Released under the John F. Kennedy Assassination Records Collection Act of 1992 (44 USC 2107 Note). Case#:NW 88608 Date: 03-18-2025

The Senate Select Committee (SSC) letter of July 14, 1975, to K. William O'Connor, Esq., requested a response to Item #3.

Item #3 is set forth as follows:

"All memoranda and any other materials which relate to or reflect discussions about the Ku Klux Klan at the Executive Conference held on October 1, 1958, and all memoranda and any other materials which relate to or reflect recommendations, proposals, and decisions made either prior to or following said conference."

A diligent, extensive, exhaustive search was conducted in an effort to obtain a copy of the minutes of the Executive Conference held on October 1, 1958. However, this search disclosed no memorandum reflecting an Executive Conference being held on October 1, 1958. Executive Conference memoranda for the year 1958 were reviewed. This review did not disclose any memorandum which related to discussions about the Ku Klux Klan.

Released under the John F. Kennedy Assassination Records Collection Act of 1992 (44 USC 2107 Note). Case#:NW 65360 Date: 11-17-2022

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Red: Newly revealed in 2025.
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Notes:
Black text on a blue background inidcates content that was previously redacted using black ink.

I did my best to be accurate in revealing what is new, but please confirm with the original sources where accuracy is essential.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 9/23/64

FROM : SAC, JACKSONVILLE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
(TWO-WAY RADIO UNITS)

ReBulet 9/15/64.

The Jacksonville Office has carefully noted the obvious intent of reBulet and agrees that there is a real strong possibility for taking some counter-intelligence action against the Klan through this medium.

[redacted] was re-contacted and he stated at the present time there is no additional information concerning the use of two-way radios nor has the local Klan in Jacksonville formulated any code. This would indicate that at the present time, while a number of local Klansmen have radios, there is no opportunity to introduce deceptive transmissions as the Klan has no "missions" on the planning board. The above informant has reported that it is anticipated additional Klansmen will purchase more two-way radio equipment which would be indicative of an expansion in plans of the Klan to use this method of communication. To date there has been no operation of the Klan where two-way radio communications have played an integral part.

[redacted] This office through its informants, particularly will remain alert and will promptly advise the Bureau whenever information is received indicating the Klan has a sizeable "mission" in the planning stages wherein radios will play an important part. Depending upon the purpose of the "mission" plans could be formulated for some deceptive attacks on the Klan itself.

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UNITED STATES GOVERNMENT

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10-15-64

FROM : SAC, JACKSON

SUBJECT: COUNTERINTELLIGENCE PROGRAM,
INTERNAL SECURITY,
DISRUPTION OF HATE GROUPS

Re Bureau letter to Atlanta dated 9-2-64.

To implement a counterintelligence program as outlined in referenced letter, this office has been and will continue to penetrate klan and hate organizations with continued informant coverage. This is the first step to learn the complete organizational structure, members, their activities, sympathizers and followers, action they plan, including actions of violence and distruction of property.

Once their activities, etc., are determined through informant coverage proper action can be taken to disrupt and neutralize their activities and efforts can be directed to frustrate their plans. In addition, those specifically responsible for unlawful actions are determined through informant coverage.

Informant coverage will be specifically concentrated on the White Knights of the Ku Klux Klan since this is the largest and most important of the klan groups in Mississippi. Other pertinent organizations considered for counterintelligence action are:

Mississippi Knights of the Ku Klux Klan.
United Klans of America, Inc.,
Knights of the Ku Klux Klan.
Americans for the Preservation of the White Race.

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The pertinent individuals to first consider are the state officers of the White Knights of the Ku Klux Klan. They are:

SAMUEL BOWERS, Laurel, Mississippi, Imperial Wizard
JULIUS HARPER, Crystal Springs, Mississippi, Grand Dragon
BILLY BUCKLES, Roxie, Mississippi, Grand Giant
A. C. HARRINGTON, Ruth, Mississippi, State Organizer
ERNEST GILBERT, Brookhaven, Mississippi, Chief of the Klans' Bureau of Investigation(KBI)
PAUL FOSTER, Natchez, Mississippi, State Chaplain
ACE WEATHERS, Hattiesburg, Mississippi, Contact Leader for the County and Secretary

Informant coverage will be supplemented by technical installations where practical. Specifically, it has been learned through an informant that a klan group holds meetings in a building especially built for this purpose in Copiah County. These meetings are held on a weekly basis. The building is in a rural area several miles from the nearest town and has access by only one road. During meetings guards are placed at strategic points outside the building to insure complete privacy. An appropriate survey is being made to determine the feasibility of a technical installation in this building. The Bureau will be advised by separate communication regarding this. Other logical points are being determined for this type of coverage.

COUNTERINTELLIGENCE ACTION

1. Liaison is established with the governor's office to bring pressure to bear on local officials, such as mayors, chiefs of police, sheriffs, etc., to solve recent bombings, church burnings, and other acts of violence.

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EXAMPLE:

Jackson teletype to the Bureau dated 10-11-64 captioned UNSUBS; EXPLOSION ON LAWN OF RESIDENCE OF ~~MAYOR JOHN NOSSER, NATCHEZ, MISSISSIPPI~~, 9-25-64, stated that an Investigator of the Mississippi Highway Safety Patrol(MHSP) advised he was instructed by ~~Governor PAUL B. JOHNSON~~ to inform ~~Adams County~~ Sheriff ~~ODELL ANDERS~~ that the ~~governor~~ was seriously considering sending the National Guard into ~~Adams~~ County to close down all gambling and liquor activity in the county. Sheriff ~~ANDERS~~ advised he is in the process of contacting all gambling and liquor establishments in Adams County to inform operators that if pertinent information regarding ~~Natchez~~ bombings are not in his possession by October 15 he will close all such establishments on October 16.

The Jackson Office will, in each instant that presents itself in other localities and counties, arrange for similar action and follow through on each.

2. Repeated contacts and constant interviews of known and suspected klan members are being conducted each Saturday. This has been done since July, 1964, and is being continued. This has a three fold purpose. It lets the klansmen know the FBI is interested and will be around. It also enables FBI to know ~~their~~ whereabouts on that day, become better acquainted with their habits and gain more background information regarding the person being interviewed. In several instances during such interviews it has been possible to convert certain klansmen into informants. During interviews of klansmen who are completely unco-operative and who want to know how we got their name and why they are being interviewed we can flip through the cards and pick out a name of another klansman who is completely unco-operative. This is a disruptive tactic which can breed suspicion among themselves.

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3. Consideration is being given to invite the State Police to make raids at known klan meetings. The local sheriffs, of course, will not be invited to participate since they are most likely in on the klan meetings. MHSP Investigators at McComb have indicated they seemed interested in this sort of thing and it is believed this will have the backing of the governor since he has indicated such to them. This type of thing, of course, will be used at places where technical installations are not feasible or productive.

4. Will participate with the governor in press releases on the arrests of klansmen when appropriate. This has been done in the recent arrests in McComb, Mississippi, in connnection with recent bombings in that area.

5. Information has been developed through an informant that a faction of the klan is interested in putting another man in office rather than the present person. More information is being obtained on this so as to exploit all possibilities and create dissention among the leaders, and by doing so the opportunity may present itself to have the informant put in a high office.

The above is some of the potential counterintelligence action contemplated by this office. It is being studied on a day to day basis. The Bureau will be furnished with complete details on all the above plans as the opportunities are made and present themselves, prior to any specific action being taken by this office.

ACTION GROUPS

Recent actions of violence in McComb, Mississippi, were for the most part believed to be carried out by an "action group". As a result of an intensive investigation and informant coverage, 11 men were arrested. One had a membership card in the Ku Klux Klan and another a card for membership in the "Americans for the Preservation of the White Race". Some

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acts of violence such as bombings are, according to [illegible], planned with great secrecy by small groups who carry [illegible] to determine which ones do the job. Often criminal elements, [illegible] others not officially under klan orders, pretend to represent the klan as a cover for acts of violence.

Recommendations for specific counterintelligence action will be submitted by separate communications and the status letter required will be submitted beginning 1-1-65.

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Memorandum

TO : DIRECTOR, FBI DATE: 10/12/64

FROM : SAC, CHARLOTTE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet 9/2/64 to Atlanta and other offices. It is noted this letter lists as one of the target organizations, as No. 7 on page 2, the Independent Klavern, Fountain Inn, S. C. Since this organization is no longer active or in existence, it is suggested it be deleted from this list.

Since the major organization in Charlotte Division is the United Klans of America, Inc., of which Birmingham is origin, a copy of this letter is being designated to Birmingham for information.

The following represents the consensus of Charlotte Agents familiar with Klan activity:

1. Disruptive activity should not be undertaken at a particular Klavern, as a general rule, unless there is sufficient well established informant coverage to be able to tell the effect of the action when instituted. Such action would probably serve to "tighten up" the organization and make it more difficult to get an informant in thereafter.

2. It is considered doubtful that newspaper publicity, of only a generally unfavorable nature against the Klan organization, is effective in reducing new applicants or causing any large number of present members to drop out. The "Charlotte Observer," which has wide distribution throughout North and South Carolina, published in August and September, 1964, a series of articles, copies of which were sent the Bureau by Charlotte letter of 9/15/64. These articles ridiculed the United Klans

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of America, Inc., in North Carolina, and published both photos and names of a number of members. So far as has been learned from informants, this had very little adverse effect upon the organization. It was alleged that two to five members were discharged from their jobs, or warned about continuing membership, but the identities of these alleged persons is not known. ~~North Carolina Grand Dragon JAMES R. JONES~~ has stated, both publicly and privately to informants, that this publicity was very valuable to the growth of the organization. One informant reported that the day after the articles published his name as a local leader, three persons contacted him and applied for membership, stating they had not previously known whom to contact.

It is considered that publicity of this type generally deters from joining only those persons who would not be interested in joining in the first place. It is believed that a large proportion of those persons who are potential members are seeking status and recognition, and publicity is no deterrent to them; it makes them feel important and members of an important group.

The major apparent effect of the series of newspaper articles referred to has been a tightening up of security, and refusal of leaders to allow newspaper photos of individual Klansmen to be taken at public rallies.

3. Disruptive activity, wherever possible, should be of a nature which does not expose the fact that the Bureau, or the "Federal Government", is behind the activity. It is believed that open action, to a large extent, can backfire and create resentment and sympathy. It must be remembered that Klan membership, in many sections, does not by any means carry the odium that alleged Communist membership or sympathy does in almost any section of society.

4. Along this same line, there is probably no point in trying disruptive activity, at least not at this stage, on a local Klan group which is small, inactive, and peaceful. Any such activity which is not completely discreet and concealed would likely have the effect of stirring it up.

5. By letter of 9/26/64, Charlotte furnished the Bureau a sample of a lapel pin which was adopted at the Imperial

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Klonvocation of United Klans of America at Birmingham on 9/5-6/64. This is to be sold to members for $2 each and there is apparently considerable demand for it. Since it is not apparent to the unitiated that it has anything to do with "the Klan," it is expected that members will wear it openly as a secret recognition signal. If it does become widely adopted and worn, consideration should then be given to giving widespread publicity to the fact of what it represents. This should have the result of discouraging some persons who do not want their Klan membership publicly known.

6. It is considered that possibly the most effective way of discourgging membership, or causing existing members to withdraw, is to establish that someone in the organization is getting rich off it, or embezzling the proceeds. Charlotte is endeavoring to develop information along these lines, but nothing specific has yet been developed.

✓ 7. The following are suggested tactics that appear useful on a selected basis against individual Klansmen, particularly those whose employers might object to their Klan membership:

a. Anonymous letter or phone call to the employer telling of the Klan membership.

b. Enter on behalf of the member a subscription to the "Fiery Cross," United Klans of America publication, and have it mailed to his employment.

c. When a particular member is away from home at a Klavern meeting, have a female phone his home and indicate he was to meet her and is late. This might have the effect of making it difficult for him to get away from home at night thereafter. This should be limited to particular individuals who are considered potential ones to stir up trouble in a Klavern.

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8. ROBERT ECHOLS SCOGGINS, Aka., Charlotte file 105-991, Bureau file 157-1530, is South Carolina Grand Dragon of United Klans of America. Charlotte reports by SA JOHN ALDEN MUNN, 1/31/64 and 3/27/64, show that he is receiving over $300 per month from the Veterans Administration as a 100 per cent disabled veteran. At the same time he operates a plumbing business and is active in United Klans of America, making public speeches, etc. Charlotte furnished extra copies of those reports to the Bureau, with the suggestion furnishing them to VA be considered.

It is suggested consideration be given to asking the VA to re-evaluate his disability rating, in view of his employment and activities. It is believed this should be done on a SOG level, to reduce the possibility of SCOGGINS learning that such a suggestion came from the FBI.

9. "Action Groups." No particular such groups, given to violence, are known within Klan organizations in Charlotte territory. As the Bureau is aware, United Klans of America has instituted what it calls "Security Guards," who wear military type uniforms and have military ranks. These function at public rallies for the purpose of keeping order, watching for "spies," etc. It is expected that if violence is undertaken, these will probably be the ones to do it, but no such undertakings have been learned.

Specific individual recommendations for counter-intelligence action will be submitted by subsequent letters as developed.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/13/64

FROM : SAC, LITTLE ROCK

SUBJECT: COINTELPRO

ReBulet to Atlanta and Other Offices, 9/2/64.

Set out below are an analysis and recommendations under captioned program.

NATIONAL STATES RIGHTS PARTY (NSRP)

The Arkansas branch of NSRP has been inactive in the State of Arkansas for the past year with the exception of placing on the Arkansas ballot candidates for President and Vice President of the United States. It is not recommended that any action be taken against this group at this time.

ASSOCIATION OF ARKANSAS KLANS OF THE KU KLUX KLAN (AAK)

The AAK in Arkansas is made up of three klaverns located at Little Rock, Texarkana, and Pine Bluff; and it has no affiliation with any national klan group. There are no "action" groups within any of these three klaverns. The three klaverns do not own or lease any property for meeting places. The four Little Rock members usually meet in the home of a member. The Texarkana Klavern has not held any klavern meetings as such in several months. The Pine Bluff Klavern meetings vary from residences to business places of klavern members.

State meetings are held at irregular intervals on an average of about once per month or less. There is no regular meeting place for the state meetings, which are held in various Arkansas towns including towns in which there are no klaverns. The state meetings are attended

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by from one to five members of each of the three klaverns and are well covered by informants. The ~~State Grand Dragon BILL WILLIAMS~~ has continually cautioned members against violence and any type of illegal activities. None of the klaverns have engaged in violence.

1. LITTLE ROCK KLAVERN

Of the four members who attend weekly meetings [redacted] ~~JOE J. FARMER~~, who is considered the head of this small group, draws a pension from the Federal Government and, according to informants, is afraid to engage in any illegal activity or to let his name be used in connection with the klan for fear of losing his pension. The two informants maintain the full confidence of the other two members. In recent months the klavern ran a series of small ads in a Little Rock daily newspaper in an effort to renew interest and gain new members. The klavern received a number of responses, but no action whatsoever has been taken by the klavern to take in any new members. The klavern has no organized activity other than the weekly meetings described by informants as being "bull sessions" with the principal topic being politics.

No recommendation for counterintelligence is being made concerning the Little Rock Klavern.

2. TEXARKANA KLAVERN

This klavern has not held any klavern meetings as such in several months, and it appears that the principal reason for the lack of meetings was the interview of members and leaders concerning the assassination of President KENNEDY. Klavern representatives regularly attend state meetings, one reason being that ~~State Grand Dragon BILL WILLIAMS~~, who officiates at state meetings, is a member of the Texarkana Klavern. Of the five or six members who from time to time attend state meetings, two are informants. On 10/1/64 [redacted] advised that the Grand Dragon had stated that hereafter Texarkana Klavern members will meet with the Bivins - Kildare, Texas, Klavern of the AAK.

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Grand Dragon WILLIAMS, according to informants, is active in politics in Bowie County, Texas, is a former member of the Board of Regents of Texarkana Junior College, Texarkana, Texas, and in recent months has been defeated for election to the Board of Regents of that college and defeated as a candidate for the City Council of Texarkana, Texas. He cannot afford to become involved in any illegal activities because of his activities in legitimate enterprises. He has continually cautioned Texarkana Klavern members as well as members of other klaverns attending state meetings against any violence and/or illegal activities.

No recommendation is being made for counterintelligence against the Texarkana Klavern except as it is effected by a recommendation set out hereafter under the Pine Bluff Klavern.

3. PINE BLUFF KLAVERN

The Pine Bluff Klavern has a membership of approximately twenty to twenty-five. It meets once a week in different business locations of its members, and average weekly attendance is twelve. Among the twelve, one or two informants meet with them and furnish full coverage of their activities.

The Klavern's main activity has been to discourage integration by legal means and to get members elected to school board positions. The klavern collected the funds and donated the money for the campaign expense of two of its members who ran for a position on the Pine Bluff School Board and the Dollarway School Board. These two members made a miserable showing and were defeated.

The Klavern was behind and organized the National Patriots League (NPL) to further its non-integration program publicly. The Exalted Cyclops, or president, of the Klavern is chairman of the NPL. The NPL actually is a front organization for the klavern. The main activity of the NPL was to organize a private country club, which is known as the Butram Country Club. The purpose of the

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club was to build a swimming pool for white only. The construction of the pool itself was completed but not sufficiently to place it in use this season. Membership in Butram Country Club is $25. The majority of the members are not aware of the fact that the klavern was behind its organization. Membership in the Butram Country Club was easily obtained as the public pool for whites and public pool for Negroes were both closed during the summer of 1964 when Negroes attempted to integrate the white pool. This left no public pool open in Pine Bluff. ~~J. E. BUTRAM~~, vice president of the klavern, donated the land for the Butram Country Club; as he owns land surrounding the club, he will benefit financially from the sale of this land for building lots. The NPL has also distributed a limited number of leaflets publicly discouraging people from patronizing certain restaurants and businesses which had hired or served Negroes.

Members of the klavern were responsible for forming a John Birch Society Chapter in Pine Bluff, and a klavern member is leader of this chapter. Approximately eight to ten people attend the monthly meetings of the John Birch Society Chapter; and of the men who attend, all are klavern members with the exception of one man. Members of the klavern completely control and dominate the John Birch Society Chapter in Pine Bluff. They, however, only conduct John Birch Society business. Likewise, the members of the klavern further the John Birch Society program through the klavern.

Members of the klavern are working individually in politics for the re-election of Governor ORVAL E. FAUBUS and for the election of ~~BARRY GOLDWATER~~.

The klavern has not advocated any violence but on occasion has cautioned its members against violence. As an example, klavern members were cautioned to stay away from Ray's Truck Stop, a location which Negroes were attempting to integrate, in the spring of 1964 so that no violence would occur.

Members of the klavern recently distributed a Ku Klux Klan (KKK) leaflet seeking new members and

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stating requests for applications be directed to P. O. Box 1182, Pine Bluff. In this leaflet it was pointed out that the KKK was striving for a lawful settlement of the difficulties brought on by the National Association for the Advancement of Colored People (NAAC) and that it is opposed to violence. This leaflet further set forth that this was a chartered, legalized movement and it is no more illegal to be a member of it than to be a member of other organizations.

At various times in the past the klavern has attempted to organize "action" groups within the klavern, but on each occasion the project has died from lack of interest.

In line with Bureau policy of dissemination of information, the main activities regarding the Pine Bluff Klavern have been disseminated confidentially to Chief of Police NORMAN D. YOUNG, Pine Bluff, (NA) on a regular basis. Chief YOUNG has exerted every effort to keep down the possibility of violence. Through his confidential sources he is also well aware of the identities of the klavern members and their activities. He personally has warned particular klavern members against any violence and has stated they will be met with immediate arrest if any violence occurs. As an example, Chief YOUNG was advised through his own confidential source of the time and location of the klavern meeting on the night of October 5, 1964. Chief YOUNG sent a lieutenant of his department in uniform to check the location, record license numbers, and to be seen checking the meeting so that the klavern members would know that he was checking on them. This has had a strong influence on making the klavern follow a line of legal activity. It has also resulted in the more responsible leading citizens of the community being made aware of certain klavern members, causing these klavern members to be discredited in the eyes of the public. This was borne out in the recent school board election on 9/29/64 when two klavern members, one of whom is J. E. BUTRAM, were miserably defeated.

The klavern has during the past few months urged its members to solicit and obtain new members. The ineffectiveness of their program is shown by the

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fact that only one new member was initiated, [illegible] member is a non-organizational informant of the Little Rock Division. Likewise, as a result of the KKK leaflets distributed encouraging people to write for applications they have received only two letters; and neither of the writers have become a member. The leaflet has met with complete failure in its effort to build up its membership.

At this time the following are the only specific counterintelligence action being recommended:

1. An anonymous letter be mailed to the National Office of John Birch Society, Belmont, Massachusetts, pointing out that the KKK is in full control of the John Birch Society Chapter in Pine Bluff. In this letter specifically mention the name of one or two of the more leading klan members who are also leading the John Birch Society in Pine Bluff.

2. An anonymous letter be mailed to ~~CHARLES D.~~ CUTHBERTSON, ~~Exalted Cyclops~~ of the Pine Bluff Klavern, and a copy mailed to BILL WILLIAMS, ~~State Grand Dragon~~, with the letters to be mailed to the Post Office Box in Pine Bluff and in Texarkana, Arkansas, of the AAK. The letter should be a complaining letter from a member who was active in the past and who recently found one of the KKK leaflets in his automobile which leaflet encouraged membership. The letter would let them know why he has not rejoined; it would point out that he dropped out because of such leadership as J. ~~E.~~ BUTRAM, who has used the klan for personal gain as BUTRAM had a residence on his property remodeled at klavern expense and then made the klavern stop holding meetings there; that BUTRAM has now donated land for the Butram Country Club so that he can sell his surrounding land for building lots at an exorbitant price. The letter should also set forth the fact he heard BUTRAM was discharged from the Army for mental deficiency (moron). This letter should be mailed from Little Rock.

Interviews of klan members and leaders in the past (for example, at the time of the assassination of President KENNEDY and on particular bombing matter cases)

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have had deterring effect on the Klan. For example, the Texarkana Klavern has not held a Klavern meeting as such since that time. One Little Rock member has dropped out as a result of being interviewed; and, according to an informant, this member is a "changed man," meaning that he is not as radical as previously. In interviews with members of the Pine Bluff Klavern, agents have not met with any hostility and have been treated cordially and with respect. Individual members during these interviews have indicated they are opposed to violence and advocate proceeding in a legal manner. A number of the members have said that through political pressure and voting are the only ways any change can be made. However, they have stated they are still avid segregationists and do not condone race mixing in any manner.

When and if it appears that interest may be renewing in the AAK in Arkansas, consideration will be given to another interview program. It is noted that particular Klan members are interviewed on a spasmodic basis in regard to leads from surrounding field offices on bombing matter cases, and this has had a tendency to deter any violent activity on the part of Klavern members.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/13/64

FROM : SAC, LITTLE ROCK

SUBJECT: COINTELPRO

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Of the four members who attend weekly meetings two are informants. ~~JOE J. FARMER~~, who is considered the head of this small group, draws a pension from the Federal Government and, according to informants, is afraid to engage in any illegal activity or to let his name be used in connection with the klan for fear of losing his pension. The two informants maintain the full confidence of the other two members. In recent months the klavern ran a series of small ads in a Little Rock daily newspaper in an effort to renew interest and gain new members. The klavern received a number of responses, but no action whatsoever has been taken by the klavern to take in any new members. The klavern has no organized activity other than the weekly meetings described by informants as being "bull sessions" with the principal topic being politics.

No recommendation for counterintelligence is being made concerning the Little Rock Klavern.

2. TEXARKANA KLAVERN

This klavern has not held any klavern meetings as such in several months, and it appears that the principal reason for the lack of meetings was the interview of members and leaders concerning the assassination of President KENNEDY. Klavern representatives regularly attend state meetings, one reason being that ~~State Grand Dragon BILL WILLIAMS~~, who officiates at state meetings, is a member of the Texarkana Klavern. Of the five or six members who from time to time attend state meetings, two are informants. On 10/1/64 ~~LR 577 R~~ advised that the Grand Dragon had stated that hereafter Texarkana Klavern members will meet with the Bivins - Kildare, Texas, Klavern of the AAK.

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Grand Dragon WILLIAMS, according to informants, is active in politics in Bowie County, Texas, is a former member of the Board of Regents of Texarkana Junior College, Texarkana, Texas, and in recent months has been [illegible] for election to the Board of Regents of that college and defeated as a candidate for the City Council of Texarkana, Texas. He cannot afford to become involved in any illegal activities because of his activities in legitimate enterprises. He has continually cautioned Texarkana Klavern members as well as members of other klaverns attending state meetings against any violence and/or illegal activities.

No recommendation is being made for counterintelligence against the Texarkana Klavern except as it is effected by a recommendation set out hereafter under the Pine Bluff Klavern.

3. PINE BLUFF KLAVERN

The Pine Bluff Klavern has a membership of approximately twenty to twenty-five. It meets once a week in different business locations of its members, and average weekly attendance is twelve. Among the twelve, one or two informants meet with them and furnish full coverage of their activities.

The klavern's main activity has been to discourage integration by legal means and to get members elected to school board positions. The klavern collected the funds and donated the money for the campaign expense of two of its members who ran for a position on the Pine Bluff School Board and the Dollarway School Board. These two members made a miserable showing andwere defeated.

The klavern was behind and organized the National Patriots League (NPL) to further its non-integration program publicly. The Exalted Cyclops, or president, of the Klavern is chairman of the NPL. The NPL actually is a front organization for the klavern. The main activity of the NPL was to organize a private country club, which is known as the Butram Country Club. The purpose of the

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club was to build a swimming pool for white only. The construction of the pool itself was completed but not sufficiently to place it in use this season. Membership in Butram Country Club is $25. The majority of the members are not aware of the fact that the klavern was behind its organization. Membership in the Butram Country Club was easily obtained as the public pool for whites and public pool for Negroes were both closed during the summer of 1964 when Negroes attempted to integrate the white pool. This left no public pool open in Pine Bluff. ~~E. E. BUTRAM~~, vice president of the klavern, donated the land for the Butram Country Club; as he owns land surrounding the club, he will benefit financially from the sale of this land for building lots. The NPL has also distributed a limited number of leaflets publicly discouraging people from patronizing certain restaurants and businesses which had hired or served Negroes.

Members of the klavern were responsible for forming a John Birch Society Chapter in Pine Bluff, and a klavern member is leader of this chapter. Approximately eight to ten people attend the monthly meetings of the John Birch Society Chapter; and of the men who attend, all are klavern members with the exception of one man. Members of the klavern completely control and dominate the John Birch Society Chapter in Pine Bluff. They, however, only conduct John Birch Society business. Likewise, the members of the klavern further the John Birch Society program through the klavern.

Members of the klavern are working individually in politics for the re-election of ~~Governor ORVAL E. FAUBUS~~ and for the election of ~~BARRY GOLDWATER~~.

The klavern has not advocated any violence but on occasion has cautioned its members against violence. As an example, klavern members were cautioned to stay away from Ray's Truck Stop, a location which Negroes were attempting to integrate, in the spring of 1964 so that no violence would occur.

Members of the klavern recently distributed a Ku Klux Klan (KKK) leaflet seeking new members and

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stating requests for applications be directed to P. O. Box 1182, Pine Bluff. In this leaflet it was pointed out that the KKK was striving for a lawful settlement of the difficulties brought on by the National Association for the Advancement of Colored People (NAAC) and that it is opposed to violence. This leaflet further set forth that this was a chartered, legalized movement and it is no more illegal to be a member of it than to be a member of other organizations.

At various times in the past the klavern has attempted to organize "action" groups within the klavern, but on each occasion the project has died from lack of interest.

In line with Bureau policy of dissemination of information, the main activities regarding the Pine Bluff Klavern have been disseminated confidentially to Chief of Police NORMAN D. YOUNG, Pine Bluff, (NA) on a regular basis. Chief YOUNG has exerted every effort to keep down the possibility of violence. Through his confidential sources he is also well aware of the identities of the klavern members and their activities. He personally has warned particular klavern members against any violence and has stated they will be met with immediate arrest if any violence occurs. As an example, Chief YOUNG was advised through his own confidential source of the time and location of the klavern meeting on the night of October 5, 1964. Chief YOUNG sent a lieutenant of his department in uniform to check the location, record license numbers, and to be seen checking the meeting so that the klavern members would know that he was checking on them. This has had a strong influence on making the klavern follow a line of legal activity. It has also resulted in the more responsible leading citizens of the community being made aware of certain klavern members, causing these klavern members to be discredited in the eyes of the public. This was borne out in the recent school board election on 9/29/64 when two klavern members, one of whom is J. F. BUTRAM, were miserably defeated.

The klavern has during the past few months urged its members to solicit and obtain new members. The ineffectiveness of their program is shown by the

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fact that only one new member was initiated, [illegible] member is a non-organizational informant [illegible] Rock Division. Likewise, as a result of the KKK leaflets distributed encouraging people to write for applications they have received only two letters; and neither of the writers have become a member. The leaflet has met with complete failure in its effort to build up its membership.

At this time the following are the only specific counterintelligence action being recommended:

1. An anonymous letter be mailed to the National Office of John Birch Society, Belmont, Massachusetts, pointing out that the KKK is in full control of the John Birch Society Chapter in Pine Bluff. In this letter specifically mention the name of one or two of the more leading klan members who are also leading the John Birch Society in Pine Bluff.

2. An anonymous letter be mailed to ~~CHARLES D.~~ CUTHBERTSON, ~~Exalted Cyclops~~ of the Pine Bluff Klavern, and a copy mailed to BILL WILLIAMS, ~~State Grand Dragon~~, with the letters to be mailed to the Post Office Box in Pine Bluff and in Texarkana, Arkansas, of the AAK. The letter should be a complaining letter from a member who was active in the past and who recently found one of the KKK leaflets in his automobile which leaflet encouraged membership. The letter would let them know why he has not rejoined; it would point out that he dropped out because of such leadership as ~~J. E.~~ BUTRAM, who has used the klan for personal gain as BUTRAM had a residence on his property remodeled at klavern expense and then made the klavern stop holding meetings there; that BUTRAM has now donated land for the Butram Country Club so that he can sell his surrounding land for building lots at an exorbitant price. The letter should also set forth the fact he heard BUTRAM was discharged from the Army for mental deficiency (moron). This letter should be mailed from Little Rock.

Interviews of klan members and leaders in the past (for example, at the time of the assassination of President KENNEDY and on particular bombing matter cases)

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have had deterring effect on the klan. For example, the Texarkana Klavern has not held a klavern meeting as such since that time. One Little Rock member has dropped out as a result of being interviewed; and, according to an informant, this member is a "changed man," meaning that he is not as radical as previously. In interviews with members of the Pine Bluff Klavern, agents have not met with any hostility and have been treated cordially and with respect. Individual members during these interviews have indicated they are opposed to violence and advocate proceeding in a legal manner. A number of the members have said that through political pressure and voting are the only ways any change can be made. However, they have stated they are still avid segregationists and do not condone race mixing in any manner.

When and if it appears that interest may be renewing in the AAK in Arkansas, consideration will be given to another interview program. It is noted that particular klan members are interviewed on a spasmodic basis in regard to leads from surrounding field offices on bombing matter cases, and this has had a tendency to deter any violent activity on the part of klavern members.

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Memorandum

TO : Director, FBI

DATE: 10/13/64

FROM : SAC, Birmingham

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bulet to Atlanta 9/2/64

The Klan-type and hate organizations operating in Birmingham territory and which are potential objects of a counterintelligence program are the United Klans of America, Inc., Knights of the Ku Klux Klan and the National States Rights Party.

Recently Mr. VINCENT TOWNSEND, Vice-President and Assistant Publisher, Birmingham News, and SAC Contact, advised SAC EVERETT J. INGRAM that he read a story in the Chicago Daily News concerning Klan activity in Mississippi and felt the story could not have been prepared without FBI cooperation. He was impressed with this and has indicated a strong interest in similar material for the Birmingham News. He promised to protect the Bureau's interest in any such endeavor. He is a well known civic leader in Birmingham. A review of the files in the Birmingham Office is being made for suitable information in this connection.

Bureau instructed in referenced letter that specific mention be made of "Action Groups" in Klan organizations. At the present time the weekly meetings of Eastview Klavern No. 13, which has been the leading Klavern in United Klans of America, Inc., in this territory, have been poorly attended. The principal members of the "Action Group"

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in this Klavern are HARRY WALKER, CECIL HENSON, EUGENE REEVES, and RONNIE TIDWELL. Efforts are being made to secure information suitable for disruption purposes in connection with this group.

Investigation is being conducted concerning ROBERT MARVIN SHELTON. The Atlanta Office has been requested to ascertain why E. L. EDWARDS, now deceased, ousted SHELTON from his then position of Grand Dragon of the U. S. Klans. A copy of the article appearing in the "Birmingham News" for April 30, 1960, entitled "SHELTON ousted from Klan Post," has been obtained. The article did not disclose the exact nature of the charges against SHELTON. Records of the Alabama Secretary of State reflect that SHELTON was dropped as the Klan's authorized agent and was replaced by Rev. ALVIN HORN of Talladega, Alabama. E. L. EDWARDS, Imperial Wizard, U. S. Klans, Knights of the Ku Klux Klan, was quoted as saying "We had to have a grand dragon in Alabama and we didn't have one in ROBERT M. SHELTON." He told reporters that SHELTON was replaced as grand dragon and agent of the "Klan" in Alabama "for conduct unbecoming a Klansman and attempting to use the organization for selfish purposes." The article said EDWARDS did not elaborate on what is considered conduct unbecoming a Klansman.

Informants are being contacted for any information of a derogatory nature concerning SHELTON. Discreet inquiries are being made in Tuscaloosa concerning his financial status. In view of recent information from the Bureau no request is being made for a mail cover on Shelton or the United Klans.

The information on LOBI ROGERS and WILLIAM A. HOLT, JR. will be afforded prompt attention.

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As the Bureau is aware, some few months ago several individuals, who had been active officials and/or dedicated members of the National States Rights Party (NSRP), left the NSRP. They are trying to form and make a going party of the American States Rights Party (ASRP) with its headquarters in Birmingham.

Since the group pulled out of the NSRP, both the ASRP and NSRP leaders have been belittling, berating and making extremely derogatory remarks concerning each other. Both groups are using the same mailing list, (the NSRP's list), which the ASRP group obtained before pulling out of the NSRP, and they disseminate their derogatory remarks in the literature they distribute.

The Bureau has also been advised that ~~GEORGE LINCOLN ROCKWELL~~, American Nazi Party (ANP) leader has recently filed a $550,000.00 libel suit in the U. S. District Court, ~~Birmingham, Alabama~~, against ~~Dr. EDWARD R. FIELDS~~, ~~Information~~ Director of the NSRP, and others connected with the NSRP.

Birmingham contemplates furnishing certain items, on a confidential basis to a few trusted, reliable newsmen (established SAC contacts), concerning the NSRP, the ASRP and the ANP for the purpose of possibly causing further disruption of any unified actions or working arrangements between these groups. Such newsmen may be used to contact the leaders of one group to inquire about or confirm something of a derogatory nature reportedly made by some leader of one of the other groups.

Birmingham also contemplates working closely with other law enforcement agencies to see that any activity of such groups are known, covered and where considered desirable, the group will be made cognizant that their activity is known.

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Birmingham also is considering having some racial informants drop remarks to or for the benefit of the leaders of the NSRP, etc., that will tend to cause the leaders of one group to retaliate in like manner against the other groups.

If the Bureau has any material on disruptive tactics or results of efforts, which is not already in all field offices, Birmingham would be glad to receive it.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/14/64

FROM : SAC, NEW YORK

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet, 9/2/64.

