they left it on the end.

Mr. Wallach. If you're saying there's sloppy editing, yes, in very many cases.

Mr. Angleton. Well, I think that this may reflect the events of the period, but it is my understanding and my memory that this thing on the Bureau's inquiry was going back and forth for some time.

Mr. Wallach. You mean they had reason to believe that the CIA was engaging in a mail intercept in New York?

Mr. Angleton. Well, my own view is that they were not entirely ignorant of all this, and this is again the kind of question which I cannot get a response to. I have a feeling that we were handling much of this as we would communications intelligence; that is, disseminating some of the material in disguised form with false attribution source.

Mr. Wallach. Even at that time in '57?

Mr. Angleton. Well, that I'd have to find out, but we had other operations much more sensitive than this, and the material

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

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

great importance that was turned up.

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

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

Mr. Angleton. No. I talked to Papich.

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

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

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

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

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

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

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

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

Mr. Angleton. No.

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

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

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

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

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

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

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So that I think that by way of counterintelligence weapons outside of communications intelligence, and there's practically little or none of that for the time being, that it was probably most important overview that Counterintelligence had. It was

also an overview, and we were very active in propaganda in all different forms, the Cord Meyer operations and so on. And

7 civil strife and whatnot, it was the only source of information

it had the specific cases, going back into the period of

in those cases.

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

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

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

Mr. Wallach. May I take you one step further on that? Would there be any benefit to an operation like this if we had, for example, back in '51 Congress had passed a specific statute and said in certain circumstances the CIA can

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

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

I mean, I think this is one of the questions that academia -Mr. Angleton. Well, personally, I am too close to these
inquiries to be very objective on what if because my own personal
view is that, you know, counterintelligence and the work on
the Bloc in large measure has been destroyed by these hearings.
That's my personal view.

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

I think they will probably run a damage report on what

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

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

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

Mr. Angleton. That type of thing, but after the Gozenko cases up in Canada for ten years there was a type of prohibition on operations in Canada because of the impact in Canada politically that that had in many areas of the world, and these were conscious decisions that they arrived at.

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

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

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

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

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

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

Mr. Angleton. No, I think it is the mood of the country principally, and then, as I say, I suspend judgment, my own personal view is that it would not have the same benefits.

In time it might again, if the pendulum swings again, but I don't foresee that happening.

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

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

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

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

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

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

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

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

Mr. Angleton. This was 1960?

Mr. Wallach. Yos, sir.

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

(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.)

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

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

Mr. Wallach. Right.

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

Mr. Angleton. I am unaware of the first Recommendation A.

I am aware of the Recommendation B. I have not seen this

document before.

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

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

Mr. Angleton. On occasion.

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

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

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of the cover story.

Mr. Wallach. And I have a couple of documents here that I think you've probably seen recently that I'll show you again.

But, for example, and there are a couple of specific questions I have.

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Wallach. I call your attention to the paragraph

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

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

And I don't really want to take argument with this or not.

My real question is whether or not this was really conveyed

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Angleton. It is a Security memorandum.

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

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

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

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

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

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

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

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

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

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

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

Did you know Mr. Thomas Abernathy?

Mr. Angleton. Yes.

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

> (The document referred to was marked Angleton Exhibit No. 5 for identification.)

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

Mr. Angleton. What was his title then, do you know? Mr. Wallach. Very frankly, no, I do not.

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

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

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

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

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

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

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

Mr. Angleton. No.

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

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talk about it?

Mr. Angleton. No. They may have talked to Bert O'Neal, who would be the logical person to come to first.

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

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

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

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Mr. Wallach. And we'll mark as Exhibit 7 for identification as 1 February '62 memorandum for the Director, Office of Security, Subject: Project HTLINGUAL. This is from the Deputy Chief, CI Staff. (The document referred to was 5 marked Angleton Exhibit No. 7 for identification.) 7 (Angleton Exhibit No. 7 will be found in the files of the Committee.) 10 11 12 13 14 15 16 1'7 18 19 20

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

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

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

(Pause)

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

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

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

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

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

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

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

Mr. Angleton. Yes.