NY has case files on the following organizations which were listed in relet:

AMERICAN NAZI PARTY (ANP) (~~NY 157-13~~)
OO:RH

Available information reflects that there is currently no ANP activity in the NYC area and the organization appears to be defunct.

FIGHTING AMERICAN NATIONALISTS (FAN) (~~NY 157-195~~)
OO:BA

Available information reflects that FAN has ceased to exist as a separate organization and is merely a name used on occasion by the American Nazi Party.

NATIONAL RENAISSANCE PARTY (NRP) (~~NY 105-6112~~)
OO:NY

The NRP is now defunct in NYC and available information makes it appear unlikely that it will be reactivated.

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NATIONAL STATES RIGHTS PARTY (NSRP)
OO:EA

The NSRP in NYC is operated by [redacted], [redacted], self-identified as the NY State Director of the NSRP. This is a one man organization in NYC with no membership other than [redacted] who utilizes [redacted], as his NSRP mailing address. Because of this there are no meetings of this organization in NYC.

WHITE YOUTH CORPS (WYC),
OO:CG

No information has been developed by NY indicating the WYC exists in NY.

Recommendations

In view of the above, NY has no specific recommendations at the present time. Logical persons handling above captioned and related matters are alert to captioned program, and in the event information is developed which would make some counterintelligence activity feasible, the Bureau will be advised.

NY will again review the above files so that a letter will reach the Bureau on or before 1/1/65.

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MAY 1962 EDITION
GSA GEN. REG. NO. 27

UNITED STATES GOVERNMENT

Memorandum

TO: DIRECTOR, FBI

DATE: 10/14/64

FROM: SAC, NEW YORK

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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OO:RH

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OO:BA

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NW 88608 DocId:32989629 Page 34

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FBI

Date: 10/14/64

Transmit the following in _____ (Type in plain text or code)

_____ (Priority)

TO: DIRECTOR, FBI

FROM: SAC, MEMPHIS

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Relet Bureau to Atlanta, copies Memphis, 9/2/64.

The Memphis Division has carefully reviewed the contents of relet, including the list of organizations designated for action pursuant to this program.

None of these organizations are currently active in the territory covered by the Memphis FBI Division.

Similarly, there are no so-called "action groups" known to exist or to have existed in this territory.

This office will continue to be alert for possibilities and methods of implementation of this program.

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F B I

Date: 10/14/64

Transmit the following in _____
(Type in plain text or code)

_____
(Priority)

TO: DIRECTOR, FBI

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/14/64

FROM : SAC, MIAMI

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bureau letter to Atlanta, 9/2/64.

The following news media can be utilized in the Cointelpro upon confirmation of any action group forming in Miami and Ft. Lauderdale, Florida (Dade and Broward Counties):

Newspapers

"Miami Herald"
A morning Miami, Florida, daily newspaper
~~GEORGE SEIBE, Managing Editor (SAC Contact)~~

"The Miami News"
An evening local Miami, Florida, newspaper
~~WILLIAM C. BAGGS, Editor (SAC Contact)~~

"The Ft. Lauderdale News"
A daily Broward County newspaper
~~MILTON KELLY, Editor~~

TV Stations

WCKT-TV, Channel 7, NBC
~~GENE STRUHL, News Director~~

WLBW-TV, Channel 10, ABC
~~CHARLES H. TOPHILLER, General Manager (SAC Contact)~~
~~CHARLES MATTHEWS, National Sales Director~~

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Radio Stations.

WGBS, ~~BOB MARTIN, News~~

WIOD, ~~JAMES LE GATE~~

At Sebring, Florida
(Highlands County)

United Florida Ku Klux Klan
Sebring Klavern

Through recent information furnished by [redacted] it is noted that the Sebring Klavern is apparently dying out. Attendance at the weekly meetings has been very poor with a maximum of 3 to 4 in attendance. On the last two scheduled meeting dates, the only ones present were the Exalted Cyclops, CHARLES FRITZ and [redacted]

In view of the above, the Sebring Klavern will probably become inactive in the very near future. It is felt that any counterintelligence move at the present time would possibly result in a renewed interest and regrouping by the members rather than the desired results.

Should the Sebring Klavern not disband in the near future, it is then felt that information could be confidentially furnished to Highlands County Sheriff BROWARD COKER, Sebring, as to time, date and location of the Ku Klux Klan meetings. Sheriff's Department patrol cars could patrol the area in an obvious fashion in order to disrupt the meetings and cause concern among those in attendance.

~~Sheriff~~ COKER has been very cooperative and has reflected a distaste for any Ku Klux Klan activity in his county. It is not felt that ~~Sheriff COKER~~ would in any way reveal the Bureau's interest or betray our confidence.

It is felt that counterintelligence contact with the Sebring press would be unwise.

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Reported Attempts to Organize Klavern
of United Florida Ku Klux Klan in
Sebastian, Florida (Indian River County)

It is recommended that immediately upon confirmation of the attempted organization of a Ku Klux Klan Klavern in Indian River County, that counterintelligence steps be taken to discourage same.

The "Ft. Pierce News Tribune," a daily newspaper with circulation including Indian River County, could be utilized. ~~Mr. CHARLES MILEY, Editor, is an SAC contact of~~ the Miami Division and has proven reliable and cooperative in past dealings. Through information furnished to ~~MILEY~~, the attempt at organizing the Ku Klux Klan in Sebastian, Florida, could be exposed to the community. Community leaders would then likely take steps to counteract the formation of this organization.

It is not felt that ~~Mr.~~ MILEY would in any way reveal the Bureau's interest or betray our confidence.

It is also recommended that ~~LEM~~ BRUMLEY, ~~Chief~~ Deputy, Indian River County Sheriff's Office be furnished information regarding the attempted Ku Klux Klan organization in Sebastian. ~~BRUMLEY~~ could arrange for patrol cars to cover the Ku Klux Klan meetings in an obvious fashion. This would likely discourage attendance and cause concern.

~~Chief Deputy~~ BRUMLEY is a National Academy graduate and has been completely cooperative with contacting Agents. It is not felt that BRUMLEY would in any way reveal the Bureau's interest or betray our confidence.

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At West Palm Beach, Florida
(Palm Beach County)

Council For Statehood
West Palm Beach, Florida

The Council for Statehood has been found to be not an action group but rather a mailing facility for the writings of ~~MARY M. DAVISON~~. These writings are disseminated to local and national legislators and all are filed with the Library of Congress in Washington. The dissemination of writings by this group has now become practically negligible. The group is said to have political overtones as a republican group.

It is not recommended that any positive harassment activities be undertaken with regard to this group at this time, since such action, in all probability, would enhance the activities of this group rather than accomplish the desired effect.

United Free Men
West Palm Beach, Florida

This organization is now defunct.

* * *

At the present time there are no known "action groups" within the Miami Division.

SUGGESTIONS FOR COINTELPRO

(1) Many hate groups send literature, to individuals on their mailing lists, which has been distorted or is out of context, regarding individuals and organizations. The literature is intended to promote a hostile and unfavorable image of the organization and/or individual. Favorite targets in this regard are the United Nations and U. S. Supreme Court Justice EARL WARREN.

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It is noted the United Nations has considerable literature setting forth favorable information regarding accomplishments and the desirability of having a United Nations. It would appear appropriate to offset the literature sent out by the hate groups, by sending out favorable information concerning the organization or individual under attack.

(2) Any hate organizations tend to disguise their true identity under the pretext of being a religious study group. Using such a disguise, they find it easy and inexpensive to obtain the facilities of an established church to hold special or organizational meetings.

By using an appropriate pretext, such as a free lance reporter for the local paper, or through a reliable news contact, the individual responsible for the facility could be contacted shortly prior to the planned meeting. At this time, the true identity of the hate organization could be exposed, resulting in considerable disruption, especially if the use of the facilities are canceled at the last moment.

In September, 1962, and December, 1963, ~~STONER~~ spent several weeks in Florida, including visits to Miami and Vero Beach, Florida, attempting to organize and promote the NSRP. To date the NSRP has failed to gain any "foot hold" within the Miami Division. It is not known if this article was responsible for ~~STONER'S~~ failure, however, it does represent a type of counterintelligence.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/14/64

FROM : SAC, MIAMI

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INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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SUGGESTIONS FOR COINTELPRO

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It is noted the United Nations has considerable literature setting forth favorable information regarding accomplishments and the desirability of having a United Nations. It would appear appropriate to offset the literature sent out by the hate groups, by sending out favorable information concerning the organization or individual under attack.

(2) Any hate organizations tend to disguise their true identity under the pretext of being a religious study group. Using such a disguise, they find it easy and inexpensive to obtain the facilities of an established church to hold special or organizational meetings.

By using an appropriate pretext, such as a free lance reporter for the local paper, or through a reliable news contact, the individual responsible for the facility could be contacted shortly prior to the planned meeting. At this time, the true identity of the hate organization could be exposed, resulting in considerable disruption, especially if the use of the facilities are canceled at the last moment.

[redacted] the Bureau is one copy of the "National Federation of Labor News," dated [redacted] prepared and distributed by [redacted]. It is noted that [redacted] for many years until he was discontinued November, 1961, in view of continuing evidence of indiscretion and use of poor judgment. [redacted] regarding the National States Rights Party (NSRP) and J. B. STONER. This article was prepared and distributed by [redacted] of his own volition, as a means of keeping the NSRP out of South Florida.

In September, 1962, and December, 1963, STONER spent several weeks in Florida, including visits to Miami and Vero Beach, Florida, attempting to organize and promote the NSRP. To date the NSRP has failed to gain any "foot hold" within the Miami Division. It is not known if this article was responsible for STONER's failure, however, it does represent a type of counterintelligence.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/14/64

FROM : SAC, MIAMI

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bureau letter to Atlanta, 9/2/64.

The following news media can be utilized in the Cointelpro upon confirmation of any action group forming in Miami and Ft. Lauderdale, Florida (Dade and Broward Counties):

Newspapers

"Miami Herald"
A morning Miami, Florida, daily newspaper
~~GEORGE BEEBE, Managing Editor (SAC Contact)~~

"The Miami News"
An evening local Miami, Florida, newspaper
~~WILLIAM C. BAGGS, Editor (SAC Contact)~~

"The Ft. Lauderdale News"
A daily Broward County newspaper
~~MILTON KELLY, Editor~~

TV Stations

WCKT-TV, Channel 7, NBC
~~GENE STRUHL, News Director~~

WLBW-TV, Channel 10, ABC
~~CHARLES H. TOPMILLER, General Manager (SAC Contact)~~
~~CHARLES MATTHEWS, National Sales Director~~

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Radio Stations

WGBS, ~~BOB MARTIN, News~~

WIOD, ~~JAMES LEE GATE~~

At Sebring, Florida
(Highlands County)

United Florida Ku Klux Klan
Sebring Klavern

Through recent information furnished by ~~MM 842-R~~, it is noted that the Sebring Klavern is apparently dying out. Attendance at the weekly meetings has been very poor with a maximum of 3 to 4 in attendance. On the last two scheduled meeting dates, the only ones present were the Exalted Cyclops, CHARLES FRITZ and MM 842-R.

In view of the above, the Sebring Klavern will probably become inactive in the very near future. It is felt that any counterintelligence move at the present time would possibly result in a renewed interest and regrouping by the members rather than the desired results.

Should the Sebring Klavern not disband in the near future, it is then felt that information could be confidentially furnished to Highlands County Sheriff BROWARD COKER, Sebring, as to time, date and location of the Ku Klux Klan meetings. Sheriff's Department patrol cars could patrol the area in an obvious fashion in order to disrupt the meetings and cause concern among those in attendance.

~~Sheriff~~ COKER has been very cooperative and has reflected a distaste for any Ku Klux Klan activity in his county. It is not felt that ~~Sheriff COKER~~ would in any way reveal the Bureau's interest or betray our confidence.

It is felt that counterintelligence contact with the Sebring press would be unwise.

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Reported Attempts to Organize Klavern
of United Florida Ku Klux Klan in
Sebastian, Florida (Indian River County)

It is recommended that immediately upon confirmation of the attempted organization of a Ku Klux Klan Klavern in Indian River County, that counterintelligence steps be taken to discourage same.

The "Ft. Pierce News Tribune," a daily newspaper with circulation including Indian River County, could be utilized. ~~Mr. CHARLES MILEY, Editor, is an SAC contact of~~ the Miami Division and has proven reliable and cooperative in past dealings. Through information furnished to ~~MILEY~~, the attempt at organizing the Ku Klux Klan in Sebastian, Florida, could be exposed to the community. Community leaders would then likely take steps to counteract the formation of this organization.

It is not felt that ~~Mr. MILEY~~ would in any way reveal the Bureau's interest or betray our confidence.

It is also recommended that ~~LEM BRUMLEY, Chief Deputy~~, Indian River County Sheriff's Office be furnished information regarding the attempted Ku Klux Klan organization in Sebastian. ~~BRUMLEY~~ could arrange for patrol cars to cover the Ku Klux Klan meetings in an obvious fashion. This would likely discourage attendance and cause concern.

~~Chief Deputy BRUMLEY~~ is a National Academy graduate and has been completely cooperative with contacting Agents. It is not felt that BRUMLEY would in any way reveal the Bureau's interest or betray our confidence.

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At West Palm Beach, Florida
(Palm Beach County)

Council For Statehood
West Palm Beach, Florida

The Council for Statehood has been found to be not an action group but rather a mailing facility for the writings of ~~MARY M. DAVISON~~. These writings are disseminated to local and national legislators and all are filed with the Library of Congress in Washington. The dissemination of writings by this group has now become practically negligible. The group is said to have political overtones as a republican group.

It is not recommended that any positive harassment activities be undertaken with regard to this group at this time, since such action, in all probability, would enhance the activities of this group rather than accomplish the desired effect.

United Free Men
West Palm Beach, Florida

This organization is now defunct.

* * *

At the present time there are no known "action groups" within the Miami Division.

SUGGESTIONS FOR COINTELPRO

(1) Many hate groups send literature, to individuals on their mailing lists, which has been distorted or is out of context, regarding individuals and organizations. The literature is intended to promote a hostile and unfavorable image of the organization and/or individual. Favorite targets in this regard are the United Nations and U. S. Supreme Court Justice EARL WARREN.

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It is noted the United Nations has considerable literature setting forth favorable information regarding accomplishments and the desirability of having a United Nations. It would appear appropriate to offset the literature sent out by the hate groups, by sending out favorable information concerning the organization or individual under attack.

(2) Any hate organizations tend to disguise their true identity under the pretext of being a religious study group. Using such a disguise, they find it easy and inexpensive to obtain the facilities of an established church to hold special or organizational meetings.

By using an appropriate pretext, such as a free lance reporter for the local paper, or through a reliable news contact, the individual responsible for the facility could be contacted shortly prior to the planned meeting. At this time, the true identity of the hate organization could be exposed, resulting in considerable disruption, especially if the use of the facilities are canceled at the last moment.

(3) Enclosed for the Bureau is one copy of the "National Federation of Labor News," dated September, 1963, prepared and distributed by WILLIAM SOMERSETT, formerly [illegible] 607-C (RAC), Bureau file 66-16458. It is noted that SOMERSETT was formerly a Bureau informant for many years until he was discontinued November, 1961, in view of continuing evidence of indiscretion and use of poor judgment. Page 3 of this paper sets forth an article by SOMERSETT regarding the National States Rights Party (NSRP) and J. B. STONER. This article was prepared and distributed by SOMERSETT of his own volition, as a means of keeping the NSRP out of South Florida.

In September, 1962, and December, 1963, STONER spent several weeks in Florida, including visits to Miami and Vero Beach, Florida, attempting to organize and promote the NSRP. To date the NSRP has failed to gain any "foot hold" within the Miami Division. It is not known if this article was responsible for STONER's failure, however, it does represent a type of counterintelligence.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/13/64

FROM : SAC, CHICAGO

SUBJECT: COINTELPRO

Re Bureau letter to SAC, Atlanta 9/2/64.

Referenced communication advises the following hate organizations operating within the Chicago Division as included in this program:

American Nazi Party (Origin: Richmond)

White Youth Corps (Origin: Chicago).

Regarding the White Youth Corps it is noted confidential informants of this division have advised that the White Youth Corps in Chicago did not, in fact, exist as a organization per se but was considered rather a "level of affiliation" within the structure of the American Nazi Party at Chicago, Illinois. All operations of this unit were subsequently combined with those of the American Nazi Party and were carried on under that name only. The White Youth Corps was determined to no longer exist in any way in Chicago and no information has developed to indicate the possible reorganization of this group.

On October 12, 1964, confidential informants CG 6535-R, ~~CG 6557-R~~ and CG 6650-R, all of whom have furnished reliable information in the past, advised that the White Youth Corps no longer exists in any capacity in Chicago. To sources' knowledge the White Youth Corps does not operate as an organization in any other locale known to them. These sources further advised that as of this date no information is available to indicate possible interest in reorganizing the White Youth Corps.

Symbol Numbers

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In view of the above, Chicago [illegible] further inquiry regarding the [illegible] and in that the White Youth Corps is no longer in existence, it will not be considered in connection with this program.

Regarding Chicago's proposed plan to expose, disrupt and otherwise neutralize the American Nazi Party in Chicago, Illinois, the following is submitted for the Bureau's consideration:

I. Proposal -- To Increase Financial Burden of the American Nazi Party

Brief Resume of Current Economic Problems

The principal weakness in the Chicago unit of the American Nazi Party exists in their lack of funds to operate. This fact alone has forestalled all the participation of the Chicago organization in public demonstrations and other activities in that sufficient monies are not available to provide necessary bonds and/or fines should members be arrested during the course of such activity.

Further, the Chicago American Nazi Party has recently purchased a building which they utilize as a headquarters. The building is old and in dire need of repair. Mortgage payments and maintenance alone absorb the bulk of all funds which the Chicago unit collects.

Proposed Plan of Approach

In that it is the desire of the local American Nazi Party to "hold onto" their headquarters building at all costs, it is apparent that the first line of approach to increase the organization's financial burden is to direct our efforts at the headquarters building itself.

Discreet inquiry and observation has shown the building has numerous building code violations, some of

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which make the building mainly uninhabitable until such violations are rectified such as electrical wiring and plumbing. It is recognized that building code authorities will allow such deficiencies to exist for a reasonable period of time and during such time habitation on the premises is permitted. Violations such as those mentioned are known to be costly to eliminate and are of the type that cannot or should not be "do-it-yourself" projects since repairs made are subject to inspection by building authorities.

In that the American Nazi Party has in the past and still levels its attacks at persons of the Jewish faith, Chicago Jewish organizations are most desirable of accumulating information which can serve to initiate an attack by these organizations against the American Nazi Party. Prominent among such organizations are the Jewish War Veterans and the Anti-Defamation League B'nai B'rith.

The Chicago Division, either by direct approach to established sources in these organizations, or through use of suitable pretext, can make available to appropriate officials information establishing the fact that such building code violations do exist. There is no doubt that should such information become available to proper individuals within these organizations, great pressure will be brought to bear to insist that these building code violations are corrected and the possibility strongly exists that court action may follow and fines may be levied.

As an alternative, a direct approach can be made to established contacts within the city government to bring such building code violations to the attention of appropriate authorities.

Anticipated Results

A penetrating analysis of the present economic situation of the American Nazi Party strongly indicates

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that by firmly increasing the financial burden of this group the following results are certain:

1. American Nazi Party public activity will be held to the barest minimum due to fear of possible arrest resulting in further economic hardship.

2. Funds will not be available to bring about necessary repairs on the headquarters building

3. Funds for the printing and distribution of literature locally for recruiting purposes would not be available

4. Morale of the organization in Chicago, which is now at low ebb would be further lessened thus creating feelings of dissatisfaction among the membership

5. As a direct result of items above the attractiveness of the American Nazi Party to possible recruits would be held at a minimum

II. Proposal -- Divide Loyalty of Membership Against Present Leaders

Brief Resume of Leadership Problems

At the present time the Chicago American Nazi Party has no established leaders. One of the members, JOHN WALLACE, was appointed by GEORGE LINCOLN ROCKWELL, the group's national commander, however, WALLACE has failed to undertake the responsibilities of leadership and as a result certain dissatisfaction exists among members.

As a result of WALLACE's failure current activities of the organization are being directed by CHRISTOPHER VIDNJEVICH, who is operating without authority of the national headquarters.

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Because of the inactivity and the failure of the Chicago organization to demonstrate progress the so-called "hard core" of the membership have raised numerous questions in the recent past challenging the adequacy and capability of ~~WALLACE~~ and ~~KIDWELVICH~~ to head their organization in Chicago.

Proposed Plan of Approach

It is anticipated that through established sources all of whom are current members of the American Nazi Party in Chicago, feelings of discontent can be initiated. Further, communications which would indicate a thorough and substantial knowledge of the Chicago organization could be directed at the ~~National Commander GEORGE LINCOLN ROCKWELL~~ either anonymously or under the signature of a likely member who is known to be in disagreement with local leadership and practices.

Anticipated Results

By concentrating the efforts of this program in a firm but carefully concealed manner it is strongly believed that the following results will be obtained:

1. Loyalties of the membership will be divided and dissension will be created

2. The national headquarters of the American Nazi Party will have sufficient reason to question the adequacy and capabilities of local leadership

3. Through established sources programs proposed by those in leadership capacities can be sabotaged whereby the confidence of both the national headquarters and the local membership will be shattered

It is recognized that the Bureau considers it vital that the functions and membership of these organizations be brought into the "public spotlight". Chicago does not deem

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such an approach appropriate at this time due to the small membership which at this time consists of three established informants of long standing. Activity to bring public pressure to bear at this particular time could jeopardize the position of the three informants who furnish valuable information to this Bureau concerning the membership and activities of the American Nazi Party at Chicago.

It is requested that the Bureau consider the above detailed approaches in connection with this program and authorize their institution in Chicago.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/15/64

FROM : SAC, CHICAGO

SUBJECT: COINTELPRO

Re Bureau letter to SAC, Atlanta 9/2/64.

Referenced communication advises the following hate organizations operating within the Chicago Division as included in this program:

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White Youth Corps (Origin: Chicago)

Regarding the White Youth Corps it is noted confidential informants of this division have advised that the White Youth Corps in Chicago did not, in fact, exist as a organization per se but was considered rather a "level of affiliation" within the structure of the American Nazi Party at Chicago, Illinois. All operations of this unit were subsequently combined with those of the American Nazi Party and were carried on under that name only. The White Youth Corps was determined to no longer exist in any way in Chicago and no information has developed to indicate the possible reorganization of this group.

On October 12, 1964, confidential informants [redacted] all of whom have furnished reliable information in the past, advised that the White Youth Corps no longer exists in any capacity in Chicago. To sources' knowledge the White Youth Corps does not operate as an organization in any other locale known to them. These sources further advised that as of this date no information is available to indicate possible interest in reorganizing the White Youth Corps.

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In view of the above, Chicago contemplates no further inquiry regarding the White Youth [illegible] and in that the White Youth Corps is no longer in existence, it will not be considered in connection with this program.

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Proposed Plan of Approach

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which make the building mainly uninhabitable until such violations are rectified such as electrical wiring and plumbing. It is recognized that building code authorities will allow such deficiencies to exist for a reasonable period of time and during such time habitation on the premises is permitted. Violations such as those mentioned are known to be costly to eliminate and are of the type that cannot or should not be "do-it-yourself" projects since repairs made are subject to inspection by building authorities.

In that the American Nazi Party has in the past and still levels its attacks at persons of the Jewish faith, Chicago Jewish organizations are most desirable of accumulating information which can serve to initiate an attack by these organizations against the American Nazi Party. Prominent among such organizations are the Jewish War Veterans and the Anti-Defamation League B'nai B'rith.

The Chicago Division, either by direct approach to established sources in these organizations, or through use of suitable pretext, can make available to appropriate officials information establishing the fact that such building code violations do exist. There is no doubt that should such information become available to proper individuals within these organizations, great pressure will be brought to bear to insist that these building code violations are corrected and the possibility strongly exists that court action may follow and fines may be levied.

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Anticipated Results

A penetrating analysis of the present economic situation of the American Nazi Party strongly indicates

NW 88608 DocId:32989629 Page 61

that by firmly increasing the financial burden of this group the following results are certain:

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As a result of WALLACE's failure current activities of the organization are being directed by CHRISTOPHER VIDNJEVICH, who is operating without authority of the national headquarters.

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Because of the inactivity and the failure of the Chicago organization to demonstrate progress the so-called "hard core" of the membership have raised numerous questions in the recent past challenging the adequacy and capability of ~~WALLACE~~ and ~~VIDNJEVICH~~ to head their organization in Chicago.

Proposed Plan of Approach

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By concentrating the efforts of this program in a firm but carefully concealed manner it is strongly believed that the following results will be obtained:

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2. The national headquarters of the American Nazi Party will have sufficient reason to question the adequacy and capabilities of local leadership

3. Through established sources programs proposed by those in leadership capacities can be sabotaged whereby the confidence of both the national headquarters and the local membership will be shattered

It is recognized that the Bureau considers it vital that the functions and membership of these organizations be brought into the "public spotlight". Chicago does not deem

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such an approach appropriate at this time due to the small membership which at this time consists of three established informants of long standing. Activity to bring public pressure to bear at this particular time could jeopardize the position of the three informants who furnish valuable information to this Bureau concerning the membership and activities of the American Nazi Party at Chicago.

It is requested that the Bureau consider the above detailed approaches in connection with this program and authorize their institution in Chicago.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/15/64

FROM : SAC, CHICAGO

SUBJECT: COINTELPRO

Re Bureau letter to SAC, Atlanta 9/2/64.

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Further, the Chicago American Nazi Party has recently purchased a building which they utilize as a headquarters. The building is old and in dire need of repair. Mortgage payments and maintenance alone absorb the bulk of all funds which the Chicago unit collects.

Proposed Plan of Approach

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which make the building mainly uninhabitable until such violations are rectified such as electrical wiring and plumbing. It is recognized that building code authorities will allow such deficiencies to exist for a reasonable period of time and during such time habitation on the premises is permitted. Violations such as those mentioned are known to be costly to eliminate and are of the type that cannot or should not be "do-it-yourself" projects since repairs made are subject to inspection by building authorities.

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The Chicago Division, either by direct approach to established sources in these organizations, or through use of suitable pretext, can make available to appropriate officials information establishing the fact that such building code violations do exist. There is no doubt that should such information become available to proper individuals within these organizations, great pressure will be brought to bear to insist that these building code violations are corrected and the possibility strongly exists that court action may follow and fines may be levied.

As an alternative, a direct approach can be made to established contacts within the city government to bring such building code violations to the attention of appropriate authorities.

Anticipated Results

A penetrating analysis of the present economic situation of the American Nazi Party strongly indicates

NW 88608 DocId:32989629 Page 67

that by firmly increasing the financial burden of this group the following results are certain:

1. American Nazi Party public activity will be held to the barest minimum due to fear of possible arrest resulting in further economic hardship.

2. Funds will not be available to bring about necessary repairs on the headquarters building

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As a result of WALLACE's failure current activities of the organization are being directed by CHRISTOPHER [illegible], who is operating without authority of the national headquarters.

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Because of the inactivity and the failure of the Chicago organization to demonstrate progress the so-called "hard core" of the membership have raised numerous questions in the recent past challenging the adequacy and capability of ~~[illegible]~~ and ~~VIDNJEVICH~~ to head their organization in Chicago.

Proposed Plan of Approach

It is anticipated that through established sources all of whom are current members of the American Nazi Party in Chicago, feelings of discontent can be initiated. Further, communications which would indicate a thorough and substantial knowledge of the Chicago organization could be directed at the ~~National Commander GEORGE LINCOLN ROCKWELL~~ either anonymously or under the signature of a likely member who is known to be in disagreement with local leadership and practices.

Anticipated Results

By concentrating the efforts of this program in a firm but carefully concealed manner it is strongly believed that the following results will be obtained:

1. Loyalties of the membership will be divided and dissension will be created

2. The national headquarters of the American Nazi Party will have sufficient reason to question the adequacy and capabilities of local leadership

3. Through established sources programs proposed by those in leadership capacities can be sabotaged whereby the confidence of both the national headquarters and the local membership will be shattered

It is recognized that the Bureau considers it vital that the functions and membership of these organizations be brought into the "public spotlight". Chicago does not deem

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such an approach appropriate at this time due to the small membership which at this time consists of three established informants of long standing. Activity to bring public pressure to bear at this particular time could jeopardize the position of the three informants who furnish valuable information to this Bureau concerning the membership and activities of the American Nazi Party at Chicago.

It is requested that the Bureau consider the above detailed approaches in connection with this program and authorize their institution in Chicago.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/15/64

FROM : SAC, KNOXVILLE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet to Atlanta 9/2/64.

In compliance with referenced letter, the Knoxville Office has opened an active control file captioned as above and has assigned this matter to an Agent who is experienced in the investigation of hate and racist-type organizations.

The Knoxville Office currently has under investigation two klan organizations. The Dixie Klans, Knights of the Ku Klux Klan, Inc. (DK, KKKK) has its national headquarters in Chattanooga, Tennessee, and presently has one chapter active in that area. Information reflects that the weekly meetings of the chapter of this organization are attended by approximately 25 members, although the actual membership is reported to be approximately 45 members. The other klan organization under investigation in this division is the United Klans of America, Inc., Knights of the Ku Klux Klan (UKA, KKKK). The national headquarters of this organization is located within the Birmingham Division. The organization has active chapters within the Knoxville territory at Harriman, Maryville, Knoxville and Sevierville. The Maryville chapter has approximately 127 members and the other three chapters have less than 30 members.

Investigation and information obtained from informants disclose no information that there are any "Action groups" within either of the two klan organizations. Informants have been continually reminded to be alert for any members within the groups who might organize strong-arm groups to engage in any violent actions and they have reported no information of this nature.

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In considering various disruptive actions which [illegible] be exercised against these groups, it should be borne in mind that neither the DK, KKKK nor the UKA, KKKK have been placed on the Attorney General's list under EO 10450. Although the Knoxville territory does not lie within the traditionally deep South, there is, of course, some sympathy for organizations such as the klans within the territory as evidenced by the increased growth and activity of these organizations in recent years. Within the Knoxville territory there have been no acts of violence within recent years which were attributable to the klan. Although there may not be any public sympathy for the klan in this area, there is certainly no antagonism toward the organization and many persons have a passive feeling toward its membership and activities. In some instances, politicians have solicited the support of the klan in local elections. Just recently, one of the informants of the Knoxville Office, who is a high official in the UKA, KKKK, reported that one of the candidates for U. S. Congress running from the Knoxville district had contacted him and solicited the support of klan members on his behalf.

Because of such factors as the above, it is not believed that the cooperation of individuals can be utilized for plans of disruptive action such as might be available if the targets were Communist front organizations or related groups. In this regard, although news media are very cooperative with the Bureau in this territory, it is not believed that in a program such as this was, it would be feasible, to utilize news media in any counterintelligence operation in this area.

This matter has been discussed with Agents handling investigations of the klan organizations in the Knoxville Division and the following plans have been suggested as feasible for operation against the DK, KKKK and UKA, KKKK in this territory:

It is suggested that anonymous telephone calls be made to employers of klan members inferring to the employer that his company or business must be following a racist policy in view of the fact that he has an employee (giving his identity)

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who is a member of the Klan organization. These calls would be limited to those instances where the Klan member is employed by some large company or leading business who would possibly be concerned about the picture they present to the public concerning racial matters.

In view of the previously expressed desires of the officials of the Knoxville Police Department to maintain racial harmony in Knoxville, it is believed that arrangements could be made with the Chief of Police to have one or more squad cars visible in the vicinity of the meeting hall of the Knoxville Klavern on the nights of their meetings. It is believed that if the members saw these squad cars parked in the vicinity on a continuing basis, it would cause them some apprehension and would act as a deterrent to their activities, as well as possible recruitment of new members.

The UKA, KKKK often holds public meetings on private property leased for that purpose. At these meetings, officials make speeches and invite spectators to make application for membership. Informants report that the actual purpose of such a meeting is to publicize the klan and secure new members. In a few instances, informants have reported that some members arriving at the meetings have intentionally covered their license plate with a confederate flag metal insignia or with a facsimile. On occasions, both the rear and front license plates have been obscured or usually only the front license obscured. It is believed through the cooperation of the Highway Patrol on a command level, that patrolmen might be assigned to the area where the meeting is held so that if the klan members leaving the meeting continue to have their license plate obscured, they may be arrested for violation of the state law prohibiting such.

In connection with the informant program of the Knoxville Office, certain persons are interviewed to ascertain their cooperation and their potentials as a possible informant. It is believed that in such cases where antagonism is shown to the Agents' contact, that a later anonymous call might be made to other members accusing the person contacted by the

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FBI as being an informant. This would cause a disruptive influence among the rank and file and would arouse suspicion and distrust. This same plan could be pursued further and calls be made to members even though they had not actually been contacted by an Agent in connection with the informant program.

Additional ideas and tactics were discussed but were not considered feasible. Many of the ideas were discarded because it was believed that other actions proposed would greatly jeopardize our present informant coverage. As the Bureau is aware, this office has informant coverage in these organizations on a very high level and we have been able to secure detailed information on membership rolls and applications, as well as detailed information on personal activities of members, as well as detailed activity of the membership as a group. The Bureau has previously been advised that the program of interviewing klan members at the time of the assassination of President KENNEDY and later in connection with the bombings in Birmingham tended to jeopardize our informant coverage, due to their high-level positions and the fact that some of the klan members felt that the information in the possession of the FBI could only have been obtained from some high official source in the klan.

Agent personnel responsible for the klan investigations are continuing to give this program thought and attention, and as the investigations progress, expect that additional ideas will be submitted to the Bureau in connection with the status reports. The implementation of any of the above-listed plans, of course, will not be put into effect without Bureau approval and benefit of Bureau suggestions.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/15/64

FROM : SAC, KNOXVILLE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet to Atlanta 9/2/64.

In compliance with referenced letter, the Knoxville Office has opened an active control file captioned as above and has assigned this matter to an Agent who is experienced in the investigation of hate and racist-type organizations.

The Knoxville Office currently has under investigation two klan organizations. The Dixie Klans, Knights of the Ku Klux Klan, Inc. (DK, KKKK) has its national headquarters in Chattanooga, Tennessee, and presently has one chapter active in that area. Information reflects that the weekly meetings of the chapter of this organization are attended by approximately 25 members, although the actual membership is reported to be approximately 45 members. The other klan organization under investigation in this division is the United Klans of America, Inc., Knights of the Ku Klux Klan (UKA, KKKK). The national headquarters of this organization is located within the Birmingham Division. The organization has active chapters within the Knoxville territory at Harriman, Maryville, Knoxville and Sevierville. The Maryville chapter has approximately 127 members and the other three chapters have less than 30 members.

Investigation and information obtained from informants disclose no information that there are any "Action groups" within either of the two klan organizations. Informants have been continually reminded to be alert for any members within the groups who might organize strong-arm groups to engage in any violent actions and they have reported no information of this nature.

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In considering various disruptive actions which may be exercised against these groups, it should be borne in mind that neither the DK, KKKK nor the UKA, KKKK have been placed on the Attorney General's list under EO 10450. Although the Knoxville territory does not lie within the traditionally deep South, there is, of course, some sympathy for organizations such as the klans within the territory as evidenced by the increased growth and activity of these organizations in recent years. Within the Knoxville territory there have been no acts of violence within recent years which were attributable to the klan. Although there may not be any public sympathy for the klan in this area, there is certainly no antagonism toward the organization and many persons have a passive feeling toward its membership and activities. In some instances, politicians have solicited the support of the klan in local elections. Just recently, one of the informants of the Knoxville Office, who is a high official in the UKA, KKKK, reported that one of the candidates for U. S. Congress running from the Knoxville district had contacted him and solicited the support of klan members on his behalf.

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who is a member of the klan organization. These calls would be limited to those instances where the klan member is employed by some large company or leading business who would possibly be concerned about the picture they present to the public concerning racial matters.

In view of the previously expressed desires of the officials of the Knoxville Police Department to maintain racial harmony in Knoxville, it is believed that arrangements could be made with the Chief of Police to have one or more squad cars visible in the vicinity of the meeting hall of the Knoxville Klavern on the nights of their meetings. It is believed that if the members saw these squad cars parked in the vicinity on a continuing basis, it would cause them some apprehension and would act as a deterrent to their activities, as well as possible recruitment of new members.

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Additional ideas and tactics were discussed but were not considered feasible. Many of the ideas were discarded because it was believed that other actions proposed would greatly jeopardize our present informant coverage. As the Bureau is aware, this office has informant coverage in these organizations on a very high level and we have been able to secure detailed information on membership rolls and applications, as well as detailed information on personal activities of members, as well as detailed activity of the membership as a group. The Bureau has previously been advised that the program of interviewing klan members at the time of the assassination of President KENNEDY and later in connection with the bombings in Birmingham tended to jeopardize our informant coverage, due to their high-level positions and the fact that some of the klan members felt that the information in the possession of the FBI could only have been obtained from some high official source in the klan.

Agent personnel responsible for the klan investigations are continuing to give this program thought and attention, and as the investigations progress, expect that additional ideas will be submitted to the Bureau in connection with the status reports. The implementation of any of the above-listed plans, of course, will not be put into effect without Bureau approval and benefit of Bureau suggestions.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI DATE: 10/15/64

FROM : SAC, RICHMOND

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet to Atlanta, dated 9/2/64.

The following is an analysis of potential counter-intelligence action against the American Nazi Party (ANP), the only hate or Klan organization currently active in the Richmond territory.

The ANP ~~is headed by GEORGE LINCOLN ROCKWELL, a white American citizen,~~ who resides with his "Army" at 6150 Wilson Boulevard, Arlington, Va. Headquarters of ANP is located at 928 North Randolph St., Arlington, Va.

The ANP "Army" consists of about fifteen nondescript individuals from all parts of the country who have no place to go. They are between the ages of 18 to 40. ANP also has members throughout the country, totaling about 200.

~~GEORGE LINCOLN ROCKWELL~~ has many personal idiosyncrasies or weaknesses which make him vulnerable for attack. He cannot stand criticism; he is afraid for his own personal safety; he continually believes that he has been infiltrated by the Anti-Defamation League, the FBI and hate groups. He is suspicious of all members, believing they will be potential assassins of himself or spies within his group.

In view of these characteristics, it is suggested that consideration be given for a careful campaign of correspondence to be sent to ~~ROCKWELL~~ from unnamed individuals to warn him concerning a new member who plans to do bodily harm to him.

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Further, in this connection, correspondence should be directed to ROCKWELL to plant the seed of suspicion concerning new members, identifying them as "spies" or the Anti-Defamation League or hate groups such as the National States Rights Party (NSRP).

It is noted that both buildings leased by the ANP from "sympathizers" are in poor condition and would be, most likely, in violation of local law. It is suggested that consideration be given to contacting officials of the Arlington County Board of Health and the Arlington County Fire Department for an official investigation of ANP premises.

Furthermore, in this regard it is believed that if reliable news sources were apprised of the investigation, there would be an expose of the true conditions of the ANP, resulting in public criticism of ROCKWELL. Also, the publicity would tend to frustrate efforts to recruit new and youthful adherents who hold any grandeur of ANP when apprised of the true picture.

ROCKWELL maintains a printing press at ANP Headquarters, 928 N. Randolph St., and without this printing press, ANP activities would be greatly impaired. This printing press is actually owned by a former member, CHRISTOPER AVERY BAILEY, who leased the printing press to ROCKWELL for $1.00 per year.

Information recently received indicates that BAILEY has expressed interest in getting back his printing press. It is suggested that consideration be given to approaching BAILEY, through a third party, to seek the return of the printing press and possibly entertainment of a law suit which seeks the return of the printing press. BAILEY is presently residing in the Washington, D. C. area.

It is noted animosity exists between ROCKWELL and EDWARD R. FIELDS, head of NSRP. Furthermore, it is noted that ROCKWELL recently brought suit against FIELDS for slander in a letter written to a third party. It is suggested that this relationship could be further antogonized by inflammatory correspondence, ostensibly sent to ROCKWELL by NSRP officials in Birmingham, Alabama. It is thought such correspondence might also result in disruptive action of NSRP.

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It is recommended that consideration be given to the potential counterintelligence actions against ANP and if the Bureau approves, specific recommendations will be immediately submitted.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI DATE: 10/15/64

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INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE:

FROM : SAC, SAVANNAH

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet to Atlanta, 9/2/64.

The Savannah Office has the following klan organizations currently under active investigation.

1. Association of Georgia Klans

This klan has only one klavern, Klavern #2A located in Savannah, Georgia. It has recently been attempting to organize a klavern in Brunswick, Georgia, but has not met with any success.

CHARLES H. ~~HADDOX~~, ~~the leader~~ of this group, is ineffective in that he talks a great deal about what they should do and what the officers and members should do, but does not take any specific action.

2. Association of South Carolina Klans, KKKK

This klan now has only one active klavern within the Savannah Division and that is Klavern #335 in West Columbia, S. C. This klan has conducted several rallies in South Carolina for the purpose of building up their klavern and starting new klaverns, and may have a new klavern in Hemingway, S. C.

The active leader of this klan group appears to be ~~ROBERT E. HODGES~~, a ~~post office employee~~ in Columbia, S. C., although he carries the title only of secretary. There have been recent indications that members of the Board of Association of South Carolina Klans feel ~~HODGES~~ is usurping their authority and making decisions without consulting them.

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3. United Klans of America, Inc., KKKK

This klan group has the following active klaverns located within the Savannah Division:

a. Klavern #4, Olanta, S. C.

This klavern moved about a year ago from Effingham to Olanta in anticipation of attracting more members, but still attracts a maximum of 9 members to its meetings.

b. Klavern #41, Savannah, Georgia.

The attendants at the meetings of this klavern have fallen off to usually a maximum of 6. It did sponsor one rally in the summer of 1964 which was considered a failure.

c. Klavern #314, Swainsboro, Georgia.

This klavern is one of the most active, but meets only once a month. Many members also meet with Klavern #310, Waynesboro, Georgia, but neither klavern has engaged in any activity other than one street walk held in Waynesboro this past summer. The active membership has fallen off apparently due to lack of activity during the past year.

d. Klavern #310, Waynesboro, Georgia

This klavern has only 8 to 10 members in attendance at their monthly meetings and has lost membership during the past year.

e. Klavern #301, Washington, Georgia.

This klavern has reportedly been in a doubtful state for the past two years. The klavern was torn by dissension over financial matters about two years ago and has rarely had sufficient members in attendance since that time to hold a meeting.

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f. Altamaha Men's Club #72, Baxley, Ga.

This klavern is the newest active klavern and has about 40 members, of which about 16 are active. They ousted one Exalted Cyclops who indicated he favored aggressive action, and several members have quit because of the views of this Exalted Cyclops. This is the only klavern in the Savannah Division believed to have an "action" group within the klavern.

At a meeting on 7/27/64, the Exalted Cyclops stated CALVIN CRAIG, State Grand Dragon, had advised them to start a military unit. They plan to have this unit trained in a secret type of training. It was indicated that in the event the Communists and Negroes attempt to take over public facilities, that the klan would take over operation of the railroads.

At a meeting on 8/11/64, it was decided the military unit would be called the "Brothers of Patriots" and that they have a bank account as such. A fee is charged to join, and they are going to teach the members judo.

The most effective disruptive action taken against the klan so far was the interviewing of klan members in connection with the "Bapbomb" case.

It is believed the most effective counterintelligence program would be a program that would reveal to the members of this organization that their identities are known to the FBI. This would include a program of harassment by setting up "not too discreet" stake out of the meeting places or roads leading to meeting places to obtain license numbers, interview of the klan members, neighborhood investigations and inquiry at their places of employment concerning the members' activity in the klan.

It is further believed that efforts should be made during the course of these inquiries to obtain knowledge concerning the individual member's personal life which might

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furnish information that could be used in a campaign of anonymous telephone calls or notes to his family or employer.

During interviews of members, inferences or slight hints could be dropped indicating another specific member of the Klavern as the source of information.

On 9/25/64, ~~Chief J. P. STROM, (NA)~~, South Carolina Law Enforcement Division (SCLED), Columbia, S. C., advised his organization had arrested five persons from the vicinity of West Columbia, S. C., in connection with the burning of a cross on the grounds of the Governor's Mansion, Columbia, S. C.

These persons admitted they are members of a recently formed group of the United Klans of America, Inc., at West Columbia, S. C.

Chief STROM said he desires to call in several responsible newspapermen from throughout South Carolina, and ask them to publish articles in the leading South Carolina newspapers, pointing out to the public how membership in a klan organization may hurt an individual, his family or his children in later life. ~~Chief STROM~~ requested that the FBI assist him in gathering information concerning this matter such as how Klan membership may affect the opportunity for the klan member or members of his family in obtaining employment with the U. S. Government.

In addition, some klan informants are in a position to take the side of dissident groups within the klaberns and help to create or increase dissension.

It is requested that the Bureau give consideration to helping ~~Chief J. P. STROM~~ of the SCLED in connection with his request for information as to how klan membership may prevent employment by klan members or members of their families by the Federal Government.

It is also suggested that the Atlanta Office ascertain applicable state laws that could be used in the State of Georgia in discouraging klan membership, particularly on the part of state or local employees or appointees.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 10/

FROM : SAC, SAVANNAH

SUBJECT: COUNTERINTELLIGENCE PROGRAM -
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: October 15, 1964

FROM : SAC, BALTIMORE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Reference Bureau letter to Atlanta dated September 2, 1964.

A review of Baltimore files reflects that there are presently no Klan organizations operating within the territory covered by the Baltimore Office. Baltimore files reflect that there are several alleged members of the American Nazi Party (ANP) living in the Baltimore area. However these individuals are associated with the ANP located in the territory covered by the Richmond Office and there are no ANP groups in the Baltimore territory. The Fighting American Nationalists (FAN) organization in the Baltimore area is defunct.

The National States Rights Party (NSRP) was to some extent active on the Eastern Shore of Maryland during the Spring and early Summer of 1964 but there has been no reported activity there in recent months. The only evidence of current activity by the NSRP in the Baltimore area are news stories which appeared in the September 28 and September 30, 1964, editions of the Baltimore Evening Sun, which reflected that two Baltimore County Councilmen received letters from WILLIAM BRADFORD, organizer of the NSRP, threatening to "paper" their districts with derogatory pamphlets if they voted for a proposed civil rights bill in Baltimore County. Information was also received that a leaflet put out by the NSRP entitled "A Stab in the Back" was being distributed in the Towson, Maryland, area of Baltimore County.

In view of the current lack of activity by Klan and hate groups within the Baltimore Division territory, the Baltimore Office is not in a position at this time to make any specific recommendations for counterintelligence action.

NW 88608 DocId:32989629 Page 93

The Baltimore Office will be alert for any opportunities for potential counterintelligence action against pertinent organizations or individuals active within the Baltimore Office territory.

NW 88608 DocId:32989629 Page 94

Memorandum

TO : DIRECTOR, FBI

DATE: October 15, 1964

FROM : SAC, BALTIMORE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Reference Bureau letter to Atlanta dated September 2, 1964.

A review of Baltimore files reflects that there are presently no Klan organizations operating within the territory covered by the Baltimore Office. Baltimore files reflect that there are several alleged members of the American Nazi Party (ANP) living in the Baltimore area. However these individuals are associated with the ANP located in the territory covered by the Richmond Office and there are no ANP groups in the Baltimore territory. The Fighting American Nationalists (FAN) organization in the Baltimore area is defunct.

The National States Rights Party (NSRP) was to some extent active on the Eastern Shore of Maryland during the Spring and early Summer of 1964 but there has been no reported activity there in recent months. The only evidence of current activity by the NSRP in the Baltimore area are news stories which appeared in the September 28 and September 30, 1964, editions of the Baltimore Evening Sun, which reflected that two Baltimore County Councilmen received letters from WILLIAM BRAILSFORD, organizer of the NSRP, threatening to "paper" their districts with derogatory pamphlets if they voted for a proposed civil rights bill in Baltimore County. Information was also received that a leaflet put out by the NSRP entitled "A Stab in the Back" was being distributed in the Towson, Maryland, area of Baltimore County.

In view of the current lack of activity by Klan and hate groups within the Baltimore Division territory, the Baltimore Office is not in a position at this time to make any specific recommendations for counterintelligence action.

NW 88608 DocId:32989629 Page 95

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NW 88608 DocId:32989629 Page 96

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI DATE: 10/12

FROM : SAC, MOBILE

SUBJECT: COUNTERINTELLIGENCE PROGRAM —
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS —

Re Bureau letter to Atlanta, 9/2/64.

Analysis of Potential CI Action Against Organizations and Personnel of United Klans of America, Inc., KKKK (UKA); Improved Order of the U.S. Klans, KKKK, Inc. (IOUSK); and the Alabama States Rights Party (ASRP)

Files on captioned organizations have been reviewed at the Mobile Office to discover any information of the kind which would prevent a potential for effective CI action. This review of files includes the files of the organizations themselves and of individuals known to be officers and members of the organization. It is the understanding of this office that this information would consist of situations involving potential friction between individual members or between rival organizations; or would consist of information reflecting immorality, particularly sexual immorality, on the part of one or more members, possibly involving the wife or wives of other members; or consisting generally of information of a highly unfavorable or embarrassing nature pertaining to a member or group of members which would be not known, and the exposure of which could produce suitable conflicts. A minimum of such information is contained in Mobile files pertaining to Klan and States Rights Party personnel. There have been conflicts between individuals within groups and between members of different groups, but these conflicts have already matured and have already produced the division and animosity of which the situations were capable. Unlike personnel of Communist organizations,

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personnel of Klan organizations are not particularly prone to sexual immorality, and no information has been received indicating promiscuity on the part of a Klansman's wife or on the part of a Klansman, although informants who furnish information pertaining to these individuals are fairly well acquainted with many of them. Approximately two years ago, one Klansman did become jealous when a single Klan member (unmarried) flirted with his wife at a social function. However, the married member is no longer active, and there is not known to have been any further development of that situation.

Pertinent to this analysis is the following observation: Within the past 70 days, Montgomery, Ala., where activity of UKA and ASRP are centralized, has experienced desegregation of restaurants, hotels, motels, and public schools, pursuant to the 1964 Civil Rights Act and pursuant to orders of the United States District Court at Montgomery. Initially, particularly on 7/4 and 7/6/64, following the passage of the 1964 Civil Rights Act, there was an attempt by Klansmen to gather and conspire for the purpose of interfering with the desegregation of movie theaters and restaurants in downtown Montgomery. However, Mobile informants furnished information well in advance of the actual proposed action, enabling Mobile to notify the Montgomery Police Department. The Police Department acted very promptly and effectively, dispersing Klansmen who had gathered in the danger area, and making it quite clear that no unlawful activity or interference with the enforcement of the 1964 Civil Rights Act would be tolerated. Both the fact that the information was leaked to authorities and the fact that the authorities took effective action were highly demoralizing to the Klan personnel (who are also the only significant personnel of the ASRP). The demoralization was so complete that when Montgomery public schools were desegregated, Klansmen did not even appear in the vicinities of the schools and took no action of any kind, either at the schools or in any other place, in any effort to interfere with the desegregation.

It is therefore fully evident that the purposes sought by the CI program, that is the demoralization and the rendering ineffective of such organizations, was accomplished by direct investigation and Police action. No implication is intended that the work of the Mobile Office has been finally done pertaining to these organizations,

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and, in fact, the current program of the Mobile Office is to intensify and make more extensive the informant coverage of pertinent organizations. These informants will be particularly alert for personal information of the kind which might be suitable for the institution of CI action in the future, and such information will be diligently sought by Agents conducting investigation concerning these organizations and individuals. Mobile will also continue to be alert for any opportunity to utilize the system which has been effective in the past, that of cooperating with local law enforcement to take the kind of action which discourages unlawful action on the part of the Klan groups.

Recommendation

The Mobile Office has no recommendation for any logical immediate CI action at this time.

Action Groups

Mobile racial informants have furnished the identities of most individuals within the UKA and ASRP who are considered the most likely to commit acts of violence or intimidation. Most of these persons have been under investigation for some time, and in many instances Summary Reports have been furnished to the Bureau pertaining to them. In each of the instances of bombings in the vicinity of Montgomery, Ala., including the bombings in Mississippi in recent weeks, Agents have interviewed neighbors and employers of these individuals and have made visual checks, particularly late at night, in efforts to ascertain whether or not the persons themselves were home or whether or not their automobiles were parked at their residences. In many cases, and probably in most cases, these Klan personnel become aware of these inquiries and on several situations it is known that they observed Agents checking their cars and observing their residences at night. These persons are therefore under the impression that Bureau Agents have them under virtually constant surveillance. They remarked to each other in the presence of informants on occasion that they feel that their telephones are tapped and they have also expressed the fear that their meeting places are subjected to microphone devices. It is believed that this fear on their part constitutes a very effective deterrent, and may very well be a principal reason for their failure to take any unlawfull measures in connection with the racial

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situation in this area within recent weeks. Through informants and through observations of license tags of automobiles parked at meeting places, Mobile Office is constantly learning of the identities of new persons who have some potential for violence. In all such cases, a case file is opened on that individual, his identity being established and his background being obtained. No particular effort is made to keep these investigations so discreet that the Klansman will not learn that the FBI is inquiring about him. This practice is deemed to be effective with respect to these individuals.

As set forth hereinbefore, Mobile will intensify its efforts to discover information which can be used in the CI program.

Pertaining to the possibility of exposure of Klan and Klan-type activities through reliable news media, it should be observed that it is the firm policy of news media in the Montgomery, Ala., area to completely ignore these Klan groups, and to give them no publicity at all. Within recent months, UKA has held several public rallies, advertising some with leaflet distribution and even one instance of a paid spot radio advertisement. They have invited the press to attend these rallies, hoping to secure publicity from them. Again, it is believed that the policy of the press to ignore these groups has had the most desirable effect, both in frustrating them in their search for publicity, and in avoiding advertising them which, if done, might rally more persons to the Klan cause and result in their increasing their membership. Because of these considerations, it is believed that at least in this area, the current press policy of ignoring the Klan is more effective than would be a policy of exposure of the evils of the organizations.

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Attached hereto is the response to Item #2 in the Senate Select Committee (SSC) letter to Mr. K. William O'Connor, Esq. on July 14, 1975. Item #2 is set forth as follows:

"All memoranda and any other materials which contain or reflect studies of 'counterintelligence and disruption tactics' and the making of 'appropriate recommendation' as mentioned in approved Recommendation #3 on page 5 of the July 30, 1964 memorandum captioned 'Investigation of Ku Klux Klan and Other Hate Groups' from J. H. Gale to Mr. Tolson."

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NW 88608 DocId:32989629 Page 102

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : MR. TOLSON

DATE: July 30, 1964

FROM : J. H. GALE

SUBJECT: INVESTIGATION OF KU KLUX KLAN AND OTHER HATE GROUPS

Mr. Sullivan has proposed that the development of informants in the Ku Klux Klan (KKK) and other hate groups as well as the investigation and penetration of these organizations from an intelligence standpoint be transferred from the General Investigative Division to the Domestic Intelligence Division (DID). He bases his recommendations on the premise that organizations like the KKK and supporting groups are essentially subversive in that they hold principles and recommend courses of action that are inimical to the Constitution as are the viewpoints of the Communist Party. He does not maintain that the actions of the hate groups constitute the same menace as the Communist Party inasmuch as they are not controlled by a foreign power. Counterintelligence Program - Disruption of Hate Groups - Gen

He feels that the DID over the years has developed wide experience in the penetration of subversive organizations through informants, anonymous sources, sophisticated microphone and technical surveillances, interview programs of a highly specialized nature, etc., and that his division could put this experience to excellent use in penetrating the Klan and other hate groups.

Mr. Sullivan feels that the DID would be in a position to launch a disruptive counter-intelligence program against the Klan and other hate groups with the same effectiveness that they are now doing insofar as the Communist Party is concerned. He also proposes an immediate series of regional conferences to instruct pertinent field personnel and to devise imaginative, aggressive and highly specialized programs to carry out the responsibilities in question. He states the Communist Party is increasing its activities in the field of racial matters and civil rights, directing more and more of its fire against the KKK and similar organizations to confuse the issue. He feels that because of the stepped up activities of the Communist Party in this area it would help prevent marked confusion from developing in the areas of activities being handled by the General Investigative and Domestic Intelligence Divisions if the DID assumes these responsibilities.

The functions in question were formerly handled by the DID up until 1958 when they were transferred to the General Investigative Division. This matter was considered by the Executives Conference 10/1/58 and the transfer recommended.

1 - Mr. Rosen 1 - Mr. Sullivan
1 - Mr. Belmont 1 - Mr. Mohr
JHG:wmj (7) Enclosures

REC 30 62-[illegible]

SENT DIRECTOR
7-31-64

EX-108

SEP 28 1964

16 SEP 28 1964

NW 88808 DocId:22989629 Page 103

One of the prime factors in the decision to transfer these responsibilities from the DID in 1958 was the almost complete absence of Communist Party activity in the racial area although at that time the Communist Party sought to capitalize on such incidents after their occurrence.

Mr. Rosen was opposed to the transfer of the functions in question to the General Investigative Division in 1958 and his present position is consistent in that he maintains that the development of informants and the penetration of the Klan and other hate groups are primarily intelligence functions which should be handled by the DID as suggested by Mr. Sullivan. Mr. Rosen feels that the Bureau can best keep abreast of the whole field by having all angles of the racial field united in one division as suggested by Mr. Sullivan. Mr. Rosen points out that the development, supervision and administrative handling of racial and security informants are analogous.

Mr. Rosen feels that there is a tendency toward oversimplification in blaming all racial murders on Klansmen and hate groups. He points out that the murders of Medgar Evers, Postman Moore and even the assassination of President Kennedy were initially and generally attributed to Klan and hate group members whereas investigation showed that the individuals charged with the murders of Evers and Moore were without organization affiliation and the President was slain by an avowed Marxist who was active in the Fair Play for Cuba Committee.

Mr. Rosen and Mr. Sullivan both agree that the investigation of individual cases, i.e. bombings, murders, police brutality, etc., should be handled by the General Investigative Division. Mr. Rosen feels that whether subject or victims are Klan members, Communist Party members or completely without organizational affiliation has no more bearing on our supervision of the substantive civil rights violation than it would have if the violation involved were Theft from Interstate Shipment, Bank Robbery or White Slave Traffic Act.

Mr. Belmont disagrees with Messrs. Rosen and Sullivan and feels that while the proposed transfer of functions from the General Investigative to the Domestic Intelligence Division is theoretically appealing, it is not a practical answer to our problem. He states that at the time of the 1958 transfer of functions in question the basis was the close inter-relationship between the activities of the Klan and hate groups and the entire civil rights field of investigation. He feels this argument has even more strength today than in 1958, because, overwhelmingly, our interest in Klan and hate groups today is their relationship with integration and civil rights. Mr. Belmont believes the transfer of functions would create an undesirable division of authority and responsibility; that our best chance to break major civil rights cases such as bombings, murders, etc., is through information developed from the inside as a result of coverage established in the

NW 88608 DocId:32989629 Page 104

community where the crime occurred; i.e. informants and sources in the Klan, hate groups, subversive organizations, but also sources not connected with any group, who will report potential violence and individuals prone to violence. We are following the policy of aggressively seeking out persons addicted to violence even though they have not violated a Federal law as yet. He feels that the Division that is going to investigate these cases should forge the necessary tools to use for this purpose. Mr. Belmont does not feel that the transfer of this responsibility will be helpful to the Bureau from an investigative standpoint nor in meeting the heavy responsibilities we no have in this area.

VIEWS OF THE INSPECTION DIVISION:

Inspector feels there is certainly some merit and logic in Mr. Belmont's reasoning and it is felt instant issue is not one that is completely black or white.

Under the present setup there is coordination and daily exchange of information between Domestic Intelligence and General Investigative Divisions in that both Divisions insure that communications and other matters of information are brought to the attention of each other as they arise from matters for which each Division is primarily responsible. However, it seems the real issue today just as in 1958, is where does the weight of the interest lie in the racial question. In 1958 it clearly lay in the General Investigative Division because, according to information available to the Bureau at that time, in practically no instances had racial incidents been caused or inspired by Communist Party elements although the Party naturally sought to capitalize on incidents after they occurred. Also, in 1958, it was felt that consolidation would streamline certain operations.

Today it seems clear from information developed by Domestic Intelligence Division that the Communist Party now has evidenced a definite interest in the racial problem, is becoming deeply enmeshed therein, and appears to be exploiting it to an ever-increasing extent. Although prosecution for civil rights and other criminal violations is still an ultimate objective, there is definite need for an intelligence type penetration of these racial and hate groups so as to keep abreast of and ahead of their plans and activities. This seems more properly the function of the Domestic Intelligence Division.

Analysis was made by Inspector relative to coverage of the Klan and other hate groups. The General Investigative Division has been putting a great deal of pressure on the field to increase informant coverage. They have recently instructed the field to conduct surveys relative to instituting technical coverage on certain key Klan figures, have interviewed at least once all known Klan members, all Klan leaders have been investigated from intelligence standpoint and recommendations have been made that intelligence type cases be opened on each Klan member. A weekly progress airtel is being obtained from field concerning informant development. However, undoubtedly additional coverage is needed particularly in the Klaverns that have been formed since the civil rights bill passed. There is no question about

none of these things could be done until after I contained with lack of proper coverage

NW 88608 DocId:32989629 Page 105

the fact that the DID has had broad experience in the penetration of subversive organizations and has achieved noteworthy results in infiltrating the Communist Party and Soviet intelligence operations. It is felt that unquestionably this experience and know-how could be put to good advantage in penetrating the Klan and other hate groups.

The Inspection Division feels that the advantages in having the direction of all informant and intelligence matters in the racial field in one division as outlined by Mr. Sullivan and Mr. Rosen outweigh the advantages of having the hate group informants and intelligence functions with the substantive civil rights cases. Under the proposed transfer of phases of the racial problem to Domestic Intelligence Division there will still be definite responsibility in both divisions, Mr. Rosen to retain responsibility for supervision of substantive civil rights violations and other criminal violations. This dual responsibility, however, should pose no problem because there are numerous examples of it successfully being handled in the Bureau today. In this regard it will be noted that the administrative handling of the entire criminal informant program is handled by the Special Investigative Division which includes the informants being utilized on General Investigative Division cases. It will also be noted that the Special Investigative Division handles the informant and intelligence aspects of organized crime. However, the General Investigative Division handles key substantive violations such as Bankruptcy, Extortion, Assaulting a Federal Officer, and Theft from Interstate Shipment violations committed by members of the organized criminal syndicate utilizing Criminal Intelligence informants. It is understood that there have been no insoluble problems in this regard and it is felt that there should be no insoluble problems in the coordination of racial intelligence and informant information between the General Investigative Division and the DID.

In any event there will certainly be no lessening of pressure and supervision on the field if these functions are transferred. The same Agents in the field will be working the cases and developing the informants. However, it is felt that the DID should be given a chance to demonstrate whether their broad knowledge of and experience in penetration techniques and infiltration tactics can possibly increase our penetration of these hate groups. It is felt that a study of counter-intelligence and disruption tactics against the Klan certainly merits further consideration. It is also felt that the proposed series of field conferences on this problem should be favorably considered.

NW 88608 DocId:32989629 Page 106

Memo for Mr. Tolson
Re: Investigation of Ku Klux Klan and Other Hate Groups

RECOMMENDATIONS:

1. That the responsibility for development of informants and gathering of intelligence on the KKK and other hate groups be transferred from the General Investigative Division to the DID. (If approved, appropriate memorandum will be submitted by Inspection Division concerning realignment and distribution of personnel from the General Investigative Division to the DID.)

O.K.

2. That a series of regional field conferences be held by appropriate Bureau official to instruct personnel and attempt to develop further imaginative and aggressive highly specialized programs to carry out desired penetration. (If approved, to be coordinated by Mr. Belmont.)

O.K.

3. That counter-intelligence and disruption tactics be given further study by DID and appropriate recommendations made.

O.K.

NW 88608 DocId:32989629 Page 107

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
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Gale
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Tavel
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Tele. Room
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Gandy

TO : MR. TOLSON

DATE: July 30, 1964

FROM : J. H. GALE

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1 - Mr. Belmont 1 - Mr. Mohr
JHG:wmj (7) Enclosures

REC 30

SENT DIRECTOR
7-31-64

EX-108

SEP 28 1964

SEP 28 1964

NW 88608 Docld:32989629 Page 108

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NW 88608 DocId:32989629 Page 109

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NW 88608 DocId:32989629 Page 110

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NW 88608 DocId:32989629 Page 111

Memo for Mr. Tolson
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O.K.

3. That counter-intelligence and disruption tactics be given further study by DID and appropriate recommendations made.

O.K. 1/31

NW 88608 DocId:32989629 Page 112

SAC, Atlanta

September 2, 1964

Director, FBI (157-9-Main)

PERSONAL AND CONFIDENTIAL

1 - Mr. Belmont
1 - Mr. Sullivan
1 - Mr. Baumgardner
1 - Mr. Gray
1 - Mr. Trainor 1 - Mr. Ryan

COUNTERINTELLIGENCE PROGRAM -
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Disrupt

Effective immediately, the Bureau is instituting a coordinated Counterintelligence Program (Cointelpro) directed against Klan-type and hate organizations. Offices receiving copies of this letter are instructed to immediately open an active control file, captioned as above, and to assign responsibility for this program to an experienced and imaginative Special Agent who is well versed in investigation of hate and racist-type organizations and their membership.

The purpose of this program is to expose, disrupt and otherwise neutralize the activities of the various Klans and hate organizations, their leadership and adherents. The activities of these groups must be followed on a continuous basis so we may take advantage of all opportunities for counterintelligence and also inspire action in instances where circumstances warrant. The devious maneuvers and duplicity of these groups must be exposed to public scrutiny through the cooperation of reliable news media sources, both locally and at the Seat of Government. We must frustrate any effort of the groups to consolidate their forces or to recruit new or youthful adherents. In every instance, consideration should be given to disrupting the organized activity of these groups and no opportunity should be missed to capitalize upon organizational and personal conflicts of their leadership.

FBI
SEP 7 4 57 PM '64
FEDERAL BUREAU OF INVESTIGATION

MAILED 6
SEP 3 - 1964
COMM-FBI

2 - Baltimore
2 - Birmingham
2 - Charlotte
2 - Chicago
2 - Jacksonville
2 - Jackson
2 - Knoxville
2 - Little Rock
2 - Memphis
2 - Miami
2 - Mobile
2 - New Orleans
2 - New York
2 - Richmond
2 - Savannah
2 - Tampa

SEP 4 1964

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

1 - 100-3-104-Main (CPUSA, Cointelpro)

NOTE: See memo Baumgardner to Sullivan, 8/27/64, same caption, DR:bgc.

DR:bgc (42)

MAIL ROOM ☐ TELETYPE UNIT ☐

Ryan-812RB

NW 88608 DocId:32989629 Page 113

Letter to Atlanta
RE: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
157-9-Main

The following Klan organizations, currently under active investigation, should be considered for counterintelligence action:

1. Association of Arkansas Klans of the Knights of the Ku Klux Klan.
2. Association of Georgia Klans.
3. Association of South Carolina Klans, Knights of the Ku Klux Klan.
4. Christian Knights of the Ku Klux Klan, Hinton, West Virginia.
5. Dixie Klans, Knights of the Ku Klux Klan, Inc.
6. Improved Order of the U. S. Klans, Knights of the Ku Klux Klan, Inc.
7. Independent Klavern, Fountain Inn.
8. Independent Klan Unit, St. Augustine, Florida.
9. Knights of the Ku Klux Klan, Aka.
10. Mississippi Knights of the Ku Klux Klan.
11. National Knights of the Ku Klux Klan, Inc.
12. Original Knights of the Ku Klux Klan.
13. Pioneer Club, Orlando, Florida.
14. United Florida Ku Klux Klan.
15. United Klans of America, Inc., Knights of the Ku Klux Klan.
16. U. S. Klans, Knights of the Ku Klux Klan, Inc.
17. White Knights of the Ku Klux Klan of Mississippi.

The following hate organizations currently being afforded active investigation are included in this program.

1. Alabama States Rights Party (Origin: Mobile)
2. American Nazi Party (Origin: Richmond)

2 W

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3. Council for Statehood, aka, Freemen (Origin: Miami)
4. Fighting American Nationalists (Origin: Baltimore)
5. National Socialist Knights Party (Origin: Birmingham)
6. National Renaissance Party (Origin: New York)
7. United Freemen (Origin: Miami)
8. Viking Youth of America (Origin: Tampa)
9. White Youth Corps (Origin: Chicago)

On or before 10/15/64, participating offices are instructed to submit to the Bureau a detailed analysis of potential counterintelligence action against pertinent organizations and individuals active within their respective territories and specific recommendations should be included for any logical immediate counterintelligence action. Recommendations submitted under this program must include all necessary facts to enable the Bureau to intelligently pass upon the feasibility of the proposed action. In instances where a reliable and cooperative news media representative or other source outside the Bureau is to be contacted or utilized in connection with a proposed counterintelligence operation, it will be incumbent upon the recommending office to furnish assurances the source will not reveal the Bureau's interest or betray our confidence.

Offices participating in this program who have investigative responsibility for Klan organizations should specifically comment in the initial letter to the Bureau regarding "Action Groups." As these offices are aware, these groups have been described as the relatively few individuals in each organization who use strong-arm tactics and violent actions to achieve their ends. Often these groups act without the approval of the Klan organization

RW

NW 88608 DocId:32989629 Page 115

or membership. The Bureau considers it vital that we expose the identities and activities of such groups and where possible disrupt their efforts. These groups should be subjected to continuing counterintelligence action.

No counterintelligence action may be initiated by the field without specific Bureau authorization.

Commencing 1/1/65 and every 3 months thereafter, each participating office should submit to the Bureau a status letter covering the prior 3-month period, including comments under the following captions:

1. Potential Counterintelligence Action

2. Pending Counterintelligence Action

3. Tangible Results

If necessary, a 4th caption "Miscellaneous" may be utilized for additional comments.

Recommendations for counterintelligence action should not be included in 90-day status letters to the Bureau but following the initial analysis due 10/15/64, should be submitted individually by separate letter.

All Special Agent personnel responsible for the investigation of Klan-type and hate organizations and their membership should be alerted to our counterintelligence plans relating to these groups. Counterintelligence action directed at these groups is intended to complement and stimulate our accelerated intelligence investigations. Each investigative Agent has a responsibility to call to the attention of the counterintelligence coordinator suggestions and possibilities for implementing the program. You are cautioned that the nature of this new endeavor is such that under no circumstances should the existence of the program be made known outside the Bureau and appropriate within-office security should be afforded this sensitive operation.

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Letter to Atlanta
RE: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
157-9-Main

The Bureau is pleased with past successes achieved by our counterintelligence efforts in other phases of our investigative responsibilities. To insure our success in this new endeavor, the Agent to whom the program is assigned in each office must have a detailed knowledge of the activities of the racist groups in the territory and that knowledge must be coupled with interest, initiative and imagination. The Agent must be alert for information which has a disruptive potential. The information will not come to him - - he must look for it. The most effective way of being assured of keeping on top of the situation is to maintain close contact with those Agents who handle the investigation of the racial and hate groups and their membership and also to periodically review relevant files.

If an enthusiastic approach is made to this new endeavor, there is no reason why the results achieved under this program will not equal or surpass our achievements in similar-type programs directed against subversives.