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

Mr. Angleton. That's right.

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

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

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

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

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

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

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

Mr. Angleton. I didn't see that.

Mr. Wallach. I am saying it did or did not get to you.

You say it didn't, and that is a matter of record. But the
memorandum which Mr. Mertz sent in reply under Mr. Hunt's
signature really in Paragraph 5 states, "It is most important
that all Federal law enforcement and U.S. intelligence agencies

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

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

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

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

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

Mr. Angleton. That was before this?

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

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

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I am just wondering if you had any knowledge.

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

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

Mr. Wallach. Mr. Day?

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

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

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

Mr. Wallach. You mean a Cabinet official?

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

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

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

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

Mr. Wallach. "Withheld no relevant details."

Mr. Angleton. That's right.

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

Mr. Angleton. I agree with his conclusions.

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

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

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

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

Mr. Wallach. But that really doesn't go -- still doesn't go to what I was going to before, that you were informed after interviewing certain people that there were certain problems.

I realize you may have been preoccupied with certain other things.

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

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

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

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

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

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

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

Mr. Wallach. Well, let me get that out, Mr. Angleton, because I think a clear reading of that will make it obvious that it is not forbidden. The only thing that happens as a result of that memorandum is that separate procedures are set up, and I think I have a copy here for you. If it is not the one we are referring to, we can look at the other one, and I would like to mark the 22nd December 1971 memorandum as Exhibit 3, and the subject is Handling of Items to or from Elected or Appointed U.S. Officials.

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

(Angleton Exhibit No. 8 will be found in the files of the Committee.)

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Mr. Wallach. I would ask you if this is the item you were

Mr. Angleton. Well, first, I don't know what prompted this,

Mr. Wallach. Well, let me see if I can refresh your recollection, but first let me ask if this is a document that

Mr. Wallach. Would you agree with me that it does not preclude the intercepting or opening of mail to or from elected-

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

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

Mr. Wallach. Do you recall anything ever called special category items or special file that's referred to in Paragraph

Mr. Angleton. Not necessarily, but I mean, it wouldn't

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

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

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he not?

Mr. Angleton. Yes.

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

Does that ring a bell at all?

Mr. Angleton. Who were the two?

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

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

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

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

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me because certain letters such as that Hammer business, and Philby and a few other things, would go into -- I mean, would be segregated, because there would be a lot of collateral probably attached to it.

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

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

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

Mr. Angleton. No, well, I mean, I am unaware that although.

I want to see here -- well, I don't know.

Mr. Wallach. I have been told that there was an August 3),

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

Mr. Angleton. August?

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

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

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

(Angleton Exhibit No. 9 will be found in the files of the Committee.)

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

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

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

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

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

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

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

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

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

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mail opening going on so the Postmaster didn't stumble upon it and make an inquiry or just to tell him that there was a mail opening going on? I think there is a difference, in my mind, and I don't think we have any hard evidence that any Postmaster General up to Mr. Blount was ever told, and I can see reasons for both types of concerns, but the first one would almost make more sense to me, because the Postal Inspectors in New York knew that mail was being provided. Some of the clerks knew the mail was being provided. In fact, one worked in the operation.

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

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

Mr. Angleton. Well, I mean, I cannot remember specifically.

I never attended any meeting with the Postmasters, and the memorandum, though, well it came back, were fairly general.

There wasn't any detailed memorandum of the conversation, as I recall it, but there's no question, though, through the life of the project, the question of continuing it or not came up from time to time.

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

Mr. Angleton. When did he come on board?

Mr. Wallach. April, 1969.

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

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

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

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

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

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

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

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

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

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

Mr. Angleton. On the termination?

Mr. Wallach. The events leading to the termination.

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

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

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

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

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

Mr. Wallach. You say the President?

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

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

Mr. Angleton. Well, can I come back to your question?

I'm just trying to recount what I recall here.