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : Mr. F. J. Baumgardner

DATE: August 27, 1964

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

1 - Mr. Belmont
1 - Mr. Sullivan
1 - Mr. Baumgardner
1 - Mr. Gray
1 - Mr. Trainor
1 - Mr. Ryan

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

Memorandum from Mr. J. H. Gale to Mr. Tolson dated 7/30/64 captioned "Investigation of Ku Klux Klan and other Hate Groups" was approved by the Director authorizing the Domestic Intelligence Division to give consideration to the application of counterintelligence and disruptive tactics to hate groups and to thereafter make appropriate recommendations. It is our recommendation that we immediately initiate a hard-hitting, closely supervised, coordinated counterintelligence program to expose, disrupt and otherwise neutralize the Ku Klux Klan (KKK) and specified other hate groups.

This new counterintelligence effort will take advantage of our experience with a variety of sophisticated techniques successfully applied against the Communist Party, USA, and related organizations since 1956. Primarily, we intend to expose to public scrutiny the devious maneuvers and duplicity of the hate groups; to frustrate any efforts or plans they may have to consolidate their forces; to discourage their recruitment of new or youthful adherents; and to disrupt or eliminate their efforts to circumvent or violate the law. Our counterintelligence efforts against hate groups will be closely supervised and coordinated to complement our expanded intelligence investigations directed at these organizations.

We are furnishing general instructions to 17 field offices (14 Southern offices responsible for active investigation of 17 Klan groups and 6 hate organizations, and New York, Chicago and Baltimore, who have active investigative responsibilities for one hate organization each) relating to the administration and prompt enactment of this new counterintelligence program. Briefly, these instructions require the 17 participating offices to submit to the Bureau on or before 10/15/64 an analysis of possible counterintelligence operations, including any specific recommendations for action. Thereafter (commencing 1/1/65) the participating offices will submit a 90-day status letter setting

Enc. Rent 9-3-64
157-9-Main
1 - 100-3-104-Main (CPUSA, Cointelpro)

DR:bgc (8)

EX-105

REC 20 157-9-2

SEP 24 1964

SEP 30 1964

CONTINUED - OVER

NW 88608 DocId:32989629 Page 118

forth a summary of current, possible, and successfully achieved counterintelligence activity during the prior 3-month period. Each office will be instructed to open and maintain a pending investigation relating to this program and to assign a Special Agent on a part-time basis as the program coordinator responsible for following and initiating counterintelligence action.

As is the instance in our established counterintelligence program against the Communist Party, USA, and in our current 90-day trial counterintelligence program directed against Soviet-Satellite intelligence, all recommended counterintelligence action against Klan-type and hate organizations will be required to be approved at the Seat of Government.

This new counterintelligence program directed at Klan and hate organizations will be supervised at the Seat of Government by the Special Agent supervisor responsible for our similar programs directed against the Communist Party, USA, and Soviet-Satellite intelligence. His efforts will be closely coordinated with supervisory personnel responsible for the intelligence investigations of the Klans and hate organizations and their membership. An annual memorandum justifying continuance of the program will be submitted and the participating field offices will be periodically apprised of techniques which have been found to be most successful. At such time as the program is considered to be successfully under way, a status memorandum will be submitted which will include any additional recommendations relating to manpower or other administrative requirements.

RECOMMENDATIONS:

1. That the Domestic Intelligence Division be authorized to immediately initiate a coordinated counterintelligence program directed at exposing, disrupting and otherwise neutralizing the 17 active Klan organizations and 9 active racial hate organizations.

* Portion in brackets classified Secret by #183 5/1/74 PM

OVER

NW 88608 DocId:32989629 Page 119

Memorandum to Mr. Sullivan
RE: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
157-9-Main

2. That the attached letter be forwarded to the 17 field offices slated to participate in this new counterintelligence program setting forth instructions for the administration and immediate enactment of the program.

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OPTIONAL FORM NO. 10 5010-106
MAY 1962 EDITION
GSA GEN. REG. NO. 27

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

DATE: August 27, 1964

FROM : Mr. F. J. Baumgardner

SUBJECT: COUNTERINTELLIGENCE PROGRAM -
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Tolson
Belmont
Mohr
Casper
Callahan
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DeLoach
Evans
Gale
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1 - Mr. Belmont
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Enc. Rent 9-3-64
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1 - 100-3-104-Main (CPUSA, Cointelpro)

DR:bgc (8)

SEP 30 1964

CONTINUED - OVER

157-9-2

EX-105 REC 20

SEP 24 1964

NW 88608 Docld:32989629 Page 121

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OVER

NW 88608 DocId:32989629 Page 122

Memorandum to Mr. Sullivan
RE: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
157-9-Main

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NW 88608 DocId:32989629 Page 123

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 9/9/64

FROM : SAC, TAMPA

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bureau letter dated 9/2/64 captioned as above.

On Page 3 Bureau listed the Viking Youth of America, Tampa origin, as one of the hate groups currently being afforded active investigation and included in captioned program.

Reference is now made to Tampa letter to the Bureau dated 5/6/64 which made reference in turn to Jacksonville letter dated 4/30/64 wherein ~~GEORGE FRANKLIN MARCHELOS~~ stated that the Viking Youth of America never became organized in the United States and that he never made an actual active attempt to recruit members in this organization. The Tampa file in this matter is closed. We have not been able to determine that any active chapters of this group are in existence or that any members were recruited for the group. It is therefore felt that there would be no point in our attempting any disruptive tactics in connection with this group.

The Bureau is requested to advise Tampa whether it would be satisfactory not to initiate any action on the Viking Youth of America and to substitute some other organization for this purpose.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 9/9/64

FROM : SAC, TAMPA

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INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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NW 88608 DocId:32989629 Page 125

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI

DATE: 9/9/64

FROM : SAC, New Orleans

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet to Atlanta and interested offices 9/2/64.

1) Potential Counterintelligence Action

The majority of members of Klan-type organizations in the New Orleans area are located in rural areas and in small communities. In order to effectively expose the identities and activities of individuals in these groups, individual cases are being opened on members and a background type of investigation is being instituted by the New Orleans Office on these individual members.

These individual investigations of course, will become known through contact with various individuals in the developing of background. The mere knowledge that their identities are known to the FBI will have disruptive force on the individual's activities.

To highlight and further cause consternation, interviews of one or two specifically hand-picked members will be conducted by Agents in these areas, after which background investigations will be instituted immediately on other known members in the particular community.

The individuals to be interviewed will be members of "wrecking crews". The mere fact of these investigations will plant the seeds of mistrust among the members and leadership in the particular community.

Bureau authority is requested to immediately initiate the above counterintelligence activity.

2) Pending Counterintelligence Action

NW 88608 DocId:32989629 Page 126

Surveys are being conducted at Monroe, West Monroe, Alexandria and Bogalusa, Louisiana, pursuant to Bureau authority by airtel dated 9/4/64.

3) Tangible Results

Tangible results of such potential and pending counterintelligence action will be furnished the Bureau after inauguration of the above.

4) Miscellaneous

A completed initial analysis will reach the Bureau on 10/15/64 concerning this matter.

NW 88608 DocId:32989629 Page 127

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI DATE: 9/9/64

FROM : SAC, New Orleans

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

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NW 88608 DocId:32989629 Page 129

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106-03

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (157-9-Main)

DATE: 9/16/64

FROM : SAC, ATLANTA (157-826) (P)

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
(UNITED KLANS OF AMERICA, INC.,
KNIGHTS OF THE KU KLUX KLAN)

ReBulet 9/2/64.

In 1960, a comparatively small group of Klansmen pulled out of U. S. Klans, Knights of the Ku Klux Klan, Inc., and formed a new Klan group called Knights of the Ku Klux Klan, Inc.

The Imperial Wizard of this new group was ROBERT L. BING of Jonesboro, Georgia. In the Summer of 1961, following a meeting between BING and officials of United Klans of America, Inc., Knights of the Ku Klux Klan (United Klans), the Knights of the Ku Klux Klan, Inc., were merged into United Klans and BING was given the position of Imperial Klokard of United Klans held at Birmingham, Alabama, 9/5-6/64. At this meeting, BING was opposed for election as Imperial Klokard by [redacted] and J. D. JOHNWON, a Georgia State Klan Officer.

NW 88608 DocId:32989629 Page 130

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106-03

UNITED STATES GOVERNMENT

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INTERNAL SECURITY
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OPTIONAL FORM NO. 10 5010-106-03
MAY 1962 EDITION
GSA GEN. REG. NO. 27

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (157-9-Main) DATE: 9/16/64

FROM : SAC, ATLANTA (157-826) (P)

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
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KNIGHTS OF THE KU KLUX KLAN)

Symbol Number

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CALVIN CRAIG, Grand Dragon for Georgia of United Klans, through his support and influence to AT 1705-R, AT 1705-R was elected Imperial Klokard.

AT 1652-R, AT 1705-R, AT 1700-R, AT 1720-R, and AT 1761-R have all reported that BING is extremely bitter, particularly at CRAIG, over his defeat.

Recently, BING made a trip to Macon, Georgia, and contacted ROBERT LEE DAVIDSON, JR. He asked DAVIDSON to join with him in an effort to get CRAIG removed as Grand Dragon for Georgia. DAVIDSON did not commit himself but told BING he would think it over and notify him when he had reached a decision.

ROBERT LEE DAVIDSON, JR., is a racial informant of the Atlanta Office. He was formerly Imperial Wizard of first U. S. Klans, Nights of the Ku Klux Klan, Inc., and later of United Klans. He is presently not a member of any Klan group; however, he has considerable influence and contacts among many of the members of United Klans.

This situation appears to offer an opportunity to capitalize upon the personal conflict of two Klan leaders. We propose the following action:

Instruct Racial Informant ROBERT LEE DAVIDSON, JR., to agree to help BING oust CRAIG as Grand Dragon for Georgia and instruct DAVIDSON to actively work with BING to achieve CRAIG's ouster.

BING has considerable following, particularly in the rural area south of Atlanta. DAVIDSON has contacts in the Klan throughout Georgia. We believe that with DAVIDSON's assistance, BING could disrupt much of the United Klans' organization in Georgia.

The Bureau is requested to authorize the above action.

Informant Name

NW 88608 DocId:32989629 Page 133

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 9/23/64

FROM : SAC, JACKSONVILLE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS
(TWO-WAY RADIO UNITS)

ReBulet 9/15/64.

The Jacksonville Office has carefully noted the obvious intent of reBulet and agrees that there is a real strong possibility for taking some counter-intelligence action against the Klan through this medium.

[redacted] was re-contacted and he stated at the present time there is no additional information concerning the use of two-way radios nor has the local Klan in Jacksonville formulated any code. This would indicate that at the present time, while a number of local Klansmen have radios, there is no opportunity to introduce deceptive transmissions as the Klan has no "missions" on the planning board. The above informant has reported that it is anticipated additional Klansmen will purchase more two-way radio equipment which would be indicative of an expansion in plans of the Klan to use this method of communication. To date there has been no operation of the Klan where two-way radio communications have played an integral part.

[redacted] This office through its informants, particularly will remain alert and will promptly advise the Bureau whenever information is received indicating the Klan has a sizeable "mission" in the planning stages wherein radios will play an important part. Depending upon the purpose of the "mission" plans could be formulated for some deceptive attacks on the Klan itself.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI DATE: 10/12/64

FROM : SAC, MOBILE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bureau letter to Atlanta, 9/2/64.

Analysis of Potential CI Action Against Organizations and Personnel of United Klans of America, Inc., KKKK (UKA); Improved Order of the U.S. Klans, KKKK, Inc. (IOUSK); and the Alabama States Rights Party (ASRP)

Files on captioned organizations have been reviewed at the Mobile Office to discover any information of the kind which would prevent a potential for effective CI action. This review of files includes the files of the organizations themselves and of individuals known to be officers and members of the organization. It is the understanding of this office that this information would consist of situations involving potential friction between individual members or between rival organizations; or would consist of information reflecting immorality, particularly sexual immorality, on the part of one or more members, possibly involving the wife or wives of other members; or consisting generally of information of a highly unfavorable or embarrassing nature pertaining to a member or group of members which would be not known, and the exposure of which could produce suitable conflicts. A minimum of such information is contained in Mobile files pertaining to Klan and States Rights Party personnel. There have been conflicts between individuals within groups and between members of different groups, but these conflicts have already matured and have already produced the division and animosity of which the situations were capable. Unlike personnel of Communist organizations,

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[redacted] of Klan organizations are not particularly prone to sexual immorality, and no information has been received indicating promiscuity on the part of a Klansman's wife or on the part of a Klansman, although informants who furnish information pertaining to these individuals are fairly well acquainted with many of them. Approximately two years ago, one Klansman did become jealous when a single Klan member (unmarried) flirted with his wife at a social function. However, the married member is no longer active, and there is not known to have been any further development of that situation.

Pertinent to this analysis is the following observation: Within the past 70 days, Montgomery, Ala., where activity of UKA and ASRP are centralized, has experienced desegregation of restaurants, hotels, motels, and public schools, pursuant to the 1964 Civil Rights Act and pursuant to orders of the United States District Court at Montgomery. Initially, particularly on 7/4 and 7/6/64, following the passage of the 1964 Civil Rights Act, there was an attempt by Klansmen to gather and conspire for the purpose of interfering with the desegregation of movie theaters and restaurants in downtown Montgomery. However, Mobile informants furnished information well in advance of the actual proposed action, enabling Mobile to notify the Montgomery Police Department. The Police Department acted very promptly and effectively, disbursing Klansmen who had gathered in the danger area, and making it quite clear that no unlawful activity or interference with the enforcement of the 1964 Civil Rights Act would be tolerated. Both the fact that the information was leaked to authorities and the fact that the authorities took effective action were highly demoralizing to the Klan personnel (who are also the only significant personnel of the ASRP). The demoralization was so complete that when Montgomery public schools were desegregated, Klansmen did not even appear in the vicinities of the schools and took no action of any kind, either at the schools or in any other place, in any effort to interfere with the desegregation.

It is therefore fully evident that the purposes sought by the CI program, that is the demoralization and the rendering ineffective of such organizations, was accomplished by direct investigation and Police action. No implication is intended that the work of the Mobile Office has been finally done pertaining to these organizations,

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and, in fact, the current program of the Mobile Office is to intensify and make more extensive the informant coverage of pertinent organizations. These informants will be particularly alert for personal information of the kind which might be suitable for the institution of CI action in the future, and such information will be diligently sought by Agents conducting investigation concerning these organizations and individuals. Mobile will also continue to be alert for any opportunity to utilize the system which has been effective in the past, that of cooperating with local law enforcement to take the kind of action which discourages unlawful action on the part of the Klan groups.

Recommendation

The Mobile Office has no recommendation for any logical immediate CI action at this time.

Action Groups :

Mobile racial informants have furnished the identities of most individuals within the UKA and ASRP who are considered the most likely to commit acts of violence or intimidation. Most of these persons have been under investigation for some time, and in many instances Summary Reports have been furnished to the Bureau pertaining to them. In each of the instances of bombings in the vicinity of Montgomery, Ala., including the bombings in Mississippi in recent weeks, Agents have interviewed neighbors and employers of these individuals and have made visual checks, particularly late at night, in efforts to ascertain whether or not the persons themselves were home or whether or not their automobiles were parked at their residences. In many cases, and probably in most cases, these Klan personnel become aware of these inquiries and on several situations it is known that they observed Agents checking their cars and observing their residences at night. These persons are therefore under the impression that Bureau Agents have them under virtually constant surveillance. They remarked to each other in the presence of informants on occasion that they feel that their telephones are tapped and they have also expressed the fear that their meeting places are subjected to microphone devices. It is believed that this fear on their part constitutes a very effective deterrent, and may very well be a principal reason for their failure to take any unlawfull measures in connection with the racial

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activation in this area within recent weeks. Through informants and through observations of license tags of automobiles parked at meeting places, Mobile Office is constantly learning of the identities of new persons who have some potential for violence. In all such cases, a case file is opened on that individual, his identity being established and his background being obtained. No particular effort is made to keep these investigations so discreet that the Klansman will not learn that the FBI is inquiring about him. This practice is deemed to be effective with respect to these individuals.

As set forth hereinbefore, Mobile will intensify its efforts to discover information which can be used in the CI program.

Pertaining to the possibility of exposure of Klan and Klan-type activities through reliable news media, it should be observed that it is the firm policy of news media in the Montgomery, Ala., area to completely ignore these Klan groups, and to give them no publicity at all. Within recent months, UKA has held several public rallies, advertising some with leaflet distribution and even one instance of a paid spot radio advertisement. They have invited the press to attend these rallies, hoping to secure publicity from them. Again, it is believed that the policy of the press to ignore these groups has had the most desirable effect, both in frustrating them in their search for publicity, and in avoiding advertising them which, if done, might rally more persons to the Klan cause and result in their increasing their membership. Because of these considerations, it is believed that at least in this area, the current press policy of ignoring the Klan is more effective than would be a policy of exposure of the evils of the organizations.

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Memorandum

TO : DIRECTOR, FBI

DATE: 10/12/64

FROM : SAC, CHARLOTTE

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

ReBulet 9/2/64 to Atlanta and other offices. It is noted this letter lists as one of the target organizations, as No. 7 on page 2, the Independent Klavern, Fountain Inn, S. C. Since this organization is no longer active or in existence, it is suggested it be deleted from this list.

Since the major organization in Charlotte Division is the United Klans of America, Inc., of which Birmingham is origin, a copy of this letter is being designated to Birmingham for information.

The following represents the consensus of Charlotte Agents familiar with Klan activity:

1. Disruptive activity should not be undertaken at a particular Klavern, as a general rule, unless there is sufficient well established informant coverage to be able to tell the effect of the action when instituted. Such action would probably serve to "tighten up" the organization and make it more difficult to get an informant in thereafter.

2. It is considered doubtful that newspaper publicity, of only a generally unfavorable nature against the Klan organization, is effective in reducing new applicants or causing any large number of present members to drop out. The "Charlotte Observer," which has wide distribution throughout North and South Carolina, published in August and September, 1964, a series of articles, copies of which were sent the Bureau by Charlotte letter of 9/15/64. These articles ridiculed the United Klans

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of America, Inc., in North Carolina, and published both photos and names of a number of members. So far as has been learned from informants, this had very little adverse effect upon the organization. It was alleged that two to five members were discharged from their jobs, or warned about continuing membership, but the identities of these alleged persons is not known. ~~North Carolina~~ Grand Dragon JAMES R. JONES has stated, both publicly and privately to informants, that this publicity was very valuable to the growth of the organization. One informant reported that the day after the articles published his name as a local leader, three persons contacted him and applied for membership, stating they had not previously known whom to contact.

It is considered that publicity of this type generally deters from joining only those persons who would not be interested in joining in the first place. It is believed that a large proportion of those persons who are potential members are seeking status and recognition, and publicity is no deterrent to them; it makes them feel important and members of an important group.

The major apparent effect of the series of newspaper articles referred to has been a tightening up of security, and refusal of leaders to allow newspaper photos of individual Klansmen to be taken at public rallies.

3. Disruptive activity, wherever possible, should be of a nature which does not expose the fact that the Bureau, or the "Federal Government", is behind the activity. It is believed that open action, to a large extent, can backfire and create resentment and sympathy. It must be remembered that Klan membership, in many sections, does not by any means carry the odium that alleged Communist membership or sympathy does in almost any section of society.

4. Along this same line, there is probably no point in trying disruptive activity, at least not at this stage, on a local Klan group which is small, inactive, and peaceful. Any such activity which is not completely discreet and concealed would likely have the effect of stirring it up.

5. By letter of 9/26/64, Charlotte furnished the Bureau a sample of a lapel pin which was adopted at the Imperial

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Klonvocation of United Klans of America at Birmingham on 9/5-6/64. This is to be sold to members for $2 each and there is apparently considerable demand for it. Since it is not apparent to the unitiated that it has anything to do with "the Klan," it is expected that members will wear it openly as a secret recognition signal. If it does become widely adopted and worn, consideration should then be given to giving widespread publicity to the fact of what it represents. This should have the result of discouraging some persons who do not want their Klan membership publicly known.

6. It is considered that possibly the most effective way of discourgging membership, or causing existing members to withdraw, is to establish that someone in the organization is getting rich off it, or embezzling the proceeds. Charlotte is endeavoring to develop information along these lines, but nothing specific has yet been developed.

✓ 7. The following are suggested tactics that appear useful on a selected basis against individual Klansmen, particularly those whose employers might object to their Klan membership:

a. Anonymous letter or phone call to the employer telling of the Klan membership.

b. Enter on behalf of the member a subscription to the "Fiery Cross," United Klans of America publication, and have it mailed to his employment.

c. When a particular member is away from home at a Klavern meeting, have a female phone his home and indicate he was to meet her and is late. This might have the effect of making it difficult for him to get away from home at night thereafter. This should be limited to particular individuals who are considered potential ones to stir up trouble in a Klavern.

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8. ~~ROBERT ECHOLS SCOGGINS~~, Aka., Charlotte file ~~105-991~~, Bureau file ~~157-1530~~, is South Carolina Grand Dragon of United Klans of America. Charlotte reports by SA ~~JOHN ALDEN MUNN~~, 1/31/64 and 3/27/64, show that he is receiving over ~~$300~~ per month from the Veterans Administration as a ~~100 per cent disabled veteran~~. At the same time he operates a ~~plumbing business~~ and is active in United Klans of America, making public speeches, etc. Charlotte furnished extra copies of those reports to the Bureau, with the suggestion furnishing them to VA be considered.

It is suggested consideration be given to asking the VA to re-evaluate his disability rating, in view of his employment and activities. It is believed this should be done on a SOG level, to reduce the possibility of ~~SCOGGINS~~ learning that such a suggestion came from the FBI.

9. "Action Groups." No particular such groups, given to violence, are known within Klan organizations in Charlotte territory. As the Bureau is aware, United Klans of America has instituted what it calls "Security Guards," who wear military type uniforms and have military ranks. These function at public rallies for the purpose of keeping order, watching for "spies," etc. It is expected that if violence is undertaken, these will probably be the ones to do it, but no such undertakings have been learned.

Specific individual recommendations for counter-intelligence action will be submitted by subsequent letters as developed.

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Memorandum

TO : Director, FBI

DATE: 10/13/64

FROM : SAC, Birmingham

SUBJECT: COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY
DISRUPTION OF HATE GROUPS

Re Bulet to Atlanta 9/2/64

The Klan-type and hate organizations operating in Birmingham territory and which are potential objects of a counterintelligence program are the United Klans of America, Inc., Knights of the Ku Klux Klan and the National States Rights Party.

Recently Mr. VINCENT TOWNSEND, Vice-President and Assistant Publisher, Birmingham News, and SAC Contact, advised SAC EVERETT J. INGRAM that he read a story in the Chicago Daily News concerning Klan activity in Mississippi and felt the story could not have been prepared without FBI cooperation. He was impressed with this and has indicated a strong interest in similar material for the Birmingham News. He promised to protect the Bureau's interest in any such endeavor. He is a well known civic leader in Birmingham. A review of the files in the Birmingham Office is being made for suitable information in this connection.

Bureau instructed in referenced letter that specific mention be made of "Action Groups" in Klan organizations. At the present time the weekly meetings of Eastview Klavern No. 13, which has been the leading Klavern in United Klans of America, Inc., in this territory, have been poorly attended. The principal members of the "Action Group"

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in this Klavern are HARRY WALKER, CECIL HENSON, EUGENE REEVES, and RONNIE TIDWELL. Efforts are being made to secure information suitable for disruption purposes in connection with this group.

Investigation is being conducted concerning ROBERT MARVIN SHELTON. The Atlanta Office has been requested to ascertain why E. L. EDWARDS, now deceased, ousted SHELTON from his then position of Grand Dragon of the U. S. Klans. A copy of the article appearing in the "Birmingham News" for April 30, 1960, entitled "SHELTON ousted from Klan Post," has been obtained. The article did not disclose the exact nature of the charges against SHELTON. Records of the Alabama Secretary of State reflect that SHELTON was dropped as the Klan's authorized agent and was replaced by Rev. ALVIN HORN of Talladega, Alabama. E. L. EDWARDS, Imperial Wizard, U. S. Klans, Knights of the Ku Klux Klan, was quoted as saying "We had to have a grand dragon in Alabama and we didn't have one in ROBERT M. SHELTON." He told reporters that SHELTON was replaced as grand dragon and agent of the "Klan" in Alabama "for conduct unbecoming a Klansman and attempting to use the organization for selfish purposes." The article said EDWARDS did not elaborate on what is considered conduct unbecoming a Klansman.

Informants are being contacted for any information of a derogatory nature concerning SHELTON. Discreet inquiries are being made in Tuscaloosa concerning his financial status. In view of recent information from the Bureau no request is being made for a mail cover on Shelton or the United Klans.

The information on LOEL ROGERS and WILLIAM A. HOLT, JR., will be afforded prompt attention.

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As the Bureau is aware, some few months ago several individuals, who had been active officials and/or dedicated members of the National States Rights Party (NSRP), left the NSRP. They are trying to form and make a going party of the American States Rights Party (ASRP) with its headquarters in Birmingham.

Since the group pulled out of the NSRP, both the ASRP and NSRP leaders have been belittling, berating and making extremely derogatory remarks concerning each other. Both groups are using the same mailing list, (the NSRP's list), which the ASRP group obtained before pulling out of the NSRP, and they disseminate their derogatory remarks in the literature they distribute.

The Bureau has also been advised that GEORGE LINCOLN ROCKWELL, American Nazi Party (ANP) leader has recently filed a $550,000.00 libel suit in the U. S. District Court, Birmingham, Alabama, against Dr. EDWARD R. FIELDS, Information Director of the NSRP, and others connected with the NSRP.

Birmingham contemplates furnishing certain items, on a confidential basis to a few trusted, reliable newsmen (established SAC contacts), concerning the NSRP, the ASRP and the ANP for the purpose of possibly causing further disruption of any unified actions or working arrangements between these groups. Such newsmen may be used to contact the leaders of one group to inquire about or confirm something of a derogatory nature reportedly made by some leader of one of the other groups.

Birmingham also contemplates working closely with other law enforcement agencies to see that any activity of such groups are known, covered and where considered desirable, the group will be made cognizant that their activity is known.

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Birmingham also is considering having some racial informants drop remarks to or for the benefit of the leaders of the NSRP, etc., that will tend to cause the leaders of one group to retaliate in like manner against the other groups.

If the Bureau has any material on disruptive tactics or results of efforts, which is not already in all field offices, Birmingham would be glad to receive it.

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UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI DATE: 10/13/64

FROM : SAC, LITTLE ROCK

SUBJECT: COINTELPRO

ReBulet to Atlanta and Other Offices, 9/2/64.

Set out below are an analysis and recommendations under captioned program.

NATIONAL STATES RIGHTS PARTY (NSRP)

The Arkansas branch of NSRP has been inactive in the State of Arkansas for the past year with the exception of placing on the Arkansas ballot candidates for President and Vice President of the United States. It is not recommended that any action be taken against this group at this time.

ASSOCIATION OF ARKANSAS KLANS OF THE KU KLUX KLAN (AAK)

The AAK in Arkansas is made up of three klaverns located at Little Rock, Texarkana, and Pine Bluff; and it has no affiliation with any national klan group. There are no "action" groups within any of these three klaverns. The three klaverns do not own or lease any property for meeting places. The four Little Rock members usually meet in the home of a member. The Texarkana Klavern has not held any klavern meetings as such in several months. The Pine Bluff Klavern meetings vary from residences to business places of klavern members.

State meetings are held at irregular intervals on an average of about once per month or less. There is no regular meeting place for the state meetings, which are held in various Arkansas towns including towns in which there are no klaverns. The state meetings are attended

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by from one to five members of each of the three klaverns and are well covered by informants. The ~~State Grand Dragon BILL WILLIAMS~~ has continually cautioned members against violence and any type of illegal activities. None of the klaverns have engaged in violence.

1. LITTLE ROCK KLAVERN

Of the four members who attend weekly meetings [redacted] ~~JOE J. FARMER~~, who is considered the head of this small group, draws a pension from the Federal Government and, according to informants, is afraid to engage in any illegal activity or to let his name be used in connection with the klan for fear of losing his pension. The two informants maintain the full confidence of the other two members. In recent months the klavern ran a series of small ads in a Little Rock daily newspaper in an effort to renew interest and gain new members. The klavern received a number of responses, but no action whatsoever has been taken by the klavern to take in any new members. The klavern has no organized activity other than the weekly meetings described by informants as being "bull sessions" with the principal topic being politics.

No recommendation for counterintelligence is being made concerning the Little Rock Klavern.

2. TEXARKANA KLAVERN

This klavern has not held any klavern meetings as such in several months, and it appears that the principal reason for the lack of meetings was the interview of members and leaders concerning the assassination of President KENNEDY. Klavern representatives regularly attend state meetings, one reason being that ~~State Grand Dragon BILL WILLIAMS~~, who officiates at state meetings, is a member of the Texarkana Klavern. Of the five or six members who from time to time attend state meetings, two are informants. On 10/1/64 [redacted] advised that the Grand Dragon had stated that hereafter Texarkana Klavern members will meet with the Bivins - Kildare, Texas, Klavern of the AAK.

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~~Grand Dragon~~ WILLIAMS, according to informants, is active in politics in Bowie County, Texas, is a former member of the Board of Regents of ~~Texarkana Junior College, Texarkana, Texas~~, and in recent months has been [illegible] for election to the Board of Regents of that college and defeated as a candidate for the City Council of ~~Texarkana, Texas~~. He cannot afford to become involved in any illegal activities because of his activities in legitimate enterprises. He has continually cautioned Texarkana Klavern members as well as members of other klaverns attending state meetings against any violence and/or illegal activities.

No recommendation is being made for counterintelligence against the Texarkana Klavern except as it is effected by a recommendation set out hereafter under the Pine Bluff Klavern.

3. PINE BLUFF KLAVERN

The Pine Bluff Klavern has a membership of approximately twenty to twenty-five. It meets once a week in different business locations of its members, and average weekly attendance is twelve. Among the twelve, one or two informants meet with them and furnish full coverage of their activities.

The Klavern's main activity has been to discourage integration by legal means and to get members elected to school board positions. The klavern collected the funds and donated the money for the campaign expense of two of its members who ran for a position on the Pine Bluff School Board and the Dollarway School Board. These two members made a miserable showing and were defeated.

The Klavern was behind and organized the National Patriots League (NPL) to further its non-integration program publicly. The Exalted Cyclops, or president, of the Klavern is chairman of the NPL. The NPL actually is a front organization for the Klavern. The main activity of the NPL was to organize a private country club, which is known as the Butram Country Club. The purpose of the

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club was to build a swimming pool for white only. The construction of the pool itself was completed but not sufficiently to place it in use this season. Membership in Butram Country Club is $25. The majority of the members are not aware of the fact that the klavern was behind its organization. Membership in the Butram Country Club was easily obtained as the public pool for whites and public pool for Negroes were both closed during the summer of 1964 when Negroes attempted to integrate the white pool. This left no public pool open in Pine Bluff. ~~J. E. BUTRAM~~, vice president of the klavern, donated the land for the Butram Country Club; as he owns land surrounding the club, he will benefit financially from the sale of this land for building lots. The NPL has also distributed a limited number of leaflets publicly discouraging people from patronizing certain restaurants and businesses which had hired or served Negroes.

Members of the klavern were responsible for forming a John Birch Society Chapter in Pine Bluff, and a klavern member is leader of this chapter. Approximately eight to ten people attend the monthly meetings of the John Birch Society Chapter; and of the men who attend, all are klavern members with the exception of one man. Members of the klavern completely control and dominate the John Birch Society Chapter in Pine Bluff. They, however, only conduct John Birch Society business. Likewise, the members of the klavern further the John Birch Society program through the klavern.

Members of the klavern are working individually in politics for the re-election of Governor ORVAL E. FAUBUS and for the election of ~~BARRY GOLDWATER~~.

The klavern has not advocated any violence but on occasion has cautioned its members against violence. As an example, klavern members were cautioned to stay away from Ray's Truck Stop, a location which Negroes were attempting to integrate, in the spring of 1964 so that no violence would occur.

Members of the klavern recently distributed a Ku Klux Klan (KKK) leaflet seeking new members and

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stating requests for applications be directed to P. O. Box 1182, Pine Bluff. In this leaflet it was pointed out that the KKK was striving for a lawful settlement of the difficulties brought on by the National Association for the Advancement of Colored People (NAAC) and that it is opposed to violence. This leaflet further set forth that this was a chartered, legalized movement and it is no more illegal to be a member of it than to be a member of other organizations.

At various times in the past the klavern has attempted to organize "action" groups within the klavern, but on each occasion the project has died from lack of interest.

In line with Bureau policy of dissemination of information, the main activities regarding the Pine Bluff Klavern have been disseminated confidentially to Chief of Police NORMAN D. YOUNG, Pine Bluff, (NA) on a regular basis. Chief YOUNG has exerted every effort to keep down the possibility of violence. Through his confidential sources he is also well aware of the identities of the klavern members and their activities. He personally has warned particular klavern members against any violence and has stated they will be met with immediate arrest if any violence occurs. As an example, ~~Chief YOUNG~~ was advised through his own confidential source of the time and location of the klavern meeting on the night of October 5, 1964. ~~Chief YOUNG~~ sent a lieutenant of his department in uniform to check the location, record license numbers, and to be seen checking the meeting so that the klavern members would know that he was checking on them. This has had a strong influence on making the klavern follow a line of legal activity. It has also resulted in the more responsible leading citizens of the community being made aware of certain klavern members, causing these klavern members to be discredited in the eyes of the public. This was borne out in the recent school board election on 9/29/64 when two klavern members, one of whom is J. F. BUTRAM, were miserably defeated.

The klavern has during the past few months urged its members to solicit and obtain new members. The ineffectiveness of their program is shown by the

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fact that only one new member was initiated, [illegible] member is a non-organizational informant of the Little Rock Division. Likewise, as a result of the KKK leaflets distributed encouraging people to write for applications they have received only two letters; and neither of the writers have become a member. The leaflet has met with complete failure in its effort to build up its membership.

At this time the following are the only specific counterintelligence action being recommended:

1. An anonymous letter be mailed to the National Office of John Birch Society, Belmont, Massachusetts, pointing out that the KKK is in full control of the John Birch Society Chapter in Pine Bluff. In this letter specifically mention the name of one or two of the more leading klan members who are also leading the John Birch Society in Pine Bluff.

2. An anonymous letter be mailed to ~~CHARLES D.~~ CUTHBERTSON, ~~Exalted Cyclops~~ of the Pine Bluff Klavern, and a copy mailed to BILL WILLIAMS, ~~State Grand Dragon~~, with the letters to be mailed to the Post Office Box in Pine Bluff and in Texarkana, Arkansas, of the AAK. The letter should be a complaining letter from a member who was active in the past and who recently found one of the KKK leaflets in his automobile which leaflet encouraged membership. The letter would let them know why he has not rejoined; it would point out that he dropped out because of such leadership as J. ~~E.~~ BUTRAM, who has used the klan for personal gain as BUTRAM had a residence on his property remodeled at klavern expense and then made the klavern stop holding meetings there; that BUTRAM has now donated land for the Butram Country Club so that he can sell his surrounding land for building lots at an exorbitant price. The letter should also set forth the fact he heard ~~BUTRAM~~ was discharged from the Army for mental deficiency (moron). This letter should be mailed from Little Rock.

Interviews of klan members and leaders in the past (for example, at the time of the assassination of President KENNEDY and on particular bombing matter cases)

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have had deterring effect on the klan. For example, the Texarkana Klavern has not held a klavern meeting as such since that time. One Little Rock member has dropped out as a result of being interviewed; and, according to an informant, this member is a "changed man," meaning that he is not as radical as previously. In interviews with members of the Pine Bluff Klavern, agents have not met with any hostility and have been treated cordially and with respect. Individual members during these interviews have indicated they are opposed to violence and advocate proceeding in a legal manner. A number of the members have said that through political pressure and voting are the only ways any change can be made. However, they have stated they are still avid segregationists and do not condone race mixing in any manner.

When and if it appears that interest may be renewing in the AAK in Arkansas, consideration will be given to another interview program. It is noted that particular klan members are interviewed on a spasmodic basis in regard to leads from surrounding field offices on bombing matter cases, and this has had a tendency to deter any violent activity on the part of klavern members.

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62-116395-551	enc. 2* 30	EWL:lhb 8/8/75

The Attorney General U.S. SENATE SELECT COMMITTE ON INTELL ACTVTS (SSC)

Re 7/28/75 superseding req for FBI materials rec'd that date from SSC. Enclsd is memo for forwarding to Committee which responds to req identified as Roman numerals set frth below. As indicated in memo, V. G. is being delivered by separate communicatn 8/8/75. Also enclsd for ur records is cc of memo prepared for Committee.

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Attached hereto is the response to Item #1 in the Senate Select Committee (SSC) letter to Mr. K. William O'Connor, Esq. on July 14, 1975. Item #1 is set forth as follows:

"All memoranda and any other materials prepared in or by the General Investigative Division, the Domestic Intelligence Division, and the Inspection Division, which relate to, are referred to, or alluded to in, or portions of which are summarized or described in, the July 30, 1964, memorandum captioned 'Investigation of Ku Klux Klan and Other Hate Groups' from J. H. Gale to Mr. Tolson. (See attachment to your letter of June 17, 1975.)"

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July 24, 1964

PERSONAL AND CONFIDENTIAL

Dear Mr. Hoover:

Thank you very much for your letter of July 17, 1964. I have been giving this racial problem constant thought. Parenthetically, I did what I could yesterday in New York to get that office moving faster and more effectively in this matter.

You asked for suggestions and this is what I now offer you for whatever little value it has.

(1) After writing you I recommended to the Inspection Division that a study be made relative to whether or not the Domestic Intelligence Division can better handle certain aspects of the Civil Rights-Racial problem. Mr. Gale is very much in favor of this inquiry and is moving promptly in this matter. I think the results of his inquiry will be most helpful in evaluating the situation.

(2) What I have in mind basically is this: You may want to, in light of his inquiry, consider transferring the responsibility for the development of informants in the Klu Klux Klan White Citizens Council and related "hate" organizations to the Division while leaving the responsibility for investigating bombings, killings, and so forth where it now is. My idea is: This Division can bring to bear all the techniques, skills, and procedures which it has used to successfully penetrate the Communist Party and espionage organizations to now penetrate these hate organizations causing us so much trouble. (In talking to Mr. Tolson this morning I mentioned this briefly to him.)

(3) If my idea is operationally sound, and if this is done, I would immediately hold some regional conferences in areas where the racial issue is acute and get under way in these offices, special and aggressive programs to carry out this high level quality informant development. You are completely

8 AUG

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right when you say that informant development of the right kind is essentially the solution to our current problem. The number of informants per se as we both know, are of no significance. What we must have is the right kind of informants on the right level. The old saying "The proof of the pudding is in the eating" is relevant here because if we had this kind of informant penetration, we wouldn't have some of these unsolved cases now causing us so much concern. This is simply a hard, stubborn fact we cannot theorize away.

(4) Further, we should expand our informant penetration to cover some of these legitimate but extremist organizations which we have up to now ignored in this respect. They often are "supporting" forces for such as the K.K.K. etc. and we ought to be on the inside of them.

This then is my response to your letter for now. As I have said, the Inspection Division is making the inquiry to ascertain the operational facts and the feasibility of what I suggest.

Cordially,

Bill Sullivan

William C. Sullivan

Expedite

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Belmont

DATE: July 27, 1964

FROM : A. Rosen

1 - Mr. Mohr
1 - Mr. Gale
1 - Mr. Belmont
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. McGowan

SUBJECT: RACIAL MATTERS --

Certainly, the items mentioned by Mr. Sullivan* are such as to be handled by the Bureau on an intelligence basis. The racial field is a most fertile field for Communist Party and other subversive groups. There are indications of this such as in the cases of Martin Luther King and Michael Schwerner, one of the missing civil rights workers from Philadelphia, Mississippi, and other situations. Also there are reports of foreign funds being used to support the current actions of Malcolm X. The racial strife and disorder are of such major significance as to have international aspects and this is tailor-made for the disruptive tactics of subversive elements both right and left.

We cannot afford to divorce the national racial program from its possible international aspects. The devices and tactics presently in use in the security field should be utilized to the fullest in developing intelligence information regarding national as well as international developments in the racial strife. The tense racial potential in major cities is a fertile field for subversive activities both right and left.

We have seen from the killings in the South, for example, the killing of Medgar Evers, that such appear to be isolated incidents usually carried out by one man or a small unattached group occurring on the spur-of-the-moment, such as the killing of the Lieutenant Colonel near Colbert, Georgia, and the assaulting of a minister in the streets in Hattiesburg, Mississippi.

[REC-9] -284

The investigation of the Klan and hate groups as well as the development of informants in such organizations must, out of necessity, be handled as a whole. The following of the informants cannot be isolated from the over-all investigation of the organizations just as the informants in the Communist Party cannot be isolated from the organizations they are connected with.

AUG 31 1964

CLM/nkr
(7)

*in letter to the Director dated 7/24/64

20 SEP 21964

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Memorandum to Mr. Belmont
RE: RACIAL MATTERS

Of course, any specific offenses such as, for example, the case of the three missing civil rights workers in Philadelphia, Mississippi, or cases involving brutality, bombings or any other violations these individual investigations should be handled by the appropriate substantive desks such as the Civil Rights Desk.

The over-all racial field is specifically an intelligence operation for the Bureau. It can best be organized when all facets are followed and directed by one Division. The communist potential for activities in this field would seem to be a major factor as evidenced by the doings of Martin Luther King and his associates. The Bureau can best keep abreast of the whole field by having all angles of the racial field united in one Division utilizing the tactics which Mr. Sullivan has suggested as being effective.

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27
5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : MR. TOLSON

DATE: August 4, 1964

FROM : J. H. GALE

SUBJECT: PERSONNEL TRANSFERS TO EFFECT PROPOSED REASSIGNMENT OF SUPERVISORY RESPONSIBILITIES IN RACIAL MATTERS AND RACIAL INFORMANTS

By memorandum J. H. Gale to Mr. Tolson 7/30/64 it was recommended, and now approved by the Director, that supervisory responsibility over Racial Matters and Racial Informants be transferred from the General Investigative Division to the Domestic Intelligence Division. In accordance with this approval, proposed realignment and distribution of personnel from the General Investigative Division to the Domestic Intelligence Division are being submitted.

Inasmuch as approximately 75% of the work of this Unit is now represented in the categories being transferred to Division 5, appropriate personnel transfers consistent therewith should be made:

Category	Caseload, June, 1964	Percent
Racial Matters	870	51.5%
Racial Informants	481	28.5
Bombing Matters	183	10.8
Federal Train Wreck Statute	80	4.7
Destruction of Aircraft or Motor Vehicles	74	4.5
Total	1,688	100.0%

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The current supervisory responsibility among the seven Agent Supervisors in this Unit, including Supervisor in Charge Joseph C. Trainor, is as follows:

SA J. C. Trainor supervises classifications (other than racial informants and organizations) for Atlantic Seaboard offices north of Virginia.

18 SEP 24 1964

SA J. G. Deegan has responsibility for racial informants for all field divisions and supervises other classifications for the Virginia and Florida offices.

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1 - Mr. Callahan
Mr. Rosen
mj (7)

1 - Mr. Mohr
1 - Mr. Sullivan

1 - Mr. Belmont

SENT DIRECTOR 8-5-64

RELEASED DECLAS

SEE NEXT PAGE

PERS. REC. UNIT

NW 88608 DocId:32989629 Page 160

Memo for Mr. Tolson
Re: Personnel Transfers to Effect Proposed
Reassignment of Supervisory Responsibilities
in Racial Matters and Racial Informants

SA F. H. Freund has responsibility for Klan organizations for all field divisions and supervises other classifications for 11 western and midwestern offices.

SA L. A. Giovanetti has alternate responsibility for Klan organizations for all field divisions and supervises other classifications for Atlanta, Little Rock, Savannah and 4 other midwestern offices.

SA C. A. Parkis has responsibility for other hate organizations (8 currently active) for all field divisions and supervises other classifications for Birmingham, Mobile, Cleveland and the 4 Texas offices.

SA F. P. Smith supervises classifications (other than racial informants and organizations) for New Orleans, Memphis, Knoxville and 7 western offices, and special cases.

SA H. E. Trent supervises classifications (other than racial informants and organizations) for Charlotte, Savannah, Baltimore, Washington Field office, Louisville and 2 midwestern offices.

Based on the distribution of work, Inspector's analysis reflects that it would take 5 of the 7 men assigned to the Organizations Unit to handle racial matters and racial informants under the approved change of responsibilities. There are 7 clerical employees assigned to the Organizations Unit of the Civil Rights Section and it is felt that 5 of these clerical employees who generally handle the work being transferred from the General Investigative Division to the Domestic Intelligence Division be transferred along with the supervisors. Assistant Directors Rosen and Sullivan are in accord that the proposed personnel changes are equitable, consistent and correspond with the transfer of responsibilities.

RECOMMENDATIONS:

1. That Supervisor in Charge Joseph C. Trainor and Agent Supervisors Deegan, Freund, Giovanetti and Parkis be transferred to Division 5 (Domestic Intelligence Division) concomitant to the transfer to that Division of supervisory responsibility over racial matters and racial informants (if approved to be handled by Mr. Mohr's Office).

R JHS

Transfer letters of agents prep 8/11/64 pjc

w/s prep 9-18-64 pjh

- 2 -

SEE NEXT PAGE

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2. That the remaining Agent Supervisors, Smith and Trent, be retained in the Civil Rights Section to supervise bombing matters, Destruction of Aircraft or Motor Vehicles, Federal Train Wreck Statute, and special cases.

3. That the following clerical employees be transferred (presently assigned to the Organizations Unit) to the Domestic Intelligence Division (if approved, to be handled by the Administrative Division):

Mary A. Cammann - stenographer
Kathryn T. Chernitsky - stenographer
Sue E. Waller - stenographer
Carol Ann Hancock - clerk
Wilbur Lane Perkins - clerk

ADDENDUM: (WCS:jdd, 8-5-64)

The personnel changes as recommended are acceptable to this Division at this time. Contingent upon our thorough analysis of this situation and upon developments which will take place in the coming months, the personnel requirements may be either reduced or increased depending upon the volume of work and related ramifications.

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
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5010-106

UNITED STATES GOVERNMENT

Memorandum

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Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Belmont

DATE: August 17, 1964

FROM : W. C. Sullivan
A. Rosen

1 - Mr. Gale
1 - Mr. Sullivan
1 - Mr. Belmont
1 - Mr. Rosen

SUBJECT: AGREEMENT REACHED IN CONNECTION WITH THE PROPOSED REASSIGNMENT OF SUPERVISORY RESPONSIBILITIES INVOLVING THE KU KLUX KLAN, OTHER HATE GROUPS, AND RACIAL MATTERS

Reference is made to the memoranda of Mr. Gale to Mr. Tolson dated July 30, 1964, and August 4, 1964.

PURPOSE:

The purpose of this memorandum is to set forth the responsibilities of the Domestic Intelligence Division and the General Investigative Division following the reassignment of supervisory responsibilities involving the Ku Klux Klan, other hate groups, and racial matters. To clarify this matter, it is set forth in two parts. Part I will set forth the responsibilities of the Domestic Intelligence Division. Part II will define the responsibilities of the General Investigative Division.

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PART I

I. The Domestic Intelligence Division will be responsible for the investigation of all Klan and hate-type organizations and their members on a selective basis.

Several inquiries are presently pending in the field regarding additional organizations to determine whether such organizations are, in fact, hate groups.

II. The Domestic Intelligence Division will assume the responsibility for the development of quality informants in all such organizations.

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III. The Domestic Intelligence Division will assume the responsibility for formulating and carrying out disruptive counterintelligence programs against such organizations.

IV. The Domestic Intelligence Division, in addition, is willing to go beyond the recommendations approved by the Director related to the above and will, with Bureau approval, develop highly placed, quality informants in certain legitimate organizations whose activities generally relate to racial matters, such as

National Association for the Advancement of Colored People (NAACP)

Congress of Racial Equality (CORE)

Student Nonviolence Coordinating Committee (SNCC)

Southern Christian Leadership Conference (SCLC) - headed by Martin Luther King

White Citizens Council

(Each one, of course, will be handled on a carefully selected basis and the action approved individually by the Bureau.)

V. Similarly, the Domestic Intelligence Division is willing to go beyond what was originally approved and will, with Bureau authorization, proceed to establish informants and sources in Negro communities throughout the Nation for the purpose of developing intelligence information relating to the degree of racial tension; the possibility of violence erupting in the form of riots, etc.; and will disseminate this material to all interested persons inside and outside the Bureau.

The organizations and objectives as set forth in paragraphs IV and V above are being made the subject of a separate memorandum inasmuch as this involves a matter of policy and will have to be acted on separately subject to approval by the Director.

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VI. The Domestic Intelligence Division will follow and disseminate information concerning demonstrations, picketing activities, racial disturbances, riots and incidents relating to matters of a racial nature. Any violations of a local nature which occur during the above and are not Federal violations should be disseminated by the Domestic Intelligence Division.

(However, if during the course of any of the above situations, a Federal violation is indicated, this should be immediately referred to the General Investigative Division. It will be the responsibility of the General Investigative Division to conduct any necessary investigation of the specific Federal violation which occurs. It will also have the responsibility of disseminating such information to persons entitled to receive same. Where special cases arise which are not Federal violations and an investigation is requested by the White House or Attorney General, determination will be made at that time based upon the pertinent factors involved as to which Division has the responsibility.)

PART II

I. The General Investigative Division will have the responsibility for the Bureau's supervision relative to the enforcement of all Civil Rights legislation. It will also have the responsibility for the supervision, accumulation of information, and dissemination of material relating to civil actions being undertaken to enforce compliance with the various elements of the Civil Rights laws.

II. The General Investigative Division will have the responsibility for investigating bombings, police brutality and all other Federal violations now assigned to the General Investigative Division.

III. The daily racial matters memorandum disseminated to the White House, the Attorney General, etc., which is coordinated by a representative of Mr. DeLoach's Office, will be prepared in Headquarters building. This requires the use of a stenographer who reports on duty at midnight each night in order to complete the memorandum by 8:00 a.m., in the morning. This duty should be alternated, a week at a time, between Division 5 and Division 6.

R W.C.S.

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
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DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : MR. BELMONT

DATE: 8/18/64

FROM : A. ROSEN

SUBJECT: PERSONNEL TRANSFERS TO EFFECT PROPOSED REASSIGNMENT OF SUPERVISORY RESPONSIBILITIES IN RACIAL MATTERS AND RACIAL INFORMANTS

Pursuant to Mr. Gale's memorandum of 8/4/64, to Mr. Tolson, in the above-captioned matter, the personnel on the attached list will be transferred from the Civil Rights Section, General Investigative Division, effective 9 a.m., 8/19/64, to the Domestic Intelligence Division.

Enclosure

AR:WW
(12)
1 - Mr. Belmont
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. McGowan
1 - Mr. Callahan - Att: Movement
1 - Mr. Callahan - Att: Voucher Statistical Section, Rm. 6221 IB
1 - Mr. Mohr
1 - Mr. Evans
1 - Mr. DeLoach
1 - Mr. Tavel
1 - Mr. Sullivan

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NAME	TITLE	GRADE	SALARY
Joseph G. Deegan	Special Agent	GS-13	~~$13,265~~ 13,755
Frederick H. Freund, Jr.	Special Agent (A)	GS-14	~~15,415~~ 16,130
Louis A. Giovanetti	Special Agent	GS-14	~~14,515~~ 15,150
Charles A. Parkis, Jr.	Special Agent (A)	GS-14	~~14,515~~ 15,150
Joseph C. Trainor	Special Agent	GS-14	~~15,415~~ 16,130
Mary A. Cammann	Clerk-Stenographer	GS-5	~~4690~~ 5000
Kathryn T. Chernitsky	Clerk-Stenographer	GS-~~4~~5	~~4215~~4480 5000
Sue E. Waller	Clerk-Stenographer	GS-5	~~4690~~ 5000
Carol Ann Hancock	Clerk	GS-4	~~4775~~5080
Wilbur Lane Perkins	Clerk	GS-4	~~4915~~ 5230

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April 29, 1966

THE ROLE OF THE FBI IN CLANDESTINE FOREIGN INTELLIGENCE COLLECTION IN THE UNITED STATES

CIA

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A. PURPOSE AND SCOPE

The purpose of this study is to define a new role for the Bureau in the field of clandestine collection of foreign intelligence in the U. S. This action is necessary and most timely because of our Government's vital need for increased foreign intelligence and because of CIA's expanding interests in the United States. There is a decided need for a new Bureau concept, the implementation of which could greatly increase our effectiveness and could deter CIA from becoming a threat to our operational interests.

The study encompasses a review of history as it relates to foreign intelligence collection in the U. S. Analysis is made of the need and the potential for such intelligence; the capabilities of the Bureau and CIA in this field; and the responsibilities of over-all (overt and covert) collection of foreign intelligence in the U. S. We have submitted our general findings, and we recommend a plan of action for a new Bureau role.

This study was not designed to eliminate once and for all the many problems relating to collection of foreign intelligence in the U. S. It would have been a Utopian objective to recommend a plan which would produce maximum intelligence collection, remove existing defects within the U. S. intelligence community, and establish complete harmony among interested agencies. We did not go that far. Careful and exhaustive analysis dictated that we endeavor to reach a reasonable goal consistent with prudent planning and sound operational implementation. We feel that the recommended plan meets such guidelines, that it is a decidedly major step forward for the Bureau, and it strongly conforms with the national security needs.

It should be noted that this document does not deal with our law enforcement or internal security functions, although it is fully recognized that internal security and clandestine collection of foreign intelligence are closely linked. Any plan on our part to produce foreign intelligence will affect our capabilities in the field of counterintelligence.

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B. INTELLIGENCE TERMINOLOGY

People who do not speak and understand a common language have difficulty in communicating their ideas. Even in a country such as ours where English is the common language, words take on different meanings in different geographical locales and in different social, political, and economic environments. Likewise, in professional fields, varying backgrounds and experiences have conveyed different meanings to terms in the professional vocabulary.

In the field of security, intelligence, and counter-intelligence operations, certain professional terminology has developed ostensibly to assist in the exchange of ideas by persons in this field. However, as progress is made in a field or a special segment of the field, new horizons develop which require additional terminology or cause an evolution in existing terminology. This development or evolution in security and intelligence terminology, coupled with individualistic usage, brings further problems in meaning which we also face in the broader aspects of the English language. We have all noted that our dictionaries do not always provide a single meaning and we must be careful in daily conversation that we are not misunderstood when merely using a conversational vocabulary. We face a similar problem in the use of professional terminology in security and intelligence matters as this terminology takes on new meaning with additional experience and takes on varying meanings to different persons.

An additional factor to consider in understanding the meaning of terminology is the context in which a term is used. For example, the term "intelligence" may be vague and confusing without the knowledge of the context in which it is used. It can, as a generic term, pertain to the whole field of activities undertaken by a government in the collection of information, the protection of its institutions, and the conduct of nonattributable activities to facilitate the formation and implementation of government policy. Also, it can relate to the organization devoted to the collection and production of information necessary to the government. In addition, it may pertain to the whole body of theory and practice on the basis of which an intelligence organization operates. Finally, the word "intelligence" may be utilized to mean any part or all of the above.

The following definitions do not include all possible meanings that have been utilized but, instead, are designed to assist the reader in digesting this study.

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BASIC INTELLIGENCE is that factual intelligence which results from the collation of encyclopedia information of a fundamental and more or less permanent nature and which, as a result of evaluation and interpretation, is determined to be the best available.

BIOGRAPHIC INTELLIGENCE is intelligence concerning individuals.

CLANDESTINE COLLECTION A coordinated complex of collection activities designed to accomplish an intelligence, counter-intelligence, or other similar purpose, sponsored and conducted by a governmental department or agency, or jointly by two or more such entities, in such a way as to assure secrecy or concealment.

COMBAT INTELLIGENCE is military intelligence for use in combat situations. This is commonly referred to as tactical.

COUNTERESPIONAGE is identifying, penetrating, manipulating or repressing inimical espionage organizations.

COUNTERINTELLIGENCE is defined as that intelligence activity, with its resultant product, which is devoted to destroying the effectiveness of inimical foreign intelligence activities and which is undertaken to protect the security of the nation, and its personnel, information, and installations against espionage, sabotage, and subversion. Counterintelligence includes the process of procuring, developing, recording, and disseminating information concerning hostile clandestine activity and of penetrating, manipulating, or repressing individuals, groups, or organizations conducting or capable of conducting such activity.

CURRENT INTELLIGENCE is that intelligence of all types and forms of immediate interest which is usually disseminated without the delays incident to complete evaluation or interpretation.

DEPARTMENTAL INTELLIGENCE is that intelligence which any department or agency requires to execute its own mission.

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DOMESTIC INTELLIGENCE concerns information and investigation of espionage, counterespionage, etc., which pertains to the internal security of the U.S. and, therefore, is in subject matter pertinent to the internal affairs of the U.S.

ECONOMIC INTELLIGENCE concerns the potentialities, utilization, and vulnerabilities of a nation's natural and human resources.

ESPIONAGE is defined as that intelligence activity which is directed toward the acquisition of information through clandestine operations.

FOREIGN INTELLIGENCE pertains to foreign affairs and subject matters pertinent to foreign countries. The word "foreign" as used here denotes the target of the intelligence and is distinct from the geographic location of the source providing the information. For example, refugees, defectors, and immigrants from target countries (such as the Soviet Union) have the potential for supplying intelligence regarding their countries to United States authorities. Although physically located in the United States, they are potential foreign intelligence sources.

GEOGRAPHIC INTELLIGENCE concerns the meterology, hydrography, topography, and basic natural resources of an area.

INTELLIGENCE is the product derived from information collected for the formulation and execution of Government policy and for safeguarding the national welfare.

INTELLIGENCE INFORMATION is information collected for intelligence purposes that has not been evaluated by comparison with the existing body of knowledge on the subject reported on; the raw material of intelligence.

INTERDEPARTMENTAL INTELLIGENCE is integrated departmental intelligence which is required by departments and agencies of the Government for the execution of their missions, but which transcends the exclusive competence of a single department or agency to produce.

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INTERNAL SECURITY relates to the defense and protection within the United States and its territories and possessions of the people, the government, the institutions, and the installations of critical importance from all hostile or destructive action.

INVESTIGATION means systematic and direct inquiries or procedures (such as physical or technical surveillances or neighborhood inquiries) aiming at developing information concerning an individual's activities or background; investigation does not include the acceptance or the development of information through social contacts or contacts normally made by CIA agents in discharging their cover functions.

MILITARY INTELLIGENCE: See Combat Intelligence and Strategic Intelligence.

NATIONAL INTELLIGENCE is that intelligence which is required for the formulation of national security policy, concerns more than one department or agency, and transcends the exclusive competence of a single department or agency.

OVERT COLLECTION is collection activities conducted in such a manner that they may be attributed to or acknowledged by the sponsoring government.

POLITICAL INTELLIGENCE concerns foreign and domestic policies of governments and the activities of political movements.

POSITIVE INTELLIGENCE may be described as a comprehensive product resulting from collection, evaluation, collation, analysis, and interpretation of all available information relating to national security and concerning other countries where such information is significant to our Government's development and execution of plans, policies, and courses of action. Such intelligence can be divided into various categories, such as basic, biographic, combat, current, departmental, economic, geographic, interdepartmental, military, national, political, scientific, sociological, strategic, tactical, and technical. Perhaps the most simple definition would be that positive intelligence is all the things you should know in advance of initiating a course of action.

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There appears to be much confusion in professional circles regarding the use of the term "positive intelligence." Some professionals use the term "positive intelligence" synonymously with the term "foreign intelligence." In still another usage, "positive intelligence" and "intelligence" are used interchangeably. In another useage, which is closely related to the definition utilized in this study, "positive intelligence" is described as what is left of the entire field after "security intelligence" has been subtracted. This source continues that both "positive intelligence" and "security intelligence" can be against domestic targets, as well as against foreign targets. For example, the Department of State, in connection with its formulation of foreign policy, encounters a large number of organizations of Americans whose parents came from foreign countries. Many of these organizations--the Poles for example--have strong views on what United States policy should be toward Poland. The views of these organizations regarding our foreign policy is likely to be a matter of some importance to the Department of State in its policy formulation. The knowledge of what these organizations think and do can be a very significant phase of what might be called "domestic positive intelligence." In addition, the connections which these organizations may have with the foreign country such as Poland sometimes provide a source of "foreign positive intelligence."

SCIENTIFIC INTELLIGENCE pertains to the progress of scientific research and development and usually this intelligence is within the framework of how it affects military or economic potential of a nation.

SECURITY INTELLIGENCE is basically the intelligence behind the police function to protect the nation and its members from those working to our national and individual detriment. For example, this would include intelligence regarding clandestine agents sent to the United States by a foreign power.

SOCIOLOGICAL INTELLIGENCE pertains to the social, cultural, psychological, or ethnic structure and characteristics of a people.

STRATEGIC INTELLIGENCE is the intelligence required for broad and usually long-range planning, especially with regard to military operations.

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TACTICAL INTELLIGENCE See Combat Intelligence.

TECHNICAL INTELLIGENCE concerns devices, equipment, and special processes. This is related to Scientific Intelligence, but tends to be differentiated from it as practice differs from theory.

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C. THE HISTORY OF FOREIGN INTELLIGENCE COLLECTION IN THE UNITED STATES

1. Prior to World War II

A study of the history and progress of foreign intelligence collection in the United States reveals that prior to World War II such collection efforts were incidental and in direct proportion to the intensity of the coverage maintained in the counterintelligence field. Accordingly, the history of foreign intelligence collection in the United States prior to World War II is primarily a history of counterintelligence and internal security coverage, of which foreign intelligence was a by-product. Historical highlights of the developments in this field are as follows:

(a) In August, 1914, when German espionage agents Count Johann Von Bernstorff and Dr. Heinrich Albert of the German Embassy, Washington, D. C., arrived in the United States with $150,000,000 in German treasury notes to finance the first foreign espionage and sabotage apparatus to be organized in this country, United States Government intelligence work was handled for the most part by five small organizations (Bureau of Investigation of the Department of Justice, Secret Service, Army, State and Navy), all operating on their own with small staffs and without coordination and sufficient delineation of responsibilities.

(b) On April 6, 1917, Congress declared war against Germany and President Woodrow Wilson gave the Bureau of Investigation the task of enforcing his proclamation governing the conduct of enemy aliens. The Bureau at the time had 300 Agents but shortly after the outbreak of the war the staff was increased to 400.

(c) As result of a rash of bombings believed executed by Bolsheviks, Attorney General Palmer appointed Francis P. Garvan of New York as Assistant Attorney General to deal with the problem. He created a General Intelligence Division under command of J. Edgar Hoover and Mr. Hoover was instructed to make a study of subversive activities in the United States to determine their scope and the potential for prosecution.

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(d) On May 9, 1934, President Roosevelt called a White House conference attended by the Attorney General, Secretary of Treasury, Secretary of Labor, Director of FBI and Chief of United States Secret Service to deal with the problem of growth of fascist organizations in the United States. The conference agreed that there should be an investigation of these groups and their activities for intelligence purposes. Since the only Federal law believed applicable at the time was the Immigration Law, the President decided that the Commissioner of Immigration and Naturalization Service would confer with the Chief of Secret Service and the Director of the FBI to work out details of the investigation.

Mr. Hoover immediately issued orders to FBI personnel to conduct an intensive and confidential investigation of the Nazi movement. This was the first general intelligence investigation made by the Government into fascist activities in this country.

(e) As a result of President Franklin Roosevelt's concern over activities of the communists and other subversive groups, a series of conferences was held in the latter part of August and early September, 1936, participated in by the President, the Secretary of State and the Director of the FBI. As a result of his concern over the international character of communism and fascism, the President stated the FBI should conduct necessary investigations and coordinate information upon these matters in the possession of the Military Intelligence Division, the Naval Intelligence Division and the State Department.

It is noteworthy that it was specified the investigation was to be for intelligence purposes only.

The Presidential Order was implemented by the Director in a letter to all Special Agents in Charge, September 5, 1936.

(f) As a result of opposition primarily by the State Department against accepting the FBI as the coordinating agency in the investigations of all subversive activities in the United States, President Roosevelt, on June 26, 1939, issued a confidential directive to Cabinet members which established an Interdepartmental Intelligence Coordinating Committee composed of the FBI and the Intelligence Divisions of the War Department and the Navy. He named the FBI as the coordinating agency to receive all reports on subversive activities.

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(g) President Roosevelt publicly designated the FBI to investigate matters relating to espionage, sabotage and violations of the neutrality regulations by Presidential Directive dated September 6, 1939.

(h) On May 21, 1940, President Roosevelt in a memorandum to the then Attorney General, Robert H. Jackson, authorized and directed the Attorney General in such cases as he might approve to authorize the use of listening devices directed to the conversations or other communications of persons suspected of subversive activity against the Government of the United States, including suspected spies.

Pursuant to such authorization, commencing on June 1, 1940, technical surveillances were installed on diplomatic establishments throughout the United States of such countries as Germany, Italy, Japan, Russia and France. These installations in addition to providing counterintelligence information of value produced a substantial quantity of foreign intelligence information.

(i) Although lines of responsibility were established for domestic intelligence work in connection with the September 6, 1939, Presidential Directive, there were no clearly defined areas of responsibility of overseas intelligence operations and as time passed the need for decisions in that field grew more evident.

As a result, the Special Intelligence Service (SIS) came into being. By Presidential Directive June 24, 1940, President Franklin D. Roosevelt set forth lines of responsibility in the operations of United States intelligence agencies in the foreign field. This Directive grew out of a series of meetings involving representatives of State Department, Army and Navy intelligence and the FBI wherein it was agreed that the SIS would act as a service agency, furnishing the State Department, the military, the FBI and other governmental agencies with information having to do with financial, economic, political and subversive activities detrimental to the security of the United States. The June 24th Directive placed the responsibility for nonmilitary intelligence coverage in the Western Hemisphere on the FBI. Less than thirty days thereafter the FBI had organized an SIS operation.

Through World War II and until approximately March 31, 1947, the FBI continued its SIS operations. The culmination of our activities in this field came about as a result of the January 22, 1946, Presidential Directive establishing the Central Intelligence Group and giving it the responsibility of collecting foreign intelligence abroad.

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2. During World War II (1941 - 1945)

a. The FBI's Role

During World War II, as prior to the war, foreign intelligence collection in this country was geared to and principally a product of our intensive efforts in the counter-intelligence field. It is also significant to note that a steady stream of foreign intelligence continued to be developed from our technical coverage of diplomatic establishments of enemy-bloc countries, as well as other sensitive countries such as Russia, Argentina, Portugal and Spain.

In line with the Presidential Directive of September 6, 1939, the FBI continued to be in charge of all investigative work in matters pertaining to espionage, sabotage, counterespionage, subversive activities and violations of the neutrality laws.

On January 8, 1943, the President issued another Directive in which he reiterated the previous Directive of September 6, 1939.

In ordering the FBI to take charge in the foregoing areas, President Roosevelt did not define the various types of intelligence involved but placed the entire intelligence and internal security responsibilities involved under the jurisdiction of the FBI. As a matter of fact, in carrying out these responsibilities we did produce foreign intelligence in substantial quantity especially through our technical coverage of foreign diplomatic establishments.

b. Office of Strategic Services

The position of Colonel William J. Donovan as Coordinator of Information (COI) was created by Presidential Directive dated July 11, 1941. On July 14, 1941, President Roosevelt sent a letter to the Attorney General stating the position was created, "in order to provide a central point in the Government for the analysis of information and data which bears upon national security. . . ." The President described Donovan's duties as "assist me and the various Departments and agencies of the Government in assembling and correlating information which may be useful in the formulation of basic plans for the defense of the nation."

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In the letter President Roosevelt clearly limited Donovan's jurisdiction with the following statement: "I should like to emphasize that Colonel Donovan's work is not intended to supersede or duplicate or involve any direction of the activities of established agencies already obtaining and interpreting defense information."

The Presidential order dated September 11, 1941, established the position of COI with clear cut authority to collect and analyze information bearing on national security; correlate and make such information available to the President and other Government officials as the President may determine. COI was finally authorized to carry out, when requested by the President, supplementary activities as might facilitate the securing of information not then available to the Government.

Donovan, in a memorandum captioned "MEMORANDUM OF ESTABLISHMENT OF SERVICE OF STRATEGIC INFORMATION," expanded on the President's directive in general terms. Under his plan for procedure there was a Coordinator of Strategic Information responsible directly to the President. (Note this same organizational set up was later adopted by the Director of Central Intelligence.) Donovan noted, however, in his memorandum, "The proposed centralized unit will neither displace nor encroach upon the FBI, Army and Navy Intelligence, or any other Department of the Government." (62-64427, serials 23 and X3.)

Our file on the Office of Strategic Services (OSS) reveals that that organization continued its organizational, training, and operational activities in this country based on Donovan's premise that he was the central clearing point for anti-Axis espionage and counterespionage. An interesting insight into OSS operations in this country is provided in the nonfiction work "The Scarlet Thread" by former OSS agent Donald Downes. Downes noted that he was a former British intelligence agent serving for that organization in New York when he was recruited by OSS immediately after Pearl Harbor. He tells of his recruitment by Allan Dulles, his association with Donovan, and his work in the counterespionage field in New York City and Washington, D. C., with other OSS agents, including the current United States Ambassador to the United Nations, Arthur Goldberg. Downes detailed attempts by him and other OSS agents to steal diplomatic codes from

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"friendly" or "neutral" country embassies in Washington in the early 1940's and frequently referred to the fact that this was being done by OSS with knowledge that its jurisdiction in this country was based only on the theory that a foreign Embassy is not American soil and is technically outside the jurisdiction of the FBI, which had full jurisdiction for counterintelligence in the western hemisphere.

Our file on the OSS is replete with incidents indicating OSS recruitment and counterespionage activities in this country during the early 1940's.

By memorandum dated May 22, 1945, Stanley J. Tracey, advised of a conversation overheard between two high-ranking State Department officials. The conversation dealt with OSS attempts to take over Bureau SIS operations in Latin America with one of the State Department officials, Aura Warren, stating that officials of OSS felt that organization was better equipped to handle work than FBI personnel attached to various American Embassies in South America. In response to this attempt of OSS to take over our duties, the Director commented: "I would like to know where Warren gets this. According to Ladd our contacts in State Department have no knowledge of such OSS efforts. Also Tracey should point out it is State Department duty to initiate it as we would 'service it' and the State Department in fact started the SIS project. H" (62-64427-1059.)

An interesting evaluation of OSS operations is provided in a report prepared by Colonel Richard Park of the War Department as a result of a survey of OSS operations made as a special and confidential mission for the President in 1944 and 1945. Colonel Park commented: "Without going into details I was everywhere left with the same impression of utter incompetency on the part of OSS leadership....

"Everywhere that the subject of OSS came up, unsolicited remarks clearly brought out the very well known amateurish nature of the organization.

"The OSS has been restricted from active operations in South America by Presidential directive...."

Despite the absence of any jurisdiction in or responsibility for counterintelligence operations in the western hemisphere, an officer of OSS was reported to have

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attempted to obtain cover for an OSS agent in South America under guise of employment by an organization doing business in South America.