Mr. Wallach. Go ahead.

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

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 say, was it Mr. Colby who was in favor of closing it down?

Mr. Angleton. Yes.

Mr. Wallach. Is that because of his general non-predisposi-

Mr. Wallach. I take it one of the things and what do you

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

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

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

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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'h

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give you these in just a moment. :

It's entitled "Talking Paper, subject, Mail Intercept Program".

And as Exhibit 10C, a thirteen-page excerpt from documents entitled "The Project." It is referred to in the memorandum of February 13, 1973.

(The documents referred to were marked Angleton Exhibits 10, 10A, 10B and 10C respectively for identification.)
(The documents will be found in the files of the Committee.)

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

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

Do you have copies of these memoranda in your files? Mr. Angleton. I have.

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

Mr. Wallach. Who did you talk to there?

Mr. Angleton. To one of the senior officers.

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

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

Mr. Wallach. What did he tell you the Bureau's feelings Were?

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

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

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

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

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

Mr. Angleton. But they were connected directly to something operational. I mean, they had a specific reason for each thing that they did.

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

Mr. Angleton. What projects?

Of the Bureau's? Mr. Wallach.

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

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

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

Mr. Angleton. Pardon?

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Mr. Wallach. Something like an indicator?

Mr. Angleton. What I mean --

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

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

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.

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

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

Mr. Angleton. No.

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

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

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

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 legals. I mean where they were trying
to get patterns of communication.

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

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you talking about months or years? Well, when you delt of

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

Mr. Angleton. What?

Mr. Wallach. Z coverage.

Mr. Angleton. I've heard of it, but I didn't know it was specifically mail.

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

In other words it was not a realistic possibility to assume the Bureau would take this over?

You mean they you went through the formalities of asking?

Mr. Angleton. No, I mean when I called up and asked this fellow a curbstone opinion as to whether the FBI would be prepared to take on the Hunter and he just told me to forget it. Simply they wouldn't be able to man it or to handle it.

Mr. Wallach. Was there any discussion?

Mr. Angleton. Of course there would be another policy reason for that. I don't think the Bureau would get into an operation of this sort where they would be passing to us the raw materials. I mean that is again Bureau policy.

In other words, we had a different customer's list than he would have should they take this project on.

Mr. Wallach. Is that essentially that paper that you

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gave to the Director?

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

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

"Occasional exploratory openings conducted at secure CIA installation nearby proved so rewarding that continuation on a highly selective basis was deemed necessary in the national security interest."

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

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

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

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

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

Mr. Wallach. Do you remember Mr. Schlesinger discussing with you the cost of the operation in terms of actual funds?

Mr. Angleton. No. We only talked to the question of content and the relation to the Bureau. And this was a very brief discussion.

Mr. Wallach. Well, who was getting that performance to Angleton and reading that January 27, 1961 memorandum, which talks about Don Moore offering to put CIA names on an FBI watch list? I was wondering, this sort of cuts against what you said about the Bureau not conducting any operations like this.

Mr. Angleton. I know that operation you are discussing. That again was one where it was designed for a very specific purpose and one purpose alone, and that was to get the pattern of communications to certain neutral country places before it went on to Moscow with illegals.

Mr. Wallach. Do you know when those projects that you are talking about ended? Did they end?

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

Mr. Wallach. Well, I realize it's hearsay and it percolated up, but you, for example, said you can read intelligence reports and through your experience, as other people have said, tell us something was received from a

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mall intercept.

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

Mr. Wallach. An opening of a letter?

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

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

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

Mr. Angleton. Nope.

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

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

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

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Mr. Angleton. No.

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

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

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

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

Mr. Wallach. Is there a law which is kept as to which documents the Bureau supplied?

Mr. Angleton. It used to be.

Mr. Wallach. When was that stopped?

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

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

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

Mr. Angleton. Yes.

Mr. Wallach. The log actually physically kept there?

Mr. Angleton. That's right.

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

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picked up a piece of Joe X's mail, let's say in '68, and for any reason on that it wanted to pass this information on to the CIA, they would not have sent a copy of the letter.

They would have put it into --

Mr. Angleton. A report.

Mr. Wallach. Into a report.

Mr. Angleton. It would be a subject of file with the information.

Mr. Wallach. Do you know if there was a special liaison set up between Mr. Ober and the Bureau?

Mr. Angleton. I think so.

Mr. Wallach. Was there one particular person who was in contact?

Mr. Angleton. I imagine Ober himself.

Mr. Wallach. At the Bureau, I'm sorry.

Mr. Angleton. No, I mean -- oh, he may have had, in addition to the regular liaison man that came every day, he probably had liaison with somebody who was a specialist who was in the field. He was a specialist and that probably in one stage meant George Moore.

Mr. Wallach. If we could for a second turn to Exhibit 10, which is his handwritten official rating slip. I believe that is your handwriting, is it not?

Mr. Angleton. That is correct.

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

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if you could read it into the record for us.

Mr. Angleton. I said, MAS Colby knows, and it's not reflected herein, and I went with him to the DCI and pointed out the inadequacy of the FBI; etcetera, etcetera, Tl handling, would be known to my people, and DCI modified position to last clause of para two. Ourisman said he was under instruction from Colby to the effection that no pressure should be put on Cotter. Also pointed out to DCI that personnel or CIA and doubted if they would wish to be detailed.

Mr. Wallach. Was there a discussion of detailing interceptors?

Mr. Angleton. When Colby and myself -- I mean you have to keep in mind a little odd coincidence.

Colby came down to my office to deliver me the final closing down of the project. I had a meeting scheduled for 3:00 to see the Director on an entirely different matter. Colby actually came down at that time to see Mr. Karamessines and Cord Meyer to the effect that he had been appointed Deputy Director of Plans.

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

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

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

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

mn l fla gah TOP SECRET which is a 19 May '71 memorandum on the DCI meeting concerning HTLINGUAL. You can take a look at that to make sure you've seen it. (The document referred to was marked Angleton Exhibit No. 11 for identification.) (Angleton Exhibit No. 11 may be found in the files of the Committee.) 1 23 TOP SECRET

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

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

(Angleton Exhibit No. 12 will be found in the files of the Committee.)

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(Pause)

Mr. Angleton. I have seen this one.

All right, I read that.

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

You were present at that meeting, were you not?

Mr. Angleton. That's right.

Mr. Wallach. And calling your attention to Paragraph 5, which discusses the theft of FBI documents from Media,

Pennsylvania, do you have any recollection of discussing that at all, except what is written down here?

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

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

Mr. Wallach. Why do you say Karamessines?

Mr. Angleton. He was the DDP.

Mr. Wallach. All right.

He states he had been informed.

Mr. Angleton. That's it.

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

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

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of ours were compromised in that Media, Pennsylvania breakin.

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

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

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

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

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

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spelled out here, that that was their feeling.

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

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

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

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

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

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

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

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

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

Mr. Angleton. Well, I think that is my general understanding.

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

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

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

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

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

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

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

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

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

Mr. Angleton. No, I never saw this.

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

Mr. Angleton. No.

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

Mr. Angleton. No.

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

Mr. Ang. ston. Well, I know it's going on.

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

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Angleton. A what?

Mr. Wallach. A wax and seals course.

Mr. Angleton. I know the course.

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

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

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

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

Mr. Angleton. No.

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

Mr. Angleton. Like the what?

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

Mr. Angleton. No.