A closing paragraph of Colonel Park's report commented on observations made by an official of OSS as follows:

"This official of OSS added that it was the policy of his agency not to give any more information than necessary to the Federal Bureau of Investigation. He pointed out that OSS instructors in their school in the United States had discussed the FBI in an unfavorable light and had painted the picture of OSS replacing the Federal Bureau of Investigation not only outside the United States but in the domestic field. The publicity campaign referred to was to be one of the means adopted to accomplish this purpose."

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3. National Intelligence Authority (NIA)

On January 22, 1946, President Harry S. Truman addressed a Directive to the Secretary of State, the Secretary of War, and the Secretary of the Navy stating, in part, "I hereby designate you, together with another person to be named by me as my personal representative, as the National Intelligence Authority. . ." The Directive provided that each of these three Secretaries would from time to time assign personnel and facilities from their respective departments "which persons shall collectively form a Central Intelligence Group" (CIG) under a Director of Central Intelligence. It was provided that the latter would be responsible to the NIA.

President Truman then stated that subject to the existing law the Director of Central Intelligence should (a) accomplish the correlation and evaluation of intelligence and the appropriate dissemination within the Government of the results; (b) plan for the coordination of such activities of the intelligence agencies of the three departments involved as related to the national security; (c) perform such services of common concern as the NIA determined could be more effectively accomplished centrally; and (d) perform such other functions and duties related to intelligence as the President and the NIA might from time to time direct.

The Presidential Directive said that no police, law enforcement or internal security functions should be exercised under the Directive; that certain intelligence should be freely available to the Director of Central Intelligence "for correlation, evaluation or dissemination"; and that "the existing intelligence agencies of your departments shall continue to collect, evaluate, correlate and disseminate departmental intelligence." The ninth provision of the Directive stated, "Nothing herein shall be construed to authorize the making of investigations inside the continental limits of the United States and its possessions, except as provided by law and Presidential directives."

A series of communications between the Bureau and Lieutenant General Hoyt S. Vandenberg, who was designated as Director of the Central Intelligence Group, then followed. On June 21, 1946, a memorandum analyzed a communication from Vandenberg which submitted a proposed memorandum to the NIA and a proposed Directive to be issued by NIA extending the powers and duties of the Director of Central Intelligence. The Directive provided, in essence, the following additional functions and powers for the Director of Central Intelligence:

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(1) Undertake such basic research and analysis of intelligence and counterintelligence as may in his opinion be required.

(2) Act as the executive agent of this authority (NIA) in coordinating and in supervising all Federal foreign intelligence activities.

(3) Perform the following services of common concern: (a) conduct all Federal espionage and counterespionage operations for the collection of foreign intelligence; (b) conduct all Federal monitoring of press and propaganda broadcasts of foreign powers for the collection of intelligence information.

In discussing this Directive which Vandenberg desired issued, the memorandum stated the Directive did not conform with the original plan proposed by the President or which was envisioned by the discussions occurring prior to the time the President issued his Directive. The original plan, insofar as the Bureau was advised, contemplated the setting up of solely a coordinating agency which was given the power to perform certain functions which it would be determined could more adequately and economically be performed centrally for the benefit of all Government agencies. The memorandum noted that "undoubtedly if this Directive is approved and the Central Intelligence Group is successful in setting up complete foreign coverage, the Bureau would undoubtedly be pushed into a 'second rate' position insofar as purely intelligence functions are concerned in the domestic field. . . It is inevitable that the Central Intelligence Group must enter into the domestic field picture insofar as intelligence is concerned because of the sources of foreign intelligence existing in that field. Also, it is impossible to separate entirely foreign intelligence and the domestic functions performed by the Bureau."*

In reply to the Directive proposed by General Vandenberg, a letter was sent to him June 25, 1946, which stated that the Directive was approved with certain changes suggested "for clarification purposes only." The Director suggested that to the item relating to the Director of Central Intelligence acting

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* With respect to this last quoted statement, Mr. E. A. Tamm and Mr. C. A. Tolson noted an exception by placing an addendum on the memorandum. The Director's comments were set forth. This is more fully reported below under the heading, "Director's Comments."

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as the executive agent of National Intelligence Authority in coordinating and supervising all foreign intelligence activities there should be added "performed outside the United States and its possessions relating to the national security in accordance with the overall policies and objectives established by this Authority." With respect to the proposal that the Director of Central Intelligence direct all espionage and counterespionage operations for the collection of foreign intelligence, it was proposed that the phrase "outside the United States and its possessions" also be inserted in this provision.

On July 29, 1946, General Vandenberg sent over a memorandum on the subject "Exploitation of American Business Concerns With Connections Abroad as Sources of Foreign Intelligence Information." He added a proposed Directive. The Director replied by letter August 6, 1946, "I should like to comment that there appears to have been an addition to the field encompassed by CIG Directive #11 calling for a survey of the exploitation of American business concerns. I note that in your report and in the proposed NIA Directive, you refer not only to American business concerns but to other private groups with connections abroad. This latter phrase, in my opinion, is extremely broad and could be taken to include all types of organizations, including Foreign Nationality Groups. In fact, I feel that the report and proposed Directive should confine themselves to the discussion of American business concerns and that no references at all should be made to 'private groups'. . . I feel that at a later date the question of exploitation of these private groups by CIG representatives might be worked out by discussing them individually with the FBI when their identities are determined." This matter remained unresolved.

On August 22, 1946, General Vandenberg submitted another proposed Directive concerning exploitation of American business concerns, nongovernmental groups, and individuals (in the United States) with connections abroad as sources of foreign intelligence information. A memorandum analyzing this on August 22, 1946, pointed out the new Directive was even more

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obnoxious than the one originally proposed. The Directive noted, in part, "CIG field representatives will establish and maintain liaison with the intelligence officers of local Army and Navy headquarters and Air Force headquarters, if present, through the medium of local interagency offices." The analyzing memorandum pointed out, "If this means the CIG is going to maintain field representatives in the United States or establish offices, it certainly is something new and a provision that we did not understand was intended in the President's Directive. . . Attached to the proposed Directive is a discussion which is more or less the same as was attached to the original proposed Directive. It, however, makes the following statement which the Bureau cannot subscribe to and it would seem must oppose, that is, 'Foreign Intelligence Information related to the national security, although it may be collected from sources whose headquarters are within the limits of the United States and its possessions, is definitely a part of the national intelligence mission, the coordination of which is specifically a function of the National Intelligence Authority under the provisions of the President's letter of 22 January 1946.'"

In pointing out the Bureau's objections, the analyzing memorandum of August 22, 1946, stated, "There is now involved in this Directive the fundamental question of just what rights the Central Intelligence Group has with reference to operations within the United States. Carrying to a logical conclusion the statements set forth above contained in the discussion, they could cover all foreign embassies in the United States, take charge of double agents we are operating or radio stations we are operating as double agent set-ups, etc., because essentially these operations engaged in by the Bureau do not directly involve enforcement of the laws but rather are concerned with obtaining information in the nature of foreign intelligence which, of course, is related to internal security as is all foreign intelligence. Essentially, the Bureau's domestic operations in intelligence involve the determining of the aims, intentions, and activities of foreign countries or their representatives."

The memorandum of analysis stated that our position would be the Bureau would not consent to any provisions except those related to American business concerns with connections

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abroad. On August 23, 1946, the Director sent a letter to General Vandenberg stating in part, "I must advise that the proposed Directive does not incorporate the changes suggested in my letter of August 6, 1946, and I, therefore, cannot approve it. This new directive also includes provisions and statements in which I cannot concur and, in fact, must oppose."

The strong stand of the Director obviously led to a conference between General Vandenberg and the Director which was reported in a memorandum of September 13, 1946, which the Director prepared. As stated in the Director's memorandum the conference concerned CIG's desire to gather contacts among "nongovernmental groups and individuals with connections abroad." The entire conference was on this subject matter and did not enter into collection of foreign intelligence from foreign embassies or from foreign officials or, in fact, from any other source. The Director wrote, "I told the General that I could well appreciate that there would be cases in which his organization would be desirous of making contacts in the United States for the purpose of obtaining information from abroad and that the Bureau was not interested in such contacts except in those situations wherein the individual or the group might be engaged in activities within the United States that were either under investigation by the Bureau or might possibly be the medium of obtaining information concerning the activities of a subversive character being carried on within the United States. I told the General that I would be perfectly agreeable to his suggestion, with the added provision that if CIG was desirous of contacting any individuals of the character that he had indicated, before doing so it would check with the FBI."

The foregoing has been set forth rather extensively since it shows the strong stand the Bureau took against CIG's operating in the United States. Actually, as will be reported hereinafter, Directives were adopted permitting CIG to collect positive intelligence in this country by contacting United States citizens, American businessmen, aliens (with prior FBI approval) through the foreign language press and in later years through contacts with United States governmental personnel.

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4. Responsibilities of CIA

a. The National Security Act of 1947

This Act, which is reported in 50 USC 401 et seq., established the National Security Council (NSC) and under it the Central Intelligence Agency. It provided that when the Director of Central Intelligence was appointed the NIA should cease to exist.

There was much discussion concerning the powers and authorities to be vested in the Director of Central Intelligence. Many individuals, especially in Congress, expressed fears that CIA could develop into a gestapo if permitted to become operational in the United States. The following two excerpts, of interest in this connection, are from a Congressional publication related to hearings prior to passage of the National Security Act of 1947. The publication is entitled "Hearings Before the Committee on Expenditures in the Executive Departments, House of Representatives, 80th Congress, 1st Session on H. R. 2319 (National Security Act of 1947)":

Page 127 - During testimony concerning authority for and scope of CIA, James Forrestal, then Secretary of the Navy, stated:

> "The purposes of the Central Intelligence Authority are limited definitely to purposes outside of this country, except the collation of information gathered by other government agencies.
>
> "Regarding domestic operations, the Federal Bureau of Investigation is working at all times in collaboration with General Vandenberg. He relies upon them for domestic activities."

Page 438 - Congressman Clarence J. Brown of Ohio in speaking about the National Security Act of 1947, which was under scrutiny before passage, stated:

> "I want to write a lot of other safeguards into the section that deals with the Central Intelligence Agency.

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"I want to make certain that the activities and the functions of the Central Intelligence Agency were carefully confined to international matters, to military matters, and to matters of national security. We have enough people now running around butting into everybody else's business in this country without establishing another agency to do so.

"What we ought to do is to eliminate 90 percent of the present snoopers instead of adding to them.

"I do not think it would be the Central Intelligence Agency's right, authority, or responsibility to check on the ordinary domestic activities of the average American citizen, and yet they could have the power and authority to do it under this bill as written."

The National Security Act of 1947 was approved 7/26/47. It provided that for the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, the Agency under the direction of the NSC was:

(1) To advise NSC in matters concerning such intelligence activities of the Government departments and agencies of the Government as relate to the national security,

(2) To make recommendations to the NSC for the coordination of such activities,

(3) To correlate and evaluate intelligence relating to national security and provide for its appropriate dissemination within the Government: Provided, That the Agency shall have no police, subpoena, law enforcement powers, or internal security responsibilities,

(4) To perform such additional services of common concern as the NSC determines can be more efficiently accomplished centrally,

(5) To perform such other functions and duties related to intelligence affecting national security as the NSC may from time to time direct.

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There is tacit acknowledgement in Section 403 (e) of the National Security Act of 1947 that the FBI gathers information affecting the national security. This section provides:

> (e) To the extent recommended by the NSC and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: Provided, however, That upon the written request of the Director of Central Intelligence, the Director of the FBI shall make available to the Director of Central Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security.

b. National Security Council Intelligence Directives

To implement the authority granted to it under the National Security Act of 1947, the National Security Council has issued a series of "National Security Council Intelligence Directives," usually referred to as NSCID's and commonly called "Nonscids." The first of these was issued December 12, 1947, and provided for the establishing of the Intelligence Advisory Committee to maintain the relationship necessary for a fully effective integration of the national intelligence effort. By Directive dated September 15, 1958, the U. S. Intelligence Board (USIB) was formally created as successor to the Intelligence Advisory Committee and a counterpart known as the U. S. Communications Intelligence Board.

NSCID No. 1 provided that the Director of Central Intelligence should coordinate the foreign intelligence activities of the United States, such coordination to include both special and other forms of intelligence. The USIB under this Directive shall "advise and assist the Director of Central Intelligence as he may require in the discharge of his statutory responsibilities." It is the Board which is empowered to establish policies, define intelligence objectives, make recommendations to appropriate U. S. officials, develop standards for protection of intelligence, and formulate policies with respect to arrangements with foreign governments. The Director of Central

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Intelligence is designated as Chairman of this Board and in this capacity is distinguished from the Director of the Central Intelligence Agency. A more complete discussion with regard to the Bureau's role in this over-all setup is set forth hereinafter under the caption "FBI Relations With the United States Intelligence Board."

National Security Council Intelligence Directive No. 1, originally issued 12/12/47, defines the various types of intelligence in Section 4.

(a) National Intelligence is that intelligence which is required for the formulation of national security policy, concerns more than one department or agency, and transcends the exclusive competence of a single department or agency. The Director of Central Intelligence shall produce* national intelligence with the support of the U. S. Intelligence Board.

(b) Departmental Intelligence is that intelligence which any department or agency requires to execute its own mission.

(c) Interdepartmental Intelligence is integrated departmental intelligence which is required by departments and agencies of the Government for the execution of their missions, but which transcends the exclusive competence of a single department or agency to produce. The subcommittee structure of the U. S. Intelligence Board may be utilized for the production and dissemination of interdepartmental intelligence.

Director of Central Intelligence is then authorized to disseminate national intelligence and interdepartmental intelligence provided it is done consistent with statutes and Presidential policy, and provided further "that any disclosure of FBI intelligence information shall be cleared with that agency prior to dissemination."

This acknowledges that FBI information includes both national and interdepartmental intelligence.

* * * * * * * * * * * * * * * * * * * *

*A footnote here states: "By 'produce' is meant 'to correlate and evaluate intelligence relating to the national security' as provided in the National Security Act of 1947, as amended, Section 102 (d) (3)."

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NSCID No. 2 issued 1/13/48, relates to coordination of foreign intelligence collection activities "not covered by other NSC Directives."

The Director of Central Intelligence has responsibility for planning to assure there is no undesirable duplication and that coverage is adequate.

Responsibilities are then assigned as follows:

(1) The Department of State shall have primary responsibility for, and shall perform as a service of common concern, the collection abroad (i.e., outside the U. S. and its possessions) of political, sociological, economic, scientific and technical information.

(2) The Department of Defense shall have primary responsibility for, and shall perform as a service of common concern, the collection of military intelligence information. Owing to the importance of scientific and technical intelligence to the Department of Defense and the military services, this collection responsibility shall include scientific and technical, as well as economic, information directly pertinent to Department of Defense missions. (It seems significant that while State Department primary responsibility was limited by the phrase "the collection abroad," there was no such limitation on the Department of Defense in its responsibility.)

(3) The Central Intelligence Agency may collect abroad intelligence information in support of assigned functions or as a byproduct of assigned functions: Provided, that this collection involves no undesirable duplication of any of the specific assignments to State and Defense Departments, and Provided, that any such overt collection is coordinated with the Department of State or with the Senior U. S. Representative.

In Section 7 of NSCID No. 2 there is delegated to CIA responsibility for overt collection of foreign intelligence in the U. S. as follows:

"The Central Intelligence Agency, as a service of common concern, shall be responsible for the selective exploitation within the United States of non-governmental organizations and individuals as sources of foreign

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intelligence information, in accordance with policies, procedures and practices established as provided in paragraph 3a of NSCID No. 1, by the Director of Central Intelligence with the concurrences of the U. S. Intelligence Board."

Section 9 of the same Directive provides that CIA "shall conduct the exploitation of foreign language publications for intelligence purposes, as appropriate, as a service of common concern. When this function is carried out in the U. S., this also constitutes overt collection of foreign intelligence by that Agency in this country.

It may be worthy to note at this point that NSCID No.'s 1 and 2 were discussed, approved, and issued in their original forms prior to 7/7/49 when the FBI was designated a member of the Intelligence Advisory Committee.

NSCID No. 3 on Coordination of Intelligence Production contains definitions of various types of intelligence (including those defined in NSCID No. 1) and then delineates primary responsibilities for "producing" intelligence among various agencies, stating with respect to CIA:

> "The Central Intelligence Agency shall produce economic intelligence on the Sino-Soviet Bloc and scientific and technical intelligence as a service of common concern. Further, the Central Intelligence Agency may produce such other intelligence as may be necessary to discharge the statutory responsibilities of the Director of Central Intelligence."

Since, as noted hereinbefore, "collection" activities are defined in NSCID No. 2, it would seem to follow that the word "produce" as used in NSCID No. 3 has the same definition as set out in a footnote to NSCID No. 1, paragraph 4, i.e., "to correlate and evaluate intelligence relating to the national security." Thus, NSCID No. 3 would not appear to extend CIA's jurisdiction to collect intelligence or be operational in any way.

The remaining NSCID's appear to have no bearing on the subject matter of foreign intelligence collection in the United States.

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c. Director of Central Intelligence Directives

To implement the National Security Act of 1947 as amended and the various National Security Council Intelligence Directives issued pursuant thereto, the Director of Central Intelligence has issued numerous Directives (DCID's). The first of these having a direct bearing on jurisdictional matters is DCID No. 2/3, captioned "Domestic Exploitation of Nongovernmental Organizations and Individuals." NSCID No. 2, paragraph 7, states that CIA shall be responsible for the selective exploitation within the U. S. of such organizations and individuals as sources of foreign intelligence information. We, therefore, have avoided, and should avoid, any operations among nongovernmental organizations and individuals designed solely to produce foreign intelligence without CIA prior approval or nullification of these provisions.

DCID No. 2/3 provides for exploitation of nongovernmental U. S. citizens by CIA domestic field offices and states, "In cases where the Federal Bureau of Investigation has indicated an operational interest in a U. S. citizen, Central Intelligence Agency will coordinate with that agency prior to further contact."

This DCID also provides for exploitation by CIA domestic field offices of aliens, following a prior name check with FBI so our statutory obligations may be properly met without CIA interference.

It is of possible interest to note that in dealing with these two matters, DCID No. 2/3 refers to nongovernmental U. S. citizens but only to aliens (without the restrictive adjective). The NSCID on which it is based refers to nongrovernmental individuals without distinguishing between citizens and aliens. Thus, there appears to have been an intention to confine CIA's intelligence exploitation functions within the U. S. A review of our file on CIA (62-80750) indicates this might well have been a concession to the Bureau since we went on record opposing delegation of any intelligence collection functions within the U. S. to CIA in letters to Lieutenant General Hoyt S. Vandenberg (then Director of Central Intelligence Group) on June 25, 1946, (Serial 96), August 6, 1946, (Serial 138), and August 23, 1946, (Serial 222), which have been discussed more fully under the heading "National Intelligence Authority."

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DCID No. 2/8 is captioned "Domestic Exploitation of U. S. Government Organizations and Officials." It begins in very general terms, "Pursuant to the provisions of NSCID No. 1 and NSCID No. 2. . . ." It provides, "The Central Intelligence Agency shall coordinate and have the primary responsibility for exploitation of the foreign intelligence potential of non-USIB organizations and officials to meet community needs as a service of common concern."

As set forth above, there seems to be no basis for such CIA jurisdiction in NSCID No. 1 and No. 2. Paragraph 7 of NSCID No. 2 specifically restricts CIA in this area of operations to nongovernmental organizations and individuals.

A review of our U. S. Intelligence Board (USIB) file, 62-90718, shows following apropos this matter:

> The Draft Minutes of the 3/21/61 USIB meeting report that the Board approved the draft of a DCID on "Domestic Exploitation of U. S. Government Organizations and Officials," which would be issued as DCID No. 2/8, effective 3/21/61. Mr. Belmont was present at this USIB meeting as the FBI representative. (unnumbered serial between serials 1131 & 1132, USIB file)
>
> Tracing this subject matter back through the USIB file it was learned that it apparently was first considered at the meeting held 2/23/60 at which the Bureau was represented by Fred A. Frohbose. The minutes for that meeting reported the Board agreed in principle that a directive on Intelligence Exploitation of U. S. Governmental officials would be desirable. However, the matter was referred to the Committee on Domestic Exploitation for further study and the submission of a revised draft for Board consideration. (unnumbered serial between serials 1040 & 1041, USIB file)

From the foregoing it would appear that the Bureau concurred in the issuance of this particular Directive and thus to an extension of CIA's overt collection activities in the U. S. if this should, in fact, be interpreted as an extension.

DCID 4/1 provides for the establishment of the Interagency Defector Committee.

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DCID's 4/2 and 4/3 relate to the Defector Program abroad and domestically, respectively. The latter one dwells on division of responsibilities between FBI and CIA in the handling of defectors within the continental limits of the United States. It provides that exploitation of such defectors shall be conducted:

1. To obtain internal security information or other data required by FBI in view of its statutory responsibilities in the internal security field.

2. To obtain foreign intelligence information required in the interests of national security by the member agencies of the USIB.

3. For such other purposes as are deemed to be in the interests of national security.

The very next sentence then gives the implication that exploitation of the defector for foreign intelligence purposes is the principal responsibility of CIA, for it reads, "Decision as to the relative importance of internal security exploitation by FBI and foreign intelligence exploitation by the Central Intelligence Agency (CIA) shall be made jointly by representatives of CIA and FBI."

There then follows a listing of nine specific FBI responsibilities, one of which is to make available to CIA foreign intelligence information resulting from the initial exploitation of defectors. There is no subsequent specific delineation of CIA responsibility over foreign intelligence exploitation until there is a transfer of responsibility for handling a defector from FBI to CIA after FBI interests have been fully satisfied. There is a general assignment of such responsibility to CIA in the terms, "CIA shall be responsible for: a. Coordinating the activities of other departments and agencies concerned with defector matters, except those responsibilities assigned exclusively to FBI . . . ."

As a matter of practice, if it is determined there is little or no importance from an internal security standpoint in connection with a particular defection, we do not take over but in effect give clearance to CIA to proceed from a foreign intelligence standpoint.

DCID's in the 5/ series (numbers one through five) were issued principally to implement NSCID Number 5 which deals with U. S. espionage and clandestine counterintelligence activities abroad. There appears to be no conflict with FBI jurisdiction in this series.

All other DCID's relate to Elint Critical Intelligence and other matters which appear to have no bearing on possible conflicts between CIA and FBI responsibilities.

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d. Dulles Committee, 1949

The Dulles Committee was appointed February 3, 1948, by the National Security Council (NSC) to make a "comprehensive, impartial and objective survey of the organization, activities and personnel of the Central Intelligence Agency (CIA)." The Committee was instructed to report its findings and recommendations on the following matters:

(a) The adequacy and effectiveness of the organization structure of CIA.

(b) The value and efficiency of existing CIA activities.

(c) The relationship of these activities to those of other departments and agencies.

(d) The utilization and qualifications of CIA personnel.

The Committee's scope was extended on March 17, 1948, to include the following provisions: "This survey will comprise primarily a thorough and comprehensive examination of the structure, administration, activities and inter-agency relationships of the CIA as outlined in the resolution of the National Security Council. It will also include an examination of such intelligence activities of other Government departments and agencies as relate to the national security, in order to make recommendations for their effective operation and overall coordination. . ."

This report, which is dated January 1, 1949, for the most part concerned itself with administrative matters affecting CIA and the necessity for reorganization within that Agency. It notes, however, that the National Security Act, as implemented by directives of the NSC, imposed upon CIA responsibility for carrying out three essential functions:

(1) The coordination of intelligence activities.

(2) The correlation and evaluation of intelligence relating to the national security, which has been interpreted by directive as meaning the production* of national intelligence.

* * * * * * * * * * * * * * * * * * * *

* See definition of "produce" in footnote to NSCID No. 1, Section 4b as "correlate and evaluate," the reverse of connotation given here.

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(3) The performance centrally, subject to NSC direction, of certain intelligence and related functions of common concern to various departments of the Government.

The report noted that Section 102 of the National Security Act of 1947 established a framework for a sound intelligence system and no amendment to that Section of the Act was deemed necessary.

Although the coordination of intelligence activities of the several departments and agencies concerned with national security was a primary reason for establishing CIA, the report noted the National Security Act does not give CIA independent authority to coordinate intelligence activities, as final responsibility to establish policies was vested in the NSC.

The statutory limitations upon the authority of CIA to coordinate intelligence activities without the approval of the NSC were, according to the report, obviously designed to protect the autonomy and internal arrangements of the various departments and agencies performing intelligence functions. In spite of these calculated limitations on the authority of CIA, the report noted, it was clear the Agency was expected to provide the initiative and leadership in developing a coordinated intelligence system. In practice, the NSC has almost without exception approved the recommendations submitted to it by CIA for the coordination of intelligence activities.

The National Security Act does not define the "intelligence activities" which were to be coordinated by CIA under the direction of the NSC or specify the departments whose activities were covered. Presumably, according to the report, all intelligence activities relating to the national security were included, from collecting information in the first instance to the preparation and dissemination of finished intelligence reports and estimates. "The criterion," which the report noted was a very broad one, was "such intelligence activities. . . as relate to the national security and not the identity of the departments concerned or the nature or locale of the intelligence activity." Thus, the report noted, practically no limitations are set upon the scope of the intelligence activities with which the Central Intelligence Agency is to concern itself.

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The report noted another broad field requiring coordination is that of foreign intelligence derived from domestic sources and the allied field of domestic counter-intelligence. This includes the exploitation of intelligence from United States business firms, travellers, etc., exploitation of the intelligence possibilities of groups and individuals of foreign nationality in the United States, the relating of domestic counterintelligence to foreign intelligence and the coordination of domestic counterespionage with counterespionage abroad. Except for the exploitation of private sources of foreign intelligence in the United States which is centralized in the Office of Operations, CIA, responsibility for other activities is scattered among the State Department, the armed services, the FBI and CIA.

The FBI, which has primary security and law enforcement responsibilities, is concerned in fact with an important area of intelligence. This includes domestic counterespionage and countersabotage, control of communist and other subversive activities and surveillances of alien individuals and groups. All of these functions, according to the report, are closely related to the comparable activities abroad of the CIA.

The report noted the FBI was not part of the then existing machinery for coordination of intelligence through the Intelligence Advisory Committee and there was no continuing manner whereby domestic intelligence and counterintelligence were related to overall national intelligence in order to serve the general purpose set forth in the National Security Act, which was set forth as "of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security."

It was the opinion of the authors of the Dulles Report that CIA had the duty under the Act to concern itself with the problem of coordinating those phases of domestic intelligence and counterintelligence which relate to the national security and CIA should submit recommendations on this subject to the NSC. The report noted this was not inconsistent with the stipulation of the National Security Act that CIA "shall have no police, subpoena, law enforcement powers or internal security functions."

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The Dulles Commission recommended that the FBI should be made a member of the Intelligence Advisory Committee to improve coordination of domestic intelligence and counter-intelligence insofar as these matters related to the national security.

While discussing the production of National Intelligence Estimates by CIA, the report noted, "There is no systematic way of tapping that domestic intelligence information, which should be chiefly in the hands of the FBI, having a bearing on broader intelligence issues and there is no regular and agreed arrangement for participation by the FBI and for the use of intelligence from domestic sources in a national estimate."

National Security Council Intelligence Directive Number 7 provided that CIA shall be responsible for the exploitation, on a highly selective basis, within the United States of business concerns, other non-Governmental organizations and individuals as sources of foreign intelligence information. The report concluded the amount of foreign intelligence which can be obtained through the exploitation of non-Governmental sources in the United States is considerable and its quality could be very high if appropriate arrangements were made and discrimination was employed. It was felt the vast number of organizations, institutions and individuals having foreign interests and knowledge represented a potential source of intelligence that in many ways was superior to any other, as it was felt that they were in a position to provide information obtained from their foreign contacts and from the findings on their own people abroad.

A further important source of information, the exploitation for intelligence purposes of foreign individuals and groups in the United States was also being developed. The report noted that these individuals and groups as well as political refugees and former foreign government officials were often engaged in political activity with significant international implications.

CIA and other intelligence agencies had not developed coordinated and effective policies and procedures for the exploitation of intelligence in this important field. The FBI, according to the report, had a major interest in foreign

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individuals and groups in the United States because of possible security implications. The report indicated the FBI possessed considerable information concerning many individuals and groups but this information had been obtained primarily with security rather than intelligence considerations in mind and was not normally given the kind of interpretation or dissemination that intelligence required if it was to be properly used. It was also noted the FBI was, in cases where it had a security interest, reluctant on security grounds to have intelligence exploitation by outside agencies. The general result of this situation, according to the report, was that an important source of intelligence was not being fully exploited.

The report noted that the question of the exploitation for intelligence purposes of foreign groups and individuals in the United States was a clear example where the Intelligence Advisory Committee, with the FBI being added as a member, should establish principles and rules for coordination.

In discussing the administrative handling of espionage and counterespionage matters within the CIA, the report noted the FBI was charged with all counterespionage responsibilities in the United States except those affecting personnel of the armed services. The Dulles Commission recommended the counterespionage activities of CIA should be increased in scope and emphasis and that closer liaison in this field should be established with the FBI.

The only effect the Dulles Report had on the FBI was its inclusion as a member of the Intelligence Advisory Committee by amendment to HSCID Number 1 dated July 7, 1949.

e. Hoover Commission, 1948 and 1955

Task forces of the Commission on Organization of the Executive Branch of the Government (Hoover Commission) conducted surveys of CIA operations from 1947 to 1949 (under F. Eberstadt) and from 1953 to 1955 (under General Mark Clark).

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The Commission concerned itself principally with the efficiency with which CIA was fulfilling its statutory missions of coordination, correlation, evaluation, and dissemination of the intelligence product of other Government agencies and departments. The Commission examined agency activity in light of the CIA primary mission of advising NSC and performing services and duties related to intelligence and national security as the NSC directed.

(1a) Eberstadt Task Force Report

The results of the first examination of CIA by the Hoover Commission were more or less apologetic in tone, emphasizing the soundness of directives setting up NSC and its direction of the Agency. The report pointed out, however, that CIA and its parent, NSC, had had little time to actually implement the coordination necessary for leadership in the field. The Task Force clearly defined its understanding of the CIA mission as: ".....coordinate intelligence activities of Federal agencies concerned with national security."

The duties of CIA were listed as:

1. Advise National Security Council on national security intelligence activities of Federal departments and agencies.

2. Recommend necessary coordination of such activities to National Security Council.

3. Correlate, evaluate and disseminate national security intelligence.

4. Render intelligence services for other Federal departments and agencies." (62-88575-3 enclosure behind file.)

In discussing the duties of the CIA the Task Force noted, "Under the statute CIA is entrusted with the performance of such services of common concern as the National Security Council shall determine. At present these include, apart from Scientific Intelligence, which is discussed separately: (a) maintenance of central indexes of report, records, and documents having intelligence value; (b) examination of foreign documents from which intelligence material is extracted and disseminated; (c) maintenance of central map facilities; (d) monitoring of foreign broadcasts; and (e) collection of the information by clandestine means and counterespionage abroad."

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In evaluating the operations and location of CIA counterespionage the Task Force commented as follows:

"The counterespionage activities of CIA abroad appear properly integrated with CIA's other clandestine operations. Although arguments have been made in favor of extending CIA's authority to include responsibility for counterespionage in this Country, such an extension of jurisdiction does not a present appear justified. For one thing, concentration of power over counterespionage activities at home in the hands of a Director of Central Intelligence responsible for espionage abroad might justifiably arouse public suspicion and opposition. Conceivably it could form the basis for a charge that a gestapo is in process of creating even though the power to arrest were specifically withheld. To transfer responsibility for domestic counterespionage from the FBI, which has an established organization and long tradition, to CIA, which is not equipped for the assignment, would probably create more problems than it would solve. It is doubtful whether the logical benefit of having one agency responsible for counterespionage throughout the world would justify the dislocation and confusion that such a transfer would inevitably occasion."

"CIA representatives have indicated that their present working liaison with FBI is satisfactory, but the Committee doubts that FBI-CIA relationships are completely adequate. The Director of FBI declined the Committee's invitation to appear before it to discuss the CIA with the committee or its representatives on the ground that he knew too little of its activities."

The groundwork for CIA acceptance was laid by the Committee recommendation and finding: "CIA is not now properly organized. Co-equal improvement in G-2, FBI, ONI, State Department, and other Government intelligence services is also essential. Spirit of teamwork must govern interagency intelligence relationships. CIA deserves and must have greater degree of acceptance and support from old-line intelligence services than it has had in the past."

A pitch was made for a single agency controlling internal security in the Committee's finding: "The committee believes that responsibility for internal security policies should be immediately focused in one agency. A more thorough study of the subject than any yet made must be prosecuted, and interagency frictions must be ended." It is noted that the committee commented elsewhere in its report:

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"Detailed study of organization and activities of intelligence divisions of the Government, including CIA, is being made by a committee consisting of Messrs. Allen Dulles, William H. Jackson, and Mathias Correa, assisted by a staff of four directed by Mr. Robert Blum of the Office of Secretary of Defense." With this statement it may be assumed the Task Force excused omissions it may have made with the observation that the Dulles group was conducting almost the same survey carried on in the Hoover Commission so far as CIA was involved.

(1b) Clark Task Force Report

The Task Force headed by General Mark Clark submitted a Top Secret report dated in May, 1955, setting forth results of the second Hoover Commission survey of the organization of CIA. The report pointed out the survey was of departments and agencies with entire or prime responsibility in the field of positive foreign intelligence as it pertains to national defense and security. It qualified this survey when speaking of the FBI, noting survey was limited to survey of Bureau only to the extent that it dealt in security intelligence.

Again the Hoover Commission through its Task Force pinned CIA jurisdiction down to the areas defined by statute, and emphasized the Agency was subordinate only to the National Security Council in its coordination, correlation, dissemination and collection of intelligence data. The Task Force noted that since CIA is charged with the over-all responsibility for coordinating the output of all intelligence forces, the Task Force was giving special attention to the work of that Agency.

In the Task Force Report a review of the FBI functions in the intelligence community was set forth. The committee noted that the FBI had only limited activities in the positive intelligence field but noted additionally that FBI functions in the current intelligence effort were of interest in order to fill out the intelligence picture.

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The FBI was cited as one of the four members of the Interdepartmental Intelligence Conference (IIC), created by the NSC, approved by the President 3/23/49, to coordinate "the investigation of all domestic espionage, counterespionage, sabotage, subversion, and other related matters affecting internal security."

It was noted that the IIC charter did not disturb responsibilities of its member agencies but made mandatory action by those agencies deemed necessary to insure complete investigative coverage in compliance with the needs of the IIC, which had full responsibility for coordination of the investigation of all domestic espionage, counterespionage, et cetera, affecting internal security.

The Committee stated, "The Central Intelligence Agency is, by law, excluded from duplicating the internal security functions of the FBI. However, the CIA does develop within and without the U. S., sources for foreign (positive) intelligence, and incidental thereto may develop leads as to subversive activities within this country. In such cases CIA through liaison gives its information to the FBI."

A Task Force survey revealed, "Through the Central Intelligence Agency's domestic field offices, contacts are made on a highly selective basis with business concerns and other nongovernmental agencies, as well as with previously cleared individuals who travel abroad . . . Under the provisions of DCID 7/1, each member of the Intelligence Advisory Committee is required to establish in Washington a focal office for the purpose of interviewing nongovernment visitors. . . Any visitors to these offices demonstrating good intelligence potential are referred to the CIA for further exploitation."

The Task Force noted that as far back as 1939 President Roosevelt by executive order directed the FBI to coordinate and conduct domestic counterintelligence activities. In 1949, according to the Committee's survey, the IIC was formalized and by charter restricted to coordinating investigations in intelligence matters domestically.

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In commenting on the role of the FBI the Committee further noted, "The Federal Bureau of Investigation, however, is the recognized center of the domestic aspect of internal security including counterintelligence within the United States and its possessions."