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

TOP SECRET 1 the CIA receives copies of diplomatic mail? 2 Mr. Angleton. Well, I mean I know about some mail abroad, I mean, I don't know specifically but I know there has been. 3 Mr. Wallach. I am talking right now about mail coming to 4 the United States that's actually opened in the United States. 5 Mr. Angleton. No. 6 Mr. Wallach. Do you recall the meeting of June 1, 1971, 7 which was reflected in the June 3rd, '71 memorandum? I mean, 8 without reference to that memorandum, really. 9 Mr. Angleton. This is the one about Mitchell and so on? 10 Mr. Wallach. Do you have an independent recollection of 11 that meeting, Mr. Angleton? 12 Mr. Angleton. I am trying to remember. See, I knew all 13 (14 about the -- I know everything about the Attorney General on that point. 15 S Mr. Wallach. Well, let me ask you a couple of specific 16 questions. 17 Do you recall Mr. Helms telling you at that meeting, telling 31 you that he told Mr. Mitchell that the CIA was opening mail in 19 New York City? 20 Mr. Angleton. I can't recall it, but my feeling was that 21 I told that to Mr. Mitchell. 22 Mr. Wallach. When do you think you told that to Mr. 23 Mitchell? 24 Mr. Angleton. I mean, I didn't tell him, I mean, I showed ' 25

him exemplars on some cases.

Mr. Wallach. When was that?

Mr. Angleton. I cannot give you a date.

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

Mr. Angleton. It might well have been.

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

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

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

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

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

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

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

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

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

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

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

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

Mr. Angleton. I think so. I mean, there was no reason to hold anything back from him. You know, he was there and the problems we were discussing got down into this whole question of -- I mean, let me put it to you another way.

Going back into the difficulties we had in the liaison was interrupted. We then had eventually Mr. Gray come aboard, and so it raised questions of whether we would be able to resolve with Mr. Gray during his tenure a number of these outstanding matters which had sort of hung fire over a long period of time after Mr. Hoover's death, and before. So just as we thought we were getting along all right and setting the stage for a number of meetings with Mr. Gray, then he disappeared, and along came Mr. Ruckelshaus, and he didn't stay very long. In other words, there was a whole series of very urgent business in the pending box that never got out of the pending box, given the changes in the FBI.

Mr. Wallach. Did it strike you as funny then, on June 3rd, when Mr. Helms said ne had briefed Mr. Mitchell about the project, that Mr. Helms didn't say why, I know you did, too?

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Mr. Angleton. No. This could be an entirely separate meeting that he had.

Mr. Wallach. But I'm saying if you had briefed Mr. Mitchell before --

Mr. Angleton. I know, but I briefed -- the mail intercept was only a small part of our discussions. I mean, the contents of the letters which he saw relating to mail intercepts.

Mr. Wallach. But in any event, this developing series of documents that we have would suggest that Mr. Cotter had asked that either the Attorney General or the Postmaster General be briefed by Mr. Helms, and he wanted that to protect his back, so to speak, and Mr. Helms had concurred because for whatever reasons, he went ahead and did it, and it seems funny that Mr. Mitchell wouldn't have said I knew, and he would have come back to the meeting and said, Jim, I'm glad you briefed him, that type of thing.

Mr. Angleton. Well, I don't think it was in that context. I think in my discussions with the Attorney General was simply on substantive cases, but also of discussing the whole problem of coverage.

As I read this, Helms' discussion was prompted by Cotter's problem.

Mr. Wallach. Exactly, but all I'm saying is that Mr. Helms' purpose, from what I can see from these documents and from talking to him, is going over there and letting Mr. Mitchell

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know that there is a project going on in New York.

Mr. Angleton. That's true.

Mr. Wallach. And even if it wasn't your stated purpose in going to see him before that, at least he was made aware of that, from your testimony, now, and just didn't it strike you as curious?

Mr. Angleton. Yes, but I cannot remember the exact date when we had the meeting with Mitchell.

Mr. Wallach. It might have been after this?

Mr. Angleton. That is what is bothering me.

Mr. Wallach. In other words, you might have known that Helms talked to him and that it was okay for you --

Mr. Angleton. No. I had every intention to brief him.

Mr. Wallach. Do you remember Helms at this meeting coming in and saying I showed Blount a sample of the product and described the operation to him?

Mr. Angleton. Vaguely.

Mr. Wallach. Does this Paragraph 3 accord with your recollection, basically, or does it accord with your recollection?