With regard to the use and surfacing of sources, the Committee noted that CIA was not bound to disclose its sources; however, it commented on the excellent liaison system of the FBI which had overcome this restriction so far as internal security within the U. S. is concerned. "Now, as a matter of practice the CIA usually refers domestic sources to the FBI, the only exception being where the source is to be used in foreign intelligence work by the CIA." In the area of defectors within this country, the Committee noted that the FBI will receive from CIA or by a direct interrogation of a CIA-controlled defector information which the defector may have concerning internal security. Persons who defect within this country, on the other hand, were found to be under the cognizance of the FBI. Then the reverse of the above situation comes into play and CIA has access to the defector for developing leads in the foreign intelligence field. The Committee commented, "It is the duty of the FBI to conduct investigations of all cases involving foreign nationals in the United States as set forth in the Delimitations Agreement."

A review of the Commission report lends one important fact to our study of this subject matter. This was pointed up by the membership of the various groups at the disposal of the National Security Council within the field of national intelligence. Ten subcommittees or working groups with membership from separate departments or interested agencies acted in advisory capacities to the IAC parent committee. In each of these subcommittees the chairman was a representative of the Director of CIA and the working groups were individually serviced by a secretariat furnished by CIA. From the top-heavy alignment of CIA personnel in IAC and its working groups it was obvious in which direction advisory opinions would be slanted when dissenting matters were presented by the IAC and CIA to the NSC.

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f. The Doolittle Committee, 1954

In July, 1954, we received information from the White House that the President had appointed Lieutenant General James H. Doolittle to study in collaboration with the Central Intelligence Agency (CIA) certain aspects of the national intelligence effort. By letter dated July 28, 1954, Sherman Adams, the Assistant to the President, requested that the Bureau brief General Doolittle's group concerning the relationship that existed between the Bureau and CIA. We subsequently learned that at approximately the same time a survey would be conducted by the Hoover Commission under the chairmanship of General Mark Clark. We learned from Allen W. Dulles, Director of CIA, that the President strongly believed that General Clark should not permit the survey to get into CIA covert operations, particularly in the field of political and psychological warfare. The President had told Dulles that he was selecting General Doolittle to study CIA's covert operations.

General Doolittle's group was briefed on August 25, 1954, at which time the Bureau's position in the intelligence field was described and the manner in which the Bureau transacted business with CIA was explained. In addition, certain constructive criticism concerning problems and conflicts experienced in dealing with CIA was furnished General Doolittle's group. The following salient features of the criticism appear to bear on the current study:

We were critical of a policy of the Office of Operations, CIA, which precluded that Division from identifying any of its sources in the United States when such sources possessed information bearing on the internal security of the United States. The Office of Operations as of 1954 collected foreign intelligence information in the United States from aliens, businessmen, and others, and periodically would receive information of interest to the Bureau. Instances arose where the Bureau desired to interview the original source but was prevented from getting to the

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source by CIA policy. We were of the opinion that CIA's policy could be modified to allow us direct access to the source in the United States when such was necessary.

As of 1954, CIA had interest in various organizations such as Radio Free Europe and others and from time to time the Bureau would get involved in investigation of organizations only to learn they were being supported or guided by CIA. Our opinion was that if we had been appropriately notified of CIA's interest considerable investigative time and manpower could have been saved and in addition we would have been in a position to notify CIA when anything of interest came to our attention.

Concerning CIA investigations in the United States, we readily acknowledged CIA's right to investigate its own applicants or consultants. We did object to CIA's undertaking any investigation in this country when the facts indicated the case was clearly within Bureau jurisdiction and pointed out that the Bureau had recently become involved in investigating an individual suspected of espionage activity. We were in contact with CIA and had solicited its help concerning certain aspects in the case but it was a few weeks before we learned CIA had conducted a very close investigation of this same individual. We made the observations that close and open cooperation between the Bureau and CIA was vital to the proper handling of espionage cases.

The Bureau pointed out that as of 1954 it had received little or no significant information concerning espionage or sabotage agents coming to the United States. We excluded diplomatic personnel in this matter but clearly indicated that CIA should be in a position to give us some advance notification when spies were coming to this country.

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Possibly this latter was the strongest criticism we had since we did not feel CIA with its resources and overseas contacts was performing one of its prime functions in the intelligence field; that is, identifying foreign illegals who are en route to the United States. During our briefing of General Doolittle's group, we described the Bureau's collection of intelligence information for the interested Government agencies as a major operation. Our discharge of our intelligence operation concerning the Communist Party and Soviet and Satellite diplomats was explained in detail to the satisfaction of all personnel attending the briefing.

General Doolittle asked for recommendations as to what could be done to improve CIA so the Bureau would get better service. It was suggested that corrective action be taken on the matters which had been criticized constructively; CIA should establish adequate coverage (although not specifically noted, this obviously regarded advance notice of foreign intelligence personnel coming to the United States); and finally CIA should transmit information developed in an expedite fashion.

Prior to submitting the report to the President, General Doolittle expressed a desire to see Mr. Hoover, whom he regarded as the outstanding intelligence authority in the world. The General visited the Director on October 5, 1954, during which visit CIA's operations were discussed and generally the points of the previous meeting were reiterated. General Doolittle felt the ideal solution would be to wipe out CIA entirely and start all over again, but since this was impractical his committee would point out certain weaknesses and make certain recommendations and suggestions to the President for the correction of these weaknesses.

We do not have the contents of General Doolittle's report and there is nothing to indicate an executive order was issued from it which in any way delineated the respective jurisdiction of the Bureau or of CIA.

g. The Joint Study Group on Foreign Intelligence Activities of the United States Government

Captioned report was prepared by the Study Group and issued 12/15/60. The Group was under the chairmanship of

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Lyman B. Kirtkpatrick, Inspector General, Central Intelligence Agency (CIA), acting as a representative of the Director of Central Intelligence (DCI). The other four members of the Study Group represented the Department of State, Secretary of Defense, Bureau of the Budget, and the National Security Council (NSC).

The stated targets of examination by the Group were organizational and management aspects within the intelligence effort relating to all aspects of foreign intelligence. In the confines of these objectives the Bureau was not considered for examination by the Group in view of the Bureau's lack of operational jurisdiction in matters outside of this country. Mr. Belmont, acting for the Bureau, gave a briefing before the Group on 7/29/60 regarding the Bureau's relations with other United States intelligence agencies. There was no mention made of the Bureau in the report except in one of its recommendations relative to reorganization of the membership of the United States Intelligence Board (USIB) which will be dealt with in more detail later.

The 141 page report submitted by the Group appeared to be apologetic in tone for any shortcomings of CIA. The reader obtains the definite impression the report was used as a sounding board for differences of opinion as to methods and administration for collection of foreign intelligence (overt and covert) abroad.

The main basis for conclusions and recommendations made by the Group rested in delineation of duties of DCI as coordinator of intelligence as opposed to DCI secondary responsibility as head of CIA. The Group recognized service jealousies apparently resulting from refusal to accept the fact that DCI could control and coordinate intelligence effort without affording preferential treatment to CIA which was his operational and administrative arm.

There is no reference in the report to a clear definition of CIA operational responsibilities or jurisdiction within continental United States.

The Group found that DCI through heads of missions abroad and designated DCI representatives in foreign countries had principal responsibility for control and coordination of foreign collection efforts. The CIA's operations abroad were recognized in almost all 43 of the Group's recommendations.

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Recommendation number 17 emphasized that CIA should place emphasis on the establishment of unofficial cover throughout the world; recommendation number 20 was that CIA should increase intelligence support to unified and component commanders by direct dissemination from pertinent field stations.

The report noted that CIA's main requirements problem related to clandestine collection and concerned the great number of requirements served on the Agency. . .

The main tone of the report was that greater cooperation was required between the Joint Chiefs of Staff (JCS), Department of State, and CIA in carrying out foreign intelligence collection missions. The recommendations of the Group were all directed toward this end and had no bearing on internal espionage or counterespionage activities within the United States.

In commenting on the coordination duties of the DCI, the Group pointed out that USIB had been officially directed to "establish policies and develop programs for the guidance of all departments and agencies concerned; the DCI is authorized to make such surveys of departmental intelligence activities or the various departments and agencies as he may deem necessary in connection with his duty to advise the NSC and coordinate the intelligence effort of the United States." The report interpreted these official directions to indicate that USIB should assume a greater proportion of the actual direction and control of the intelligence community of which the Bureau was noted to be a member.

To strengthen USIB position as a director, coordinator, and controller of intelligence effort, the Group recommended (recommendation number 30) that the USIB should be reduced to four members who should be the DCI (chairman) and representatives of Secretary of State, Secretary of Defense, and Joint Chiefs of Staff. The FBI and the Atomic Energy Commission would be relegated to ad hoc representation on the Board.

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It should be noted in considering the proposed change of USIB membership that the Bureau was a member of six of the twenty-six subcommittees which formed the committee make-up of the USIB.

Memorandum January 10, 1961, Mr. Belmont to Mr. Parsons outlined the proposed USIB membership change for the Director. It recommended that Bureau make no issue of the proposed recommendation. The Director underlined a passage of the memorandum which stated "In one sense of the word it could be argued the FBI would lose prestige by changing from a regular member to an ad hoc member." The Director approved the recommendation of the memorandum with the following notation: "O.K. but I am not enthusiastic about the change of our status. H." Our status, however, was not changed and the Bureau has continued to hold full membership on the Board.

In brief, the Joint Study Group Report noted that the majority of the recommendations of the Study Group had been favorably received by the intelligence community in that positive action had been taken to place most of them in effect. Many of the recommendations of the Group were felt to have been met by the creation of the Defense Intelligence Agency (DIA) which acted as a coordinator and overseer of the intelligence effort of the Joint Chiefs of Staff. There is no comment made in this report which would bear on our present survey of CIA jurisdiction or activities within the United States in conflict with our own jurisdictional and investigative interests. The only reference to the Bureau in this latter report was as previously mentioned in the comment relative to reorganization of the membership of the USIB.

5. Responsibilities of the FBI

a. Laws and Directives

No information has been developed with respect to any laws passed or directives issued specifically delegating to the FBI responsibilities for the positive acquisition of foreign intelligence in the United States. As has been set

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forth above under the caption, "The History of Foreign Intelligence Collection in the United States - Prior to World War II," President Roosevelt conducted certain conferences following which he issued instructions with regard to investigations of fascist and communist activities in the United States. Those investigations were to be for intelligence purposes. For the most part, they took on a counterintelligence aspect; however, during the course of them foreign intelligence information was developed either as an outgrowth of investigative activity or through the conducting of technical surveillances.

We found no record regarding the designation of the FBI as the agency responsible for collection of foreign intelligence information in the United States as of the time the Office of Coordinator of Information was created on 7/11/41. Neither did we find any record indicating such responsibility had been delegated to any other agency.

b. Requests From Other Agencies

From time to time the Bureau has received specific requests from other agencies based upon which we have undertaken the collection of foreign intelligence information in the United States in a clandestine fashion. Two instances of this nature were based on requests from the Department of State and from the White House.

(1) Department of State Request - Recognizing a gap in our intelligence coverage of friendly governments, on 10/21/55 we discussed with the then Deputy Undersecretary of State, Robert Murphy, the question of instituting limited discreet technical surveillances on official establishments of selected foreign nations, principally those located in world trouble areas. We pointed out that the FBI stood ready to institute such coverage as might be desired by the Department of State.

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Mr. Murphy was quite receptive to this idea, stating that limited coverage sufficiently flexible to change with changing world conditions might be highly desirable. After further discussions it was agreed that a program, "progressive" in nature, would be instituted. By this, Mr. Murphy explained that he did not feel at that time that all desirable coverage should be instituted at a given date, but rather that coverage should be placed on one country at a time as moving events abroad might dictate. On this basis this type coverage was instituted

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based on a specific request from Mr. Murphy on 12/5/55 that we place technical surveillances on all Egyptian establishments in the United States. Since then, technical surveillances have been placed on numerous establishments of foreign countries for either extended or limited periods of time, depending upon developments on the international scene.

(2) White House Request - In May, 1965, President Johnson advised the Director he wanted the FBI to set up a group in the Dominican Republic for the purpose of taking charge of cleaning out communists in the Dominican Government and advising the Government of those who might try to infiltrate Government ranks. This was the basis for opening our Santo Domingo Office, which has continued operation since 5/21/65.

As a result of maintaining our Dominican Office and assisting in its mission, we have instituted various technical surveillances and developed numerous live sources in the United States from which we regularly acquire foreign intelligence information. Since the President has relied on the Bureau to keep him apprised of developments from an intelligence standpoint as well as developments with respect to communist influence, these sources are regularly contacted for information which fits within the terms of foreign intelligence data.

c. FBI's Role in the United States Intelligence Board

The predecessor to the United States Intelligence Board (USIB) was the Intelligence Advisory Committee (IAC). the IAC was established by National Security Council Intelligence Directive (NSCID) number 1 dated 12/12/47. By amendment to this Directive dated 7/7/49, the Bureau was designated a member of the IAC for the purpose of coordinating domestic intelligence with foreign intelligence. NSCID 1 has been revised several times. Subsequent to a revision dated 4/21/58, the President's Foreign Intelligence Advisory Board merged the IAC and the U. S. Communications Intelligence Board into one body known as the United States Intelligence Board. National Security Council Directive dated 9/15/58, approved by the President, formally created the United States Intelligence Board as successor to the IAC and the U. S. Communications Intelligence Board.

The USIB in its present form is chaired by the Director of Central Intelligence. The Director of Central

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Intelligence is distinguished from the Director of Central Intelligence Agency (CIA) in that the Director of Central Intelligence as Chairman of the United States Intelligence Board is considered the President's principal advisor on foreign intelligence. Membership on the United States Intelligence Board consists of the Director of Intelligence and Research, Department of State; the Deputy Director of CIA; the Director of the Defense Intelligence Agency; the Director of the National Security Agency; the Assistant General Manager for Administration, Atomic Energy Commission, and the Assistant Director of the FBI. The primary responsibility of the USIB is the coordination of intelligence activities. In this regard, USIB's major effort is concerned with the preparation and approval of National Intelligence Estimates (NIE) for use by policy makers.

As a rule, the Bureau does not participate in the preparation of NIE's inasmuch as the subject matter is usually outside the jurisdiction of this Bureau. We have in the past participated in some selective NIE's such as certain estimates on Cuba, world communism, the clandestine introduction of nuclear weapons into the United States and on the Dominican Republic.

As part of its staffing procedure, USIB has created numerous committees in some of which the Bureau maintains membership. The USIB committees on which the Bureau has representation are the Technical Surveillance Countermeasures Committee, the Signal Intelligence Committee, the Interagency Defector Committee, the Watch Committee, the Joint Atomic Energy Intelligence Committee, the Guided Missile Astronautics Intelligence Committee, the Security Committee, and the Committee on Documentation. As a general rule, attendance at Committee sessions is handled by the Liaison Section. Attendance at meetings is in the main restricted to the Interagency Defector Committee, the Watch Committee, the Security Committee, the Technical Surveillance Countermeasures Committee and the Committee on Documentation. The Bureau has a primary interest in the business of these five committees. All decisions made by these committees, which are subsequently approved by the USIB, are the subject of individual memoranda submitted to the Director for his approval.

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Over the years, consideration has been given to the Bureau's withdrawing its membership from USIB. On each occasion the Director has chosen to have the Bureau retain its membership on the Board. The last such occasion occurred in 1964 during the period when John McCone was Chairman of the United States Intelligence Board. At that time, the military services were removed from membership on the Board and replaced by the Defense Intelligence Agency. At the time, Mr. Belmont, then Assistant to the Director, orally discussed with the Director the possibility of the Bureau's withdrawing from the USIB. The Director's comments were that we would not request removal from membership on the Board but would withdraw our membership only if so requested by the Director of Central Intelligence in his role as Chairman of the USIB. The Bureau's withdrawal would, of course, require action on the part of the National Security Council.

d. The President's Foreign Intelligence Advisory Board (PFIAB)

This group was originally organized in January, 1956, as the President's Board of Consultants on Foreign Intelligence Activity. Its primary function at that time was to review periodically the Government's foreign intelligence efforts with specific emphasis on the operations of the Central Intelligence Agency. It was established as a result of recommendations by the Hoover Commission. In the later years of the Eisenhower Administration the activity of the group fell off and it was re-organized in its present form with the advent of the Kennedy Administration.

Our relationship with this Board has historically been one of informal liaison in view of the fact that the primary function of the Board is concerned with foreign intelligence. There have been occasions where representatives of the Bureau briefed individual members and/or panels of the Board concerning our jurisdiction, techniques and accomplishments in the intelligence field. These briefings have been received with a receptive and sympathetic attitude. Our main concern in following the activities of this Board has been to assure that the Central Intelligence Agency does not encroach upon our jurisdiction and upon the functions of the various intelligence communities in which we hold membership.

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The case involving Army Sergeant Jack E. Dunlap, a former employee of the National Security Agency who was a Soviet espionage agent, was thoroughly reviewed by the present PFIAB in view of the most serious ramifications it presented. This case concerned the penetration by the Soviets of the National Security Agency. The report which emanated from the PFIAB study included proposals which affect the responsibilities and activities of several agencies within the intelligence community. All of the twenty-one recommendations of the Board dealt with various aspects of achieving a strengthened counterintelligence capability to guard against penetration of our security establishments by hostile intelligence agencies. Nineteen of the recommendations of the Board were approved by the President and three of these related directly to Bureau activity. They are as follows:

#18: "That steps be taken to assure that the Federal Bureau of Investigation has adequate agent resources to effect the required domestic counterintelligence coverage of both bloc and nonbloc official installations and personnel who may be engaged in intelligence and related activities inimical to the national security."

#19: "That the policies of the Department of State with respect to authorizing technical coverage (use of wiretapping and listening devices) by the Federal Bureau of Investigation of foreign official installations and personnel in this country be re-examined with a view to liberalization to the extent necessary to provide the counterintelligence coverage required in the interest of national security."

#20: "That, in future, when consideration is given to exchanging detected Soviet-bloc intelligence agents for imprisoned American personnel in bloc countries, advance consultations be held with Central Intelligence Agency and the Federal Bureau of Investigation to assure that adequate attention is given all intelligence aspects of such proposed exchanges in the interest of the national security, weighed against the political gains to be achieved."

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e. The Director's Stand Over the Years

The Director's stand over the years with respect to jurisdiction concerning foreign intelligence matters within the United States is reflected in numerous comments he has made dating back to the days when the Central Intelligence Group (CIG) was being formed.

In June, 1946, General Vandenberg, then head of CIG, sent a memorandum to the Director proposing that the National Intelligence Authority issue a directive extending the powers and duties of the Director of Central Intelligence, which position General Vandenberg occupied. The memorandum was analyzed on June 21, 1946, in a memorandum from C. H. Carson to D. M. Ladd in which it was pointed out that it was inevitable that CIG must enter into the domestic picture because of sources of foreign intelligence in that field. An addendum was placed on the memorandum by Mr. Edward A. Tamm and Mr. C. A. Tolson which was followed by comments by the Director which is most pertinent to the subject matter under discussion. The addendum read:

"Mr. Tolson and Mr. Tamm do not concur with the conclusion expressed in this memorandum that 'It is inevitable that the Central Intelligence Group must enter into the domestic field picture insofar as intelligence is concerned because of the sources of foreign intelligence existing in that field.' They feel that a coordinated program for the exchange of information between the Central Intelligence Authority and the FBI, permitting a free and comprehensive exchange of information in matters of mutual interest, will enable the Bureau to work in the domestic field without interference from the Central Intelligence Authority in the same manner that the Bureau works, for example, with local police departments or other governmental agencies within defined jurisdictional lines. We believe that the attached letter to General Vandenberg is satisfactory."

The Director commented as follows:

"I am not as optimistic as are Tolson & Tamm. I think it is inevitable that there will be a collision with CIG over our domestic jurisdiction

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or rather their expansion into it on intelligence matters. It ought not occur but this new memo of CIG shows how greedy it is. It is the Donovan plan almost in toto & is being slyly put over. It means we must zealously guard our domestic jurisdiction & not yield an inch & be ever alert to resist any encroachment."

On March 27, 1953, the Director testified before the Senate Subcommittee on Appropriations. In response to a question from Senator McCarran concerning liaison between FBI and CIA, the Director stated: "There is close liaison. CIA has exclusive jurisdiction abroad for intelligence. We have exclusive jurisdiction within the United States. We maintain continuous liaison with CIA Headquarters in Washington through a liaison representative of our Bureau in order to facilitate the transmission of material from them to us and from our service to them."

In October, 1958, CIA approached us requesting our concurrence in CIA's establishing physical and technical surveillance in the United States on the CIA had an operational interest in this individual. By memorandum it was recommended that the Bureau not become involved in this CIA operation and that CIA be informed that this would not establish a precedent for approval of future CIA activities in the United States. Responsive to continuing to present problems, the Director noted: "This is an understatement particularly if we are going to adopt a macaroni backbone attitude instead of standing up forthrightly for our rights and jurisdiction."

CIA, in April, 1959, advised us that one of its sources would be visiting the United States, and requested our concurrence in CIA's establishing coverage including technical surveillance. It was recommended we stay out of this matter and inform CIA that this was not to be construed as a precedent for approval of future CIA counter-intelligence activity in the United States. The Director commented on the memorandum: "The trend has gone so far we have become nothing but a rubber stamp for CIA yet they won't even allow us to perform liaison functions abroad much less operational ones."

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In January, 1960, CIA agreed to comply with conditions imposed by the Bureau with regard to developing positive intelligence information through contacts between U. S. residents and visitors from Iron Curtain countries. CIA agreed to contact us first before promoting such associations. In March, 1960, CIA inquired if it might obtain Bureau clearance at the field level for such contacts in the interest of expediency. Mr. Tolson noted: "More and more we are agreeing to CIA operations in the U. S. I am opposed to this relaxation. We can exercise better control here than through our field offices." The Director added: "I share Tolson's views." CIA was advised clearance was to be obtained through Bureau headquarters.

A source furnished information alleging penetration of American intelligence. One Serge Karlow, a CIA officer, was developed as a suspect. On 2/9/62, we took over the investigation. On 2/26/62, Sheffield Edwards, then CIA Director of Security, admitted CIA had had technical coverage on Karlow from February, 1961 to 2/9/62. Edwards claimed his reluctance to tell us of this situation earlier because of obvious possible jeopardy to prosecution, plus embarrassment to his Agency should the Bureau raise an objection to CIA's maintaining such coverage. The Director noted: "I only wish we would eventually realize CIA can never be depended upon to deal forthrightly with us. Certainly my skepticism isn't based on prejudice nor suspicion but on specific instances all too many in number. Yet there exists wistful belief that 'the leopard has changed his spots'."

In April, 1962, we received information on a strictly confidential basis from Jay Sourwine of the Senate Internal Security Subcommittee to the effect that an unidentified CIA representative had talked to Senator Eastland concerning an alleged move to place CIA in charge of all intelligence-gathering operations for the Government -- to include Soviet espionage in the U. S. The Director noted: "I am not surprised at the above alleged effort. There is no doubt in many quarters a desire to eliminate the FBI in dealing with espionage and subversion for we are a thorn not only in the side of communists but also the ADA and Fabian Socialists. CIA which failed again and again to know what is actually going on abroad could be counted upon to blunder the same way in the USA."

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In April, 1963, we received information indicating that CIA Director John McCone was considering expansion of CIA operations in the United States -- specifically intelligence coverage and the development of sources in this country. The Director made a note on the memorandum recording this: "McCone is trying to do another 'Donovan.' If he injects himself into the U. S., the FBI gets out. Too many cooks spoil the broth."

In December, 1963, the Director inquired as to the nature and extent of intelligence operations wherein CIA had established contact with a diplomat, operated him in the U. S. with our coordination, and continued to operate him upon his having departed this country. Four such cases were cited. On the memorandum, the Director noted: "I have little confidence in CIA abiding by agreements if it serves its purpose better not to do so."

In January, 1964, CIA advised us it had reorganized its activities in the U. S. The Domestic Operations Division, CIA, had established field offices in this country under appropriate cover. A memorandum was prepared describing the history of CIA operations in the U. S. and recommending action designed to protect our interests. A letter went to CIA with ground rules which the Bureau expected CIA to follow in all matters requiring coordination. The Director noted: "OK, but I hope you are not being taken in. I can't forget CIA withholding the French espionage activities in the U. S. nor the false story concerning Oswald's trip to Mexico City, only to mention two of their instances of double dealing."

The New York Office, by letter 2/14/64, set forth its observations concerning a briefing given that office on the matter of CIA operations in the U. S. The Director commented: "I think this domestic operations expansion of CIA is very dangerous and will inevitably 'muddy' the waters."

In May, 1964, the Bureau reconsidered its stand with respect to permitting CIA to approach sources at foreign establishments in the United States for intelligence purposes. The following policy was proposed and subsequently approved:

(1) Where there was no indication a source would be leaving the United States, we would deny CIA clearance for contact until we had fully explored the person's potential for our own purposes. If we decided we had no

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interest and CIA contact would not jeopardize any FBI investigations, we would grant CIA approval to proceed with its contact with proviso we be kept informed of information developed of possible interest to us.

(2) Where it appeared source would be returning to a foreign country shortly we would normally grant CIA clearance for preliminary contact with proviso we be kept informed of results. We reserved the right to take direct access to the source as our needs required.

(3) Where there was an overlapping of interests and source expected to continue in United States for fairly extended period of time, in those instances where CIA had entree and no Bureau investigation would be jeopardized we would permit CIA to explore matter and make preliminary contact keeping us advised of progress and getting our specific clearance before a direct recruitment approach; however, where factors indicated it would be to best Bureau interests to operate source, we would undertake the recruitment and keep CIA advised of information of interest to that Agency.

When these matters were submitted for approval Mr. Tolson commented, "Looks okay, but we will have to watch this very closely." The Director concurred in Mr. Tolson's remark.

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D. THE NEED AND THE POTENTIAL FOR FOREIGN INTELLIGENCE IN THE U. S.

In 1941, the U. S. allegedly had in its possession practically all of the foreign intelligence it needed regarding military and strategic targets in Japan. The information was scattered among various individuals who had personal knowledge or was located in libraries, various Government agencies, private business firms, institutions, et cetera. Tragically, the U. S. Government did not have any mechanism to collect, record and evaluate such information. Intelligence was badly needed in 1941, and we paid dearly in lives and financial resources to accomplish certain missions because the information was not readily available.

Today, the need for foreign intelligence is greater than ever. The stakes of foreign policy have never been higher. The U. S., being a dominating world power, has assumed vast responsibilities enmeshed in delicate political situations throughout the world. The ever-existing threat of an atomic war with communist countries demands a continuing acquirement of knowledge so thatpolicies and courses of action can be designed in the most effective manner possible. The information needed applies to numerous fields of activity, a major area being scientific research and development. In this connection, the revolutionary break-throughs in the scientific category are occurring with unusually high frequency, and if the U. S. is to remain in the forefront, it is absolutely necessary that we obtain an accurate evaluation of the enemy's capabilities and intentions. We have been fortunate to collect high quality positive intelligence through sophisticated collection methods, i.e high altitude photography and research in this area is proceeding at an accelerated pace. Nevertheless, electronic gadgets and machines will never produce all that is required. We still need supplementary coverage on a heavy scale, and the human being still continues to be a vital source of information. The individual talks and volunteers information. He talks and his statements are intercepted. All of this produces valuable increments of intelligence. The individual can still provide badly needed data either through his voluntary contribution or through his unwitting divulging

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of intelligence. The importance of the individual is further emphasized when we realize that as each sophisticated collection technique is introduced, science also introduces newly designed countertechniques of covering, protecting, and camouflaging important assets. In essence, technology eventually hits an inpenetrable or leveling-off depth.

Foreign intelligence is not geographically restricted. Information regarding Chinese Communists can be obtained anywhere in the world, and even if it is of a fragmentary nature, the data can be of significant value. The demand for information is heavy and is sought by every agency in the Government. Because of this, it has been necessary for the U. S. Government to map a program of collection on a priority basis. This has been done through the creation of a committee which is attached to the U. S. Intelligence Board. The committee maintains a list of priorities on a current basis. A recent list of guidelines for the collection of foreign intelligence pertaining to scientific affairs in Communist China included approximately 170 items, i.e.

In the U. S. proper, the sources of foreign intelligence are voluminous. Most of these sources overtly provide information through newspapers, scientific publications, libraries, tourists, visiting professors and students, journalists, and immigrants. The compilation, collation, analysis, and reporting of such information involves an extensive program and, needless to say, the U. S. today does not have the capability of tapping all available sources on a current basis.

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For the purpose of this paper, we are thinking about the search for knowledge considered vital for national survival. One could suggest that clandestine collection of intelligence is overemphasized and that our Government could readily protect its interests through overt collection and the employment of our best analysts and evaluators. If we take this approach, we may as well discount the importance of the Bureau's activities in the counterintelligence field, which essentially are of a clandestine nature and which have produced time and again vital intelligence. We, therefore, must move on the assumption that the clandestine collection of foreign intelligence is very definitely a most necessary element of our over-all intelligence capabilities.

In addition to the overt sources, there exists a rich potential in the U. S. among the foreign diplomatic establishments including the U. N., the officials of foreign governments, and visitors such as students, professors, and scientists. A certain amount of information from such sources can be obtained in an overt fashion, but the high quality data is normally acquired through clandestine means. This can be done through technical monitoring, development of live sources, access to records, files, et cetera. There are approximately 10,000 foreign officials in the U. S. assigned to embassies, consulates, trade missions, U. N., and other international organizations. This excludes dependents. During the fiscal year ending June 30, 1965, 38,544 foreign government officials visited the U. S.; about 1500 of these came from communist-bloc countries. During the fiscal year ending June 30, 1965, approximately 50,000 foreign students came to the U. S.; 733 of these came from the communist bloc. During the same fiscal year, there were 2,075,967 visitors from all countries. Everyone of the foregoing is a potential source of foreign intelligence. As can be readily accepted, the U. S. Government does not have a capability of assessing each and every one of these sources for foreign intelligence. We can say at this point that the FBI and CIA are just scratching the surface. It is recognized that a program designed to assess

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or attempt to recruit each potential source would be out of the question. Such a massive undertaking would not be compatible with U. S. Government foreign policy. There is no question that there must be selectivity of a judicious and prudent nature.

Since the U. S. is such a major power, Washington, D. C. is the center of diplomatic activity involving practically all foreign nations. The location of the U. N. in New York City presents us with another area of intensified activity. Most countries send their most able diplomats to the U. S. so we are confronted with hundreds of highly talented people. The day-to-day activities in diplomatic establishments, conferences, meetings, negotiations, liaison between countries, all create a tremendous reservoir of foreign intelligence potential.

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E. CURRENT CAPABILITIES OF CIA IN THE FOREIGN INTELLIGENCE COLLECTION FIELD IN THE UNITED STATES

In order that there may not be any misunderstanding regarding CIA's capabilities to collect foreign intelligence in the United States, we should first clarify that one of the components of the Agency which has offices in the United States does not engage in this particular activity. The Office of Security, which is responsible for personnel and physical security, maintains several offices in the United States under authorized Treasury Department cover. Personnel of this office conduct investigations of applicants, firms or individuals who may be utilized by CIA on a contract basis to support intelligence operations overseas.

The overt collection of intelligence by CIA is handled by the Domestic Contact Service (DCS) (formerly called Contact Division). CIA estimates that DCS has a capability of tapping approximately 15 per cent of the total potential of intelligence in the U. S. This Division has 18 field offices and 16 resident agencies in the United States, and each office is openly identified as being connected with CIA. Personnel totaling approximately 140 carry CIA credentials. The Division regularly has a number of officers from the various military services who are assigned to this Division on a temporary basis. These military officers concentrate on the collection of that foreign intelligence which relates to the immediate United States military needs. The personnel of DCS interview aliens, tourists, officials of import-export firms, students, scientists, and the information collected covers a very broad spectrum in the positive intelligence category. DCS claims to have contact with about 7200 organizations, institutions, or businesses and has approximately 60,000 contacts or sources of information. The information is reported in the form of "Information Reports," which is disseminated throughout the intelligence community. During 1965,

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DCS disseminated 26,000 such reports. DCS does not have any responsibilities in the clandestine collection of intelligence, and in that sense it is very specifically not operational. DCS definitely cannot engage in any activity of an internal security nature, and within CIA it is clearly understood that DCS is not to be operational under any circumstances. DCS has been the subject of some controversy within CIA. There is one school of thought which maintains that DCS should be an appendage of the Deputy Director of Plans, who is responsible for all clandestine operations. The other school which has prevailed holds to the line that DCS should be separate and continue under the supervision of the Deputy Director of Intelligence (DDI). This situation not only has caused headaches for CIA but also for the Bureau because of situations which arise where the "left hand does not know what the right hand is doing."

DCS is essentially carrying out CIA's responsibilities emanating from National Security Council Intelligence Directive (NSCID) No. 2 which has its roots in a similar directive issued under the National Intelligence Authority in 1946. It has been in business for approximately twenty years. Per agreement, DCS cannot interview an alien without first clearing with the Bureau. This is done on a daily basis. With regard to American citizens, Bureau approval is not required unless the Bureau has indicated a prior interest in the individual; however, DCS nevertheless submits name checks on Americans, and if it so happens that the subject of such an inquiry is a Bureau source or involved in a Bureau investigation, we are in a position to move to protect our interests. It should be noted that although DCS is engaged primarily in positive intelligence collection, it is required to be on the alert for sources who possibly might be useful to CIA's clandestine operations. For example, if DCS encounters an alien who can be utilized in an overseas operation, the lead is passed on to the appropriate division. At the present time, DCS alerts the newly created Domestic Operations Division (explained below) regarding potential sources.

Our current controls with regard to DCS are functioning efficiently. We regularly examine the

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status of this relationship, and we periodically make adjustments in order to make certain there is no "freewheeling" and to take advantage of the information which DCS gains and which is of interest to the Bureau. For example, we are currently working out arrangements where our field offices can contact the local DCS offices concerning Chinese aliens who might be of interest to us either as subjects for investigation or as potential informants. This liaison at the field level was deemed desirable so that we could get information at the "horse's mouth" rather than wait for a reply from CIA headquarters, which is often prolonged and, when transmitted, is sometimes stripped of pieces of information. This occurs because of the involved and sometimes complicated maze of bureaucratic compartmentation within CIA.

In the latter part of 1963, CIA created its Domestic Operations Division (DOD), which was to be responsible for any clandestine development of sources in the United States. Prior to the establishment of this Division, CIA activity in this field was managed from each individual area division at Washington headquarters. The pressing need for more clandestine sources, coupled with the recognition of the vast potential in the United States, prompted CIA to create a new division which would be responsible for all of the area division interests. DOD has headquarters at Washington, D. C., and currently has field offices at New York City, Boston, Chicago, San Francisco, Los Angeles, Honolulu, and Washington, D. C., proper. Approximately 40 intelligence officers are assigned to the task of engaging in assessment and/or recruitment of positive intelligence sources, primarily in the diplomatic field. Some of the personnel are assigned to the handling of firms or organizations which may be supporting certain CIA operations abroad. DOD personnel in the field operate under authorized Department of Defense cover. The heads of these field offices are known to us, and we have established a satisfactory liaison area at the field level.

DOD is also responsible for the handling of CIA agents (informants) who have been recruited abroad and who come to the United States for assignments either on a temporary basis or for the duration of a normal diplomatic assignment.

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The creation of DOD within CIA was and still is a somewhat controversial Agency subject. DCS saw DOD as an interfering element. The area desks were reluctant to have a new division to take over their agents. Some of the DOD personnel are very capable and seasoned intelligence officers. Many of them are considered of mediocre capability, and there is a frequent rumor that other CIA divisions send their misfits to DOD. From CIA's standpoint there appears to be a definite need for a much stronger team within DOD.