Mr. Angleton. I tell you very frankly I can't seem to focus on this.

Mr. Wallach. Well, in any event, I want to ask you to read through it now, but you said you did have a vague recollection of that.

Just a couple more questions, Mr. Angleton.

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Mr. Angleton. I do remember the latter part of all of this.

Mr. Wallach. You mean the idea of stopping first and investigating later?

Mr. Angleton. No, the whole -- yes, that part in the Paragraph 6, and 7 in particular.

Mr. Wallach. Okay.

Okay, turning your attention for one second to your NA cover of Mr. Johnson, I won't belabor it, especially the report of the Interagency Committee on Intelligence, which was eventually signed by Mr. Hoover, Mr. Helms, Mr. Bennett and Mr. Gaylor, Mr. Helms has told us that you primarily worked on this from the CIA standpoint, is that correct?

Mr. Angleton. I was the Agency's representative in the working group.

Mr. Wallach. In Part 2, sir, which is restraints on intelligence collection, it states, "The Committee noted that the President had made it clear that he desired full consideration be given to any regulations, policies or procedures which tend to limit the effectiveness of domestic intelligence collection. The Committee further noted that the President wanted the pros and cons of such restraints clearly set forth so that the President will be able to decide whether or not the change in current policies, practices, or procedures should be made."

And then going down and talking about specific operational restraints, Subsection (c) is mail coverage, there is a discussion and the document will speak for itself on page 29, 30, etc., and I don't want to read it again into the record, between legal and illegal mail coverage under the present state of the law, and illegal mail coverage is defined as opening mail.

In here it states that covert coverage has been discontinued while routine coverage has been reduced primarily as an outgrowth of publicity arising from disclosure of routine mail coverage during legal proceedings and publicity afforded this matter in Congressional hearings involving accusations of governmental invasion of privacy.

Did you actually participate in the drafting of this report?

Mr. Angleton. Well, I don't think that, as I recall, we didn't do any drafting.

Mr. Wallach. Was it Mr. Sullivan?

Mr. Angleton. Everybody submitted, my recollection is that everybody submitted their own input. The Bureau went off and came back with drafts, which were then discussed, and then they went off and the procedure was that. I had Ober present as my leg man, getting papers and all that, and it's possible that he may have had something to do with dealing with the Bureau people who were handling the drafting.

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Mr. Wallach. Let me ask you this.

Did you read the report before it was signed by Mr. Helms? Mr. Angleton. I read the report.

Mr. Wallach. Do you know why there's a statement in there to the President that covert coverage, which is defined as the opening of mail, has been discontinued?

Mr. Angleton. I think that was mainly a Bureau contribution.

Mr. Wallach. If it was mainly a Bureau contribution, the Bureau states in a note here the FBI is opposed to implementing any covert mail coverage because it is clearly illegal, and it is likely that if done information will leak out of the Post Office to the press, and serious damage will be done to the intelligence community.

Mr. Angleton. That is the comment made after the report was submitted.

Mr. Wallach. There was comment made after the report was submitted?

Mr. Angleton. It was not a comment made, to my knowledge, to the working group, was it?

Mr. Wallach. I don't know, but it appears to be part of the regular type -- report that was signed as a footnote, to go in.

Mr. Angleton. I don't know, but if I recall, the report was pulled together and finalized, and Mr. Hoover put his

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objections.

Mr. Wallach. Mr. Angleton, without quibbling about footnotes, it seems that in any event the Bureau was not pushing for the implementation of covert mail coverage.

But in any event --

Mr. Angleton. That was after, that was the position of Mr. Hoover's which did not jive with Mr. Sullivan, who was the Chairman of the working group.

Mr. Wallach. So, what you're saying is the fact that it's written here, covert coverage has been discontinued, referred only to the FBI?

Mr. Angleton. No. I'm referring only to the footnote.

Mr. Wallach. I know, but I'd like to -- I understand the explanation. I believe you're correct, in fact, I know you are correct, but what I'm asking is that the President here is asking what cannot we do and what haven't we been able to do because of the laws as they exist, and here you are saying we cannot do covert coverage because it is illegal, but yet, on the other hand, covert coverage was going on, at least in San Francisco and at least in New York.

Mr. Angleton. But not known to the other parties in the working group.

Mr. Wallach. Mr. Sullivan knew, didn't he?

Mr. Angleton. Yes, but he was the only one.

Mr. Wallach. But then would not this be a misrepresentation

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to the President unless he knew?

Mr. Angleton. Well, it was a question that was asked me.

Mr. Wallach. Asked you by whom?

Mr. Angleton. Mr. Johnson.

Mr. Wallach. Well, I'm sorry --

Mr. Angleton. Well, I'm going to -- may I look at that a moment, because there's something that escaped my attention.

Mr. Wallach. Surely.

I think any light you can shed on this would be useful.

It's just, I don't think anybody --

Mr. Angleton. You see, the basic -- the Bureau presided over all of these proceedings. The other representatives outside of ourselves were unaware of our mail coverage, and therefore it is my understanding -- let me see -- that as far as I know, we did not spell out to anyone present about what we were doing. So it stood to reason, except when you come down to page 30, and this is where I've got to get together with Mr. Ober, it comes down to covert coverage. It states, high level postal authorities have in the past provided complete cooperation and maintained full security of this program.

Now, this is -- what I can't understand is whether this is referring to LINGUAL, because only high postal authorities knew of its existence, and persons involved are highly trained, etc.

Mr. Wallach. Did Mr. Mitchell ever tell you that he told

the President about the mail operation in New York and the results, locating Boudien?

Mr. Angleton. No. But when I saw him, and Helms said that he picked and chose, as he saw fit, to brief the President.

Mr. Wallach. But at least you agree that this document appears, on reading, to be -- I'm not saying anyone was trying to mislead the President, but it's just not clear, in any event. If you read that document on mail coverage, it appears that mail was discontinued, covert mail coverage, i.e., opening of mail. And you're asking for Presidential permission to do it again.

Mr. Angleton. The only point being, if you're going into this, it gets back into, know of its existence. It is in the present tense. Only high echelon Postal Authorities know of its existence.

Mr. Wallach. Of the existence of the technique of covert mail coverage. I don't think there's any suggestion there that that is a program that is ongoing, if you look at the precedents:

Mr. Angleton. Well, I mean, I got that.

Mr. Wallach. It says "High level Postal authorities have in the past provided complete cooperation," and it goes on to say that the technique involves negligible risk.

Mr. Angleton. Well, this must be entirely Bureau input dealing with what they had in the past.

Mr. Wallach. Well, I don't want to --

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Mr. Angleton. All I can say is that it must be their input into the exercise because it is going into diplomatic establishments.

Mr. Wallach. And it's not this example, I realize the bottom part of this is not clear.

Mr. Angleton. That would be a Bureau case.

Mr. Wallach. That was a Bureau case?

(Pause)

Mr. Angleton. I have a feeling it is a Bureau case.

I don't know. I mean, that's where I have to get clarification from Ober because I can't really --

Mr. Wallach. In any event, just upon my reading --

Mr. Angleton. My reading of the recommendation being put in the way it was put in. It was simply one of saving or withholding from the other participants the actualities. We had the Army participant, made very clear to us on more than one occasion that he couldn't even safeguard the documents, that he couldn't even trust the typists, etc. He didn't even know how it was going to go through channels, to present it at high enough levels in the Department of Defense to have it approved.

So, if you're running into that type of thing throughout these meetings, this was a bald statement made of the security situation in DIA.

Mr. Wallach. Who was the Army representative that actually was there?

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Mr. Angleton. A Colonel whose name I know -- well, I've forgotten it for the moment, but Johnson has it.

Mr. Wallach. Well, I don't want to press this point -Mr. Angleton. Well, I mean I want to try to find out
more but I don't know where I'm going to go to find it out, but
I think that was a Bureau input.

Mr. Wallach. Well, was there any discussion about saying, well, we'll deceive these agencies but we've got to let the President know the reason we're doing this?

Mr. Angleton. Well, there were discussions between Sullivan and myself and so on, and there's no memo of records on it. I mean, they were just things about before he went in, or he called me after a meeting or something of that sort.

Mr. Wallach. Do you recall discussions specifically along those lines, as you said before, we cannot let these other guys know about it, but we're going to put this in here, shouldn't we let the President know?

Mr. Angleton. It would have stood to reason that we would have made some comment of that sort when on the Agenda, of course, of mail intercepts.

But you see, there was a great deal about these meetings, and I'd like to go off the record on this.

(Discussion off the record.)

Mr. Wallach. If we can go back on the record, going back to what we discussed before we and off the record, Mr.

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Angleton, would it have been your position that you would rather not have informed the President about this rather than prejudice the program in terms of its value?

Mr. Angleton. Not at all.

Mr. Wallach. I just wanted to get it clear that what you were saying was that when the point in time came when it was laid on the table, that you would have told him in this regard that the report was incorrect.

Mr. Angleton. Absolutely.

Mr. Wallach. One last very quick area, and I don't know if Mr. Johnson had discussed it with you. If he did, just let me know.

This involves a case, one of the cases, the Didi Freeman case. I don't know if you recall it.

Mr. Angleton. The which one?

Mr. Wallach. Didi Freeman, the waitress, and the penetration of the Bureau?

Mr. Angleton. I've heard of it.

Hr. Wallach. Have you had any discussions with anyone
about the case?

Mr. Angleton. I never heard about it until relatively recently. I mean I didn't know about it in the past.

Mr. Wallach. Who did you discuss it with?

Mr. Angleton. I mean, I have known -- am I supposed to have discussed this case with the Bureau?

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. Mr. Wallach. I'm sorry, discussed it with the Bureau?

Mr. Angleton. Yes. I mean, I misunderstood you.

Mr. Wallach. No. I asked you if you discussed it with anyone from the Bureau.

"y question before I think was --

Mr. Angleton. When was the case? When did the case come out in print or become known?

Mr. Wallach. I am not sure exactly when it came out.

Mr. Angleton. It was recently. Hasn't it come out in print someplace?

Mr. Wallach. I think it only came out about six months ago.

Mr. Angleton. I don't think I ever knew the case beforehand. I never knew that case. I mean I have known of cases and rumors of cases.

Mr. Wallach. You know of no instance in respect to that case, whether the FBI asked the CIA for help to cover it up? Mr. Angleton. I never heard of that case.

Mr. Wallach. Okay.

I'd like to say once again thank you very much for coming down. Me've spent four hours here and you have been most cooperative.

Mr. Angleton. Well, I haven't been able to help you, I'm afraid. That's the trouble.

Mr. Wallach. Well, there are a couple of areas where the

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documents don't speak so loudly.

Mr. Angleton. Let me leave it this way, that I will try to get into this stuff, and particularly if I have a chance to see Tsikerdanos, and then I'll give you a ring if I've learned anything that is more pertinent on the questions you asked.

Mr. Wallach. If you could really help us, maybe we should call him in and have you sit in on the meeting with him.

with it because he was not involved.

Mr. Wallach. I understand that.

territory on this. But the only way this can properly be done in my view is to first deal with the various project officers, 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 every question and every detail. He's a very good man on detail.

Mr. Wallach. He's still with the Agency?

but I think he's more or less out of town, but he knows factually all of the ins and outs of the whole thing from the beginning.

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(Whereupon, at 6:02 o'clock p.m. the interview was conclusion.

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Mr. Angleton. Well, I think he's having a difficult "'me

Mr. Angleton. And therefore he's going back into strange

Hr. Angleton. No.

Mr. Wallach. He's not? Mr. Angleton. He left with me. He lives in Alexandria,

Mr. Wallach. Once again, thank you.