Theoretically, DOD is required to be on the alert for all potential sources who can be used by CIA in its intelligence operations, and the approach is basically one of a long-range nature. DOD is required to make use of all leads emanating from fellow employees who may have developed social contacts or associations with foreigners abroad or who might meet potential sources in the United States. Since CIA personnel operate under diplomatic cover when abroad, they do get the opportunity to move in diplomatic circles. Similarly, undercover agents of CIA traveling throughout the world also make contacts which offer potential exploitation if and when the target stops in the United States.

Since January, 1964, when DOD actually began moving, it has recruited approximately ten individuals in the diplomatic field. Most of these were in the noncommunist-bloc area. All of those recruited appear to have been in a fairly low-level category. All of them were career diplomats, and there was no evidence that the individuals were connected with any intelligence service.

In addition to the activities of DCS and DOD, there is a certain amount of CIA operational movements which do not fall under either of the foregoing divisions. One example is the CIA base in Miami which was set up for CIA's operations directed against the Cuban Government. This base is used for the training and dispatching of agents into Cuba and to some extent into other countries in the Caribbean, particularly the Dominican Republic. This base is directly responsible to the Western Hemisphere Division of CIA, which could be called the Latin American Division.

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CIA also becomes involved in political and psychological warfare type of programs directed against targets in foreign countries. The Agency broadly refers to this activity as "covert action." The programs are essentially designed to influence individuals, organizations or governments through various news media, and this will include the utilization of "agents of influence." This activity falls under the International Organizations Division (IOD) of CIA, which has no responsibility to collect information. IOD does use people in the United States to help implement the overseas programs. Quite often the Agency uses cutouts or covers for such an operation. Although IOD does not engage in intelligence collection, it is a CIA division which should be kept in mind, since its activities quite often will be tangent to matters of interest to the Bureau. For example, IOD becomes involved in the World Youth Festival, where its objective is to neutralize communist influence. We, of course, have had an interest in the Festival because of the participation of Americans, including members of the CPUSA. Theoretically, IOD is required to coordinate closely with other appropriate components of CIA. We do not believe that this coordination has been effective enough.

There is no doubt that there are individuals in CIA who aspire to broaden the Agency's operational activities in the United States. Such individuals would like to see an arrangement similar to one currently in force in England where MI-6 has a free hand to assess and recruit all foreigners, including diplomats, where there is no evidence that they are engaged in intelligence activity. If such evidence is obtained, MI-6 is required to coordinate with MI-5. There are people in CIA who would like to see similar machinery and in addition would want the freedom to conduct certain investigations and maybe even institute technical surveillances.

In summary, CIA so far has a very limited capability to recruit foreign diplomatic sources in the United States, but the Agency appears to have done fairly well with a relatively small staff; however, it can be anticipated that this capability will increase. CIA's effectiveness will probably be adversely affected for some time to come because of the Agency's well-known deficiencies, such as lack of discipline, loose administration, and lack of skilled and talented personnel.

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F. CURRENT CAPABILITIES OF THE FBI

1. Manpower Being Devoted

It is most difficult to give any specific figures as to how much manpower the FBI is currently devoting strictly to foreign intelligence collection, separate and apart from the Bureau's internal security and counterintelligence functions. Much of the foreign intelligence developed by the Bureau is an outgrowth of our internal security investigations and cannot be neatly separated in terms of manpower or time.

A substantial amount of our foreign intelligence activity is concentrated in two offices where most of the diplomatic establishments in the United States are located; namely, New York and Washington Field. Both offices were requested to furnish estimates as to how much manpower is being allocated to foreign intelligence matters, including both live sources developed and technical coverage. In both cases, the estimates provided were highly tentative and both offices stress that manpower commitments in this area fluctuate widely from week to week depending on international politics and other unpredictable factors. For instance, during the Cuban missile crisis of 1962, both offices greatly increased their normal manpower commitment to the development of current foreign intelligence. The present Dominican crisis which involves production of foreign intelligence to a large extent represents another "abnormal" situation.

However, for what it is worth, WFO and New York have estimated that at the present time they are allocating approximately 35 Agents and 20 clerical employees to the full time task of foreign intelligence collection. Virtually all of the clerical time and about 40 per cent of the Agent time is related to technical coverage and the balance is aimed at the development of live sources.

In addition, of course, all of the other offices, including our Legal Attaches abroad, have devoted manpower to foreign intelligence collection in varying degrees. operations conducted in different field offices have involved the assignment of as many as 10 or 12 Agents for temporary periods. In connection with its responsibilities in the Cuban and Latin-American fields, the Miami and San Juan offices have devoted considerable manpower to the development of foreign intelligence in recent years. The Chicago Office in connection with its handling of our + informant has devoted manpower to the development of foreign intelligence. These represent only a few examples.

On an overall basis and bearing in mind the difficulty in citing any precise figures, it is estimated that the Bureau probably averages approximately 50 to 75 Agents and 25 to 30 clerks assigned primarily to foreign intelligence work.

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2. Number of Microphone and Telephone Surveillances with Evaluation of Product

At present, Bureau has only one microphone surveillance in foreign intelligence field and this is in connection with a special National Security Agency project directed against coded communications. Concerning technical surveillances, we are now operating about 70 foreign intelligence installations on various diplomatic establishments in this country. The majority of these are in Washington Field and New York with scattered installations in Chicago, Miami, Pittsburgh, San Francisco and San Juan. Under current Bureau policy, we are limited to 80 foreign intelligence technical surveillances and no microphone surveillances with the exception of one on the

In addition, during recent years, we have maintained approximately 50 so-called "telex" surveillances on the teletype facilities of various foreign establishments. This has been done at the specific request of the National Security Agency, in connection with its efforts to break foreign codes and to read foreign government communications.

We have had excellent results from these technical installations. Any compilation of items of value to the U.S. Intelligence Community and policy-making officials developed through this coverage would run many hundreds of pages. The results have ranged from information regarding plans and activities of key foreign countries in the diplomatic field to information regarding intelligence, political, economic and military developments in the countries concerned. In many instances, we have been able to forewarn the White House, the State Department and other interested agencies of impending developments and to furnish data giving an insight into the thinking and strategy of key foreign officials and governments. This coverage has proved specially valuable during crisis periods such as the Cuban missile crisis of 1962 and during the tense negotiations involving the Panama Canal in 1964. On many occasions, top-ranking United States officials have commented on the effectiveness of this data. The particular importance of this information has been its timeliness to current events as well as the fact that it represents a penetration of foreign diplomatic circles which is only infrequently available through live sources.

In some instances, of course, this type coverage on a particular foreign establishment or official has not paid off. We have had cases where this technique has been unproductive for sustained periods of time on a particular country. This is to be expected and we have sought to overcome this by rotating our installations, correlating our technical operations with shifting international developments and putting coverage on those countries which appear to offer the most promise for worthwhile intelligence.

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3. Live Sources With Evaluation

At present we are making active efforts to develop live informant coverage in the diplomatic establishments of 37 non-Soviet bloc countries. This list of so-called "target countries" varies from time to time but essentially we are seeking informant coverage in countries considered critical from an intelligence standpoint such as those leaning towards the Soviet bloc or countries in which the United States has paramount political or military interests or which are otherwise of primary concern. The current list includes virtually all Latin-American countries, a number of Middle East countries, and scattered countries throughout Africa and the Far East.

Our program was initiated in the early 1950s, and we are now using some 50 sources (This number fluctuates due to transfers, resignations, etc.). In each case, we clear with State Department prior to designating any country as a "target" and we also clear with State prior to conducting interviews with employees at the "target" establishment. In a number of instances, including most Latin-American countries, State has asked us to restrict our efforts to American citizens. This, of course, is a highly limiting factor.

Over the years this live informant coverage has on many occasions produced foreign intelligence of real value. Our sources have frequently provided data regarding proposed political, diplomatic or economic action by the countries concerned, on occasion in advance of other forewarning to U.S. intelligence. They have also been able to furnish a considerable amount of information regarding the whereabouts, background and general activities of individual foreign officials of security interest, thereby saving investigative time. These sources have been especially valuable in connection with the Program and other sophisticated attacks on foreign establishments, providing us with data regarding the physical security, location of code rooms, etc., of the various foreign establishments.

In addition to so-called "target" countries which are in the non-Soviet bloc area, the Bureau has developed a number of informants and defectors-in-place in Soviet-bloc establishments who have been able to furnish a substantial amount of foreign intelligence. In the Soviet-bloc field, we have also developed a number of sources in quasi-official establishments, such as trade missions, who have produced valuable foreign intelligence. In the Soviet-bloc field, of course, our live informant development has been aimed essentially at internal security and counterintelligence needs of the Bureau.

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It is significant that we have been able to operate for many years in the development of live sources in foreign diplomatic establishments, both Soviet bloc and non-bloc, without encountering any serious incidents embarrassing to the FBI or the United States Government.

In assessing the product of such live sources in a number of instances in the non-Soviet field, State Department has requested that we restrict our efforts to American citizens. To a considerable degree, this has limited the effectiveness of our program in the non-Soviet field since U.S. employees of foreign establishments will normally not have access to top-grade data. Thus, especially in the non-Soviet bloc field we are not tapping the full potential which exists for high-level foreign intelligence. This can only be realized through the development of high quality sources.

4. *(This material, which is a peculiarly sensitive foreign intelligence operation, will be covered in a briefing to be arranged by the Counsel to the President)*

5. Double Agents and Informants

In a number of instances, Bureau double agents and informants, developed to assist us in connection with our internal security and counterintelligence responsibilities, have been able to provide significant high-level information of foreign intelligence value.

For example, in the Soviet field, we have developed a number of top-level sources such as who have provided current intelligence regarding the organizational structure, personnel, and operations of the KGB and GRU, both in the Soviet Union and abroad; a description of various technical equipment used by Soviet intelligence; data regarding current relations between the Soviet Union and Communist China; and data regarding Soviet foreign policy, political and military developments, etc. Similar information of foreign intelligence value has been developed through FBI informants, double agents and defectors-in-place operating against

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Polish, Yugoslav, Czechoslovakian and other communist-bloc countries. For instance, in the Cuban field on several occasions, FBI informants have been able to develop high-level or current intelligence regarding conditions in Cuba, and policies of the Castro regime through personal contacts with ranking Cuban officials both in the U.S. and abroad.

Through our coverage of the Communist Party, USA, and related organizations we have also frequently produced foreign intelligence, although to a lesser extent than in our operations in the foreign nationality field. One of our best sources of foreign intelligence in the domestic area is our so-called * wherein we have informants acting in a capacity between the Communist Party, USA, and foreign communist groups, including the Communist Party of the Soviet Union. We have developed information through this operation regarding the Sino-Soviet dispute, social and political conditions in various countries, both in and outside the Soviet bloc, and tactics of the international communist movement.

6. Additional Potential

As indicated in the foregoing subsections, the Bureau is currently producing a considerable volume of foreign intelligence through covert means, much of it of a significant nature. Most of this data is an outgrowth of informants, technical coverage and investigative programs targeted primarily to fulfill our internal security and counterintelligence objectives and relatively speaking, we have committed only a small percentage of our assets exclusively in the direction of foreign intelligence.

It is believed that the Bureau possesses considerable potential for the development of foreign intelligence which could be realized with a fairly modest expenditure of manpower and costs if we were to make foreign intelligence collection a primary aim. For example, with existing equipment and facilities, we could expand our technical coverage of foreign establishments to include additional 30 to 40 foreign establishments provided we could assign about 25 additional personnel to this field. With the assignment of an additional 75 to 100 Agents, we could greatly intensify our foreign intelligence collection through live informants, primarily through the development and exploitation of additional sources at foreign diplomatic establishments. We could place more stress on foreign intelligence collection in our training programs and conferences to make more effective use of our already available ass We could, for example, add specialized classes on foreign intellig collection to our In-Service schedules or designate selected Burea personnel to attend training sessions operated by other U.S. agenc regarding this subject.

* *identifies a peculiarly sensitive foreign counterintelligence operation.*

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G. AREAS OF CONFLICT, FBI - CIA

Any differences between FBI and CIA are first related to a basic problem existing in any country among the major powers, namely "How does a law enforcement agency coordinate its internal security functions with an intelligence organization which must operate as a clandestine service?" The very nature of the functions of the two organizations immediately introduces potential areas of conflict. One essentially operates overtly and the other covertly. This alone is enough to create an atmosphere fraught with controversies and confusion. Because each agency was molded differently and because responsibilities differ, there naturally will be conflicting approaches to national security objectives. For example, in the field of intelligence the Bureau is basically a counterintelligence body. CIA, to the contrary, has a much broader responsibility in intelligence, which includes collection of foreign intelligence, political and psychological warfare, inter-agency coordinating, evaluation, research, etc. Counter-intelligence within CIA is actually a relatively small component of the agency. Personnel in the two organizations is recruited under different criteria and standards. Training is likewise at variance. In a final analysis, the experienced FBI Agent and the seasoned CIA intelligence officer are not of the same mold but certainly are tailored as two entirely and distinctly different instruments. We should bear in mind that little has been done to introduce truly substantive cross-fertilization of outlook, approach and operational philosophy between the two agencies. This could be advocated from a Utopian point of view, but it also could be argued that there are distinct advantages to maintaining sound compartmentation.

Separate from the above basic and fundamental situation, the differences between FBI and CIA also relate to other factors such as:

1) FBI was first on the scene and was well established long before CIA came to life. This led to a conception in the early years that CIA was an intruder.

2) The seed of CIA was the Office of Strategic Services (OSS), an organization whose personnel, activities and free-wheeling were the sources of numerous conflicts

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with the Bureau during World War II. It was during these years that an atmosphere of mistrust and lack of confidence was created.

3) CIA was established as our first over-all, worldwide intelligence agency. The events and the maneuvering which led to this certainly did not bring with them a harmonious relationship.

4) Unfortunately, CIA grew big and grew fast, particularly because of an unsettled atomic world and developments such as the Korean War. The Agency did not jell effectively as an organization, and with this came numerous difficulties, many of which exist to this day.

5) Each organization has lacked adequate knowledge of the other's operational machinery, objectives, and "ways and means of doing things."

6) An element of rivalry actually developed over the years, and this, when not tempered with prudence and sound judgment, creates unhealthy situations.

7) A growing tendency on the part of CIA to expand its operational activities not originally contemplated in the formation of that agency.

It can be recognized that with this background it has not been an easy matter to establish a good working relationship with CIA without frequent conflicts, and sometimes agonizing negotiations. It could be suggested that the ideal situation would be to remove CIA from the U. S. with the understanding that we would assume responsibility for any and all activity in the intelligence field. As described in another section of this report, such a move would be highly infeasible for the Bureau.

It is to our credit that despite the problems of the past there have been some highly constructive developments in FBI-CIA relations, particularly as they affect activities in the U. S. Several years ago arrangements were made whereby CIA's Office of Security could conduct applicant investigations without infringing upon our jurisdiction. For several years we have been permitting CIA to interview aliens for foreign intelligence information under ground rules which have been very successful. Our liaison

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mechanism has been functioning effectively. We have frequent conferences. Bureau personnel lectures before CIA officers. Dissemination of information is excellent. The atmosphere for negotiating and discussing unusually complicated problems is very good. Personnel can work in the same area with a minimum of problems, as evidenced in the Dominican Republic. We attend USIB meetings and are actively engaged in the work of several committees attached to USIB. All of this is commendable progress and certainly beneficial to national security.

All of the foregoing was set forth in the way of background in order to better understand the current source of differences with CIA, namely the Agency's desire to assess and recruit foreign intelligence sources in the U.S. in the foreign diplomatic establishments, including United Nations, and to some extent among foreign visitors. CIA fully acknowledges our internal security and counterintelligence responsibilities. This is clear-cut and free of any debatable question; however, CIA feels that we have no legally-established responsibility in foreign intelligence collection and that somebody (in this case, CIA) should be fully exploiting the foreign intelligence potential in the United States, bearing in mind that there are approximately 10,000 foreign officials and employees in this country. CIA argues that a foreign diplomat can be recruited anywhere in the world but maintains that there is no better place than the United States for assessment, recruitment, training and orientation of an informant. CIA further maintains that if the Agency moves on a target, such as an Argentine diplomat who may be a career officer not connected with a foreign intelligence service, there should not be any conflict because the activity is in no way related to the internal security functions of the Bureau. CIA has also expressed the attitude that in the communist-bloc field CIA should be permitted to assess and recruit those individuals not connected with an intelligence or internal security service.

There are some people in CIA who are of the opinion that in the field of foreign intelligence the Bureau should be exerting more effort to actually assist CIA in spotting sources and, when needed, give CIA support in developing an individual through such means as surveillances, neighborhood investigations, etc. When CIA is permitted to

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recruit a source in the U. S., the Agency takes the position that if the source can be of help to the Bureau we should levy requirements on CIA and not ask for access to the source unless it clearly appears that only through access we can properly discharge our responsibilities. CIA takes a very strong view that once a source is developed it is basically unsound to introduce another agency into the relationship. The developing agency may have used techniques peculiar to its own organization and may have developed a relationship under varied circumstances, and when a new agency is introduced this relationship with the source could be unfavorably disturbed. CIA does not dispute the fact that informant and Agent turnovers sometimes are absolutely necessary.

CIA maintains that if the Bureau is given access to a CIA source we would be responsible for the counterintelligence aspects, but if the source produces foreign intelligence CIA should be responsible for handling this information, including the dissemination. CIA's position is that it is better qualified to evaluate the information and correlate it with the foreign intelligence being developed abroad. For example, if a Nigerian source of CIA, also available to the Bureau, furnishes information regarding the Nigerian Foreign Office, CIA claims that it can better handle the report and dissemination.

Discussions and agreements with CIA, including the actions stemming from meetings with the representatives of that agency in November 1965, have resulted in a greatly improved coordinating machinery. There still are areas of potential conflict which will necessitate improvement. They are:

1) DOD personnel receives leads or tips pertaining to possible access to Soviet-bloc diplomats. This CIA Division pursues these leads and is inclined to take the position that such individuals contacted by CIA are their "CIA-controlled sources." If we permitted this to go on over a period of time, CIA would have a vast network of sources not directly available to the Bureau. This is basically unsound, and there is no reason CIA shouldn't immediately give us the lead or tip for exploitation. We can recognize that, depending upon circumstances, it might be favorable to us and CIA for the Agency to handle a particular individual, and if so, it would be clearly

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coordinated. This would be most important if the individual in any way was connected with or associated with an intelligence service.

2) DOD is anxious to have freedom to assess and recruit Bloc diplomats not known to be engaged in intelligence activity. On the surface, this does not appear to present a problem, but realistically speaking it is impossible for us to know that a Soviet diplomat, not known to be engaged in intelligence activity one day, appears on the scene the following week as an agent or coopted agent. To give CIA wide latitude in this field could create a truly undesirable mess. We believe that if CIA is permitted to move on such targets it should be done on a selective basis and with maximum coordination.

3) CIA's organizational and operational deficiencies, such as lack of discipline, poor internal coordination, unsatisfactory records, all introduce headaches which undoubtedly will continue to exist for many years.

4) There continues to be an element of mistrust and misunderstanding between the two organizations because of the historical reasons described above.

5) Continuing lack of one agency's appreciation for the other's objectives, responsibilities and operational philosophy.

6) The absence of a clearly defined Bureau policy and objectives in the field of foreign intelligence collection. CIA really does not know the nature and the extent of our interests, and consequently this lends to confusion and misunderstanding.

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H. CURRENT AGREEMENTS BETWEEN FBI AND CIA

1. According to SAC Letter 59 dated 5/24/49, CIA and FBI had reached agreement whereby clearance would be requested of FBI before CIA conducted an interview with an alien in the U.S. This clearance would consist of a review of Bureau files concerning individual in question.

According to same SAC Letter, agreement had been reached by the FBI and CIA whereby CIA was allowed to contact American businessmen without obtaining clearance from FBI in order to obtain positive foreign intelligence information and arrange covers for CIA personnel abroad. This agreement was based strictly on collection of foreign intelligence and positively did not allow for the formulation of a network of confidential informants for CIA in the U.S.

Regarding FBI-CIA agreement that CIA would clear with us prior to interviewing aliens in U.S., following documentation has been located. By letter 2/19/48 Director of CIA Hillenkoetter wrote Director and referred to National Security Council Intelligence Directive No. 7, 2/12/48. This Directive states in part that CIA will be responsible for exploitation on highly selective basis within U.S. of business concerns, other nongovernmental organizations and individuals as sources of foreign intelligence information. Hillenkoetter commented that CIA had been interviewing foreign businessmen, immigrants and refugees on small scale, always clearing matter first with FBI office in area concerned. He asked Director's views as to possible expansion of this activity.

By letter 2/26/48 Director replied to Hillenkoetter. In part, this letter pointed out FBI had no objection to CIA interviewing individuals enumerated above for foreign intelligence purposes; however, it was suggested that prior to interview such individual matters be cleared with FBI Headquarters.

2. Bureau letter to CIA 1/16/64 confirmed results of meetings between CIA and Bureau via liaison in discussing reorganization of CIA's Domestic Operations Division (DOD). Letter recognized CIA needs (recruitment of sources in U.S. who may be used abroad; recruitment of diplomats, including UN representatives, who might be useful to CIA in overseas operations or who might be transferred to Soviet-bloc countries; training of agents recruited; handling of agents developed abroad who come to U.S. for a visit or assignment; and approaches to foreign officials and visitors to assess their potential as sources when they leave the U.S.). Our letter to CIA set forth the following ground rules to be followed in connection with CIA's operations in order to avoid operational conflicts and embarrassment:

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a. CIA would not conduct investigation of any foreign official in U.S. and if CIA felt such investigation warranted, FBI should be consulted.

b. No foreign official would be approached for recruitment by CIA without its conferring with FBI.

c. When CIA agent arrives in U.S. for visit or assignment, FBI will be advised and two agencies will confer regarding handling of agent in this country, it being recognized each case has its individual peculiarities.

d. Before approaching any foreign official or visitor for recruitment assessment, CIA will clear with FBI.

3. As result of conference with CIA in January, 1966, the above "ground rules" were modified and expanded and agreed upon by both agencies early this year (Confirmed by letter to Admiral Raborn 2/7/66). New ground rules in summary are as follows:

a. CIA will not initiate investigation of any foreign official in U.S. without concurrence of FBI. (Comment: This is essentially same as (a) in January, 1964, ground rules. Only difference is that wording of this modification implies more sympathetic FBI attitude towards any proposed CIA investigations.)

b. CIA will seek FBI concurrence before approaching for recruitment any foreign official or communist bloc visitor in U.S. FBI will concur if CIA action does not conflict with any FBI operations. (Comment: This is similar to (b) and (c) ground rules adopted in January, 1964, with two differences. First, it drops requirement that CIA clear with us before approaching a non-Soviet visitor although it must still do so with regard to non-Soviet officials. Secondly, it specifically commits the FBI to concur if proposed CIA action does not conflict with FBI operations.)

c. CIA will advise FBI prior to meetings between CIA assets and foreign officials or communist bloc visitors of interest to FBI. (Comment: This was not included in previous set of ground rules.)

d. Agents of CIA who come to U.S. will be identified to FBI by name or appropriate description depending on national security interest involved.

e. When CIA agent arrives in U.S. for a visit or assignment, FBI will be advised and two agencies will confer regarding handling of agent in U.S. It is recognized each case will have

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individual peculiarities and governing principle will be positive intelligence weighed against internal security factors. CIA may, however, continue its contractual relationship for purpose of handling training, procurement of positive foreign intelligence, (underlining added) fulfillment of CIA commitments to the agent and preparation for next assignment abroad.

f. Where CIA will be handling its agent in U.S., CIA will service FBI security or counterintelligence requirements and will provide FBI all information bearing on counterintelligence or internal security matters. Where CIA servicing is inadequate for FBI internal security interests, FBI will have direct access to agent. (Comment: Rules (d), (e) and (f) represent greatly expanded and refined version of rule (c) of January, 1964, agreement. Old ground rules provided considerable latitude with regard to who would handle CIA source in the U.S. and this has led to some disagreements with CIA. The current ground rules clearly provide for CIA to retain contact with its agents not only for training, financing, etc., but also for "procurement of positive foreign intelligence." In addition, they make it clear that the FBI should not ask for direct access unless there is a specific internal security need.)

4. In addition to the above, there is one agreement we have reached with CIA which is of possible relevance; namely, our recent agreement relative to treatment of Soviet students in the U.S. By way of background, there are a number of Soviet exchange students currently attending various U.S. universities. Each student, of course, is not only a possible Soviet intelligence agent but also a potential source for the U.S. after he returns to his homeland. Accordingly, both FBI and CIA have an interest in these students.

Per memo dated 1/14/64 we advised CIA via liaison on 1/20/64 that the Bureau would adopt following procedure relative to Soviet students here. FBI will take responsibility for collecting material regarding each student on expedite basis, furnishing results to CIA as developed. At logical point FBI will confer with CIA to decide on case-by-case basis re possible recruitment. If Bureau recruits Soviet student, we will resolve whether we should turn him over to CIA before he leaves U.S. Under this procedure, CIA will not make any inquiries (through its sources in U.S.) unless it has some unusual source in a university not available to FBI who could furnish data on the student. In latter case, we would allow CIA to obtain data and advise us.

The foregoing represent all of the major agreements we have reached to date with CIA with respect to CIA operations here in foreign intelligence field.

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I. EFFECT ON THE FBI OF FULL RESPONSIBILITY FOR COLLECTION OF FOREIGN INTELLIGENCE IN THE UNITED STATES

1. Overt Collection Activities

It is evident from the National Security Act of 1947 and the succeeding National Security Council Intelligence Directives as well as the directives of the Director of Central Intelligence that Central Intelligence Agency (CIA) is charged with major responsibilities in the overt collection of foreign intelligence in the United States. In pursuit of this, CIA exploits non-governmental organizations and individuals, foreign language publications and aliens. Although CIA claims to have contacts with about 7,200 organizations and businesses as well as about 60,000 sources of information as a result of its overt activities for this purpose, CIA estimates it is reaching only 15 per cent of the foreign intelligence information available in this country.

The question we must consider here is whether the FBI should take over the overt collection of foreign intelligence in the United States, thereby making CIA operational only in areas outside the limits of FBI's jurisdiction. In this connection, the following would have to be considered:

(a) Reporting:

The Bureau is a fact-finding agency which has traditionally gathered evidence and presented its findings without bias or conclusions. This would not change. Intelligence developed by the FBI would be evaluated by the users in the intelligence community. Our report writing format might have to be geared to the needs and established procedures of the United States intelligence community.

(b) Coordination With Other Government Agencies:

Foreign intelligence is a commodity produced for the benefit of many separate agencies of the United States Government. Because of this, if the Bureau were to have full responsibility for the overt collection of foreign intelligence in this country, we would have to greatly expand our liaison services, not only for dissemination purposes but to assure that we are kept fully informed regarding all matters dealing with intelligence priorities.

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Our role in preparation of National Intelligence Estimates would be more active as a result of our increased contribution under this program. It might be necessary to utilize the assistance of highly trained personnel of other agencies to assist us periodically on interviews dealing with complicated military or scientific matters.

(c) Manpower:

While no manpower requirements can be presently estimated should we assume full responsibility for overt foreign intelligence collection, CIA is currently using approximately employees throughout the United States to interview individuals in connection with its overt intelligence gathering activities, and is reaching what it estimates to be only 15 per cent of available foreign intelligence information. These CIA employees do not include personnel required at CIA Headquarters to correlate, evaluate and disseminate the data gathered in the field. We would want to more effectively exploit this intelligence potential.

To merely handle the necessary review of the vast number of foreign language publications would require many additional employees proficient in foreign languages and with backgrounds in scientific or technical fields.

(d) Selection and Training of Personnel:

To assume full responsibility for the overt collection of foreign intelligence in this country, would require that we vastly broaden our selection and training procedures. We would require applicants with degrees in the sciences, languages, history, government and economics. Our basic training and In-Service agenda would have to be geared to meet our new responsibilities. We would undoubtedly desire to utilize the services of outstanding lecturers from the agencies constituting our intelligence community, and in turn, we would wish to afford our personnel training at the War Colleges operated by the Department of Defense, and from time to time furnish them the opportunity of specialized training and briefings provided by the members of the U. S. Intelligence Board.

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(e) Legislation:

CIA currently has the duty to correlate and evaluate intelligence relating to the national security and to provide for appropriate dissemination of such intelligence within the Government. This is set out in Title 50, USC, Section 403. The overt collection of foreign intelligence is not the subject of legislation but rather of National Security Council Intelligence Directives which would have to be revised in order to give the Bureau this authority now lodged with CIA.

(f) Organizational Changes:

To carry out a program committing the Bureau to the full responsibility for the overt collecting of foreign intelligence in this country would necessitate a substantial increase to the headquarters staffs of the Domestic Intelligence Division and the Laboratory Divison, as well to the personnel assigned to the New York and Washington Field Offices where diplomatic establishments and international organizations are mainly located. In all probability the creation of a new division at the Seat of Government devoted entirely to overt collection responsibilities, would be required.

(g) Observations:

The many responsibilities that would be ours under a program making the Bureau accountable for the overt collection of all foreign intelligence in this country would (1) require an enormous increase in our own personnel, trained in many specialized fields, or (2) the delegation of varied intelligence functions to other governmental agencies and close supervision of such agencies to insure efficient execution of the tasks levied upon them. These overt collection responsibilities would undoubtedly be subject to the scrutiny of many sources, some of them hostile, and we would have to face the charges, unjust though they might be, that the Bureau had ceased to perform the duties for which it was originally created and had developed into a gigantic bureaucratic octopus.

2. Clandestine Gathering Activities

There are no statutory provisions for the clandestine gathering of foreign intelligence in the United States. We have in the past produced substantial foreign intelligence while carrying out our present responsibilities.

CIA established its Domestic Operations Division (DOD) in 1963 and began to clandestinely gather foreign intelligence in this country. It now has field offices with approximately

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intelligence officers assigned to these matters. It is anticipated that DOD's efforts will become more extensive.

CIA estimates there are approximately 10,000 employees and dependents assigned to the diplomatic establishments and international organizations represented in this country by approximately 120 foreign nations. It can readily be seen that we would have to establish priorities and well-defined objectives in order to cope effectively with the problem presented by the vast number of persons and establishments which could be considered for clandestine coverage.

Today there are approximately 40 nations in addition to the Soviet-bloc countries, whose establishments in this country we consider "target" countries for the purpose of developing live sources therein. In the absence of more precise criteria, our initial efforts in a program designed to expand our clandestine gathering of foreign intelligence, could be directed against these "target" nations.

(a) Objectives:

Under a program confined to the clandestine gathering of foreign intelligence in this country, and consistent with the intelligence needs of this Government, we would have as our objectives:

(1) Increasing substantially the number of live sources of high quality in diplomatic establishments, trade missions, consular offices or international organizations located within the United States;

(2) Expanding our present technical and microphone coverage in such establishments.

(This material, which is a peculiarly sensitive foreign intelligence operation, will be covered in a briefing to be arranged by the Counsel to the President.)

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(b) Observations:

While a program limited to the clandestine gathering of foreign intelligence would require a substantial increase in manpower, both in the field and at the Bureau's headquarters, as well as an expansion of our personnel selection and training procedures, our liaison responsibilities and our filing and data processing facilities, however; in none of these phases would the increase be nearly as great as that which would be required should we assume full responsibility for the overt gathering of such foreign intelligence.

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J. GENERAL FINDINGS

The study conducted by the Committee has produced the following significant findings:

(1) There definitely is a vast potential for collection of foreign intelligence in the U. S. available through overt and clandestine channels. Even with the available capabilities of existing agencies, there is a large reservoir of untapped sources.

(2) CIA has been authorized by statute and implementing directives to collect foreign intelligence in the U. S. through overt methods and has been involved in such collection since the establishment of the Agency. This includes review of foreign language press and interviews with selected individuals such as American businessmen, aliens, and students. In addition, CIA has established an elaborate system of processing, storing, evaluating, and disseminating this information.

(3) Such overt collection by CIA does not present any threat or infringement on FBI jurisdiction or operations. The present Bureau controls for such CIA activity are satisfactory.

(4) We concluded that it would be highly undesirable for the Bureau to become responsible for overt collection of foreign intelligence in the U. S. The necessary reorganization, expansion of facilities and manpower, and heavy task of information collection and processing could place a damaging burden on the Bureau.

(5) There has never been any statutory or similar provision for the clandestine development by CIA of foreign intelligence in the United States. There are instances where the FBI has received specific assignments which encompassed foreign intelligence collection in the United States (SIS operations covering entire Western Hemisphere in World War II; present operations concerning Dominican Republic). There is no statute or directive which assigns or confirms exclusive FBI jurisdiction in clandestine development

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of foreign intelligence in the United States. As a result of our internal security and counterintelligence responsibilities, we have produced a volume of foreign intelligence covertly. In addition, either at the specific request of other U. S. agencies or on our own initiative in response to national intelligence needs, we have produced such intelligence. We have done this on a selective basis and have not assumed full responsibility in this area. As indicative of this, certain agreements have been made with CIA permitting that Agency to assess and recruit after coordination with the FBI covert foreign intelligence sources in the United States (principally for use abroad). We have reserved the right to take over such sources if internal security factors are paramount. In the absence of such factors, CIA is permitted to utilize these sources for foreign intelligence purposes.

(6) We concluded that the expanded development of clandestine foreign intelligence sources is essential if national security interests are to be effectively served.

(7) Exploitation of foreign diplomatic targets fortifies our efforts in the internal security and counterintelligence fields. Information developed increases over-all knowledge and produces leads or ties to intelligence activity being carried out by foreign intelligence and security services.

(8) The U. S. intelligence community currently does not provide an organization or a mechanism which can effectively exploit the intelligence potential in the foreign diplomatic field. There have been expressions of concern and certain limited action taken by FBI and CIA, but there has not been a well-organized or united effort and most important of all, there has been a decided lack of leadership directed toward attacking the problem and at the same time inducing an atmosphere of harmonious application of all available resources.

(9) We concluded there is an excellent opportunity for the Bureau to assume leadership in this matter and in so doing, enhance national security and

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the capabilities of the Bureau. The time has arrived for us to adopt and implement a new concept toward foreign intelligence collection. It would be unwise if the Bureau did not move into a leading role and instead applied policy and tactics conforming with a "holding action." This, in our opinion, is not consistent with the reputation of a progressive and forward looking organization.

(10) The Bureau does have talent and capability to assume a more active role in clandestine collection of foreign intelligence. We have the potential to handle clandestine collection of foreign intelligence in the U. S. in a more effective manner than any other agency. This can be done in a constructive and prudent manner.

(11) It is recognized that a new approach by the Bureau will involve operational risks. If one is to progress, he must take risks. We feel that we have the capability to succeed with a minimum of losses or debits.

(12) We feel that if we do not adopt a new role characterized with an aggressive approach, a door is left open for other agencies such as CIA to progressively introduce programs designed to fill the vacuum. CIA currently does not have the capability to inject a rapid "take-over" of operational areas. We do feel that such would be accelerated not by CIA's strength, but by our weaknesses.

(13) CIA is progressively expanding its objectives and capabilities to conduct clandestine intelligence operations in the U. S. This presents a potential for areas of conflict between CIA and FBI.

(14) We definitely must define our role in the field of clandestine foreign intelligence collection so that policy and objectives are clear-cut. Not only our own personnel but other agencies including CIA should know exactly where we stand.

(15) CIA can be permitted to develop clandestine sources of foreign intelligence under the

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established ground rules which do protect Bureau interests. A new approach being recommended would heavily deter CIA from extensive development of clandestine sources and would really leave the Agency in a minor or subordinate role.

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K. RECOMMENDED PLAN OF ACTION

A penetrative and objective study of the Bureau's position has led us to conclude that the Bureau should play a much more active and influential role in the clandestine collection of positive intelligence in the United States. We are recommending the implementation of a plan which will lead to a valuable contribution to our national security effort and concurrently will improve our internal security capabilities. This plan presents a concept of an FBI as an Agency primarily responsible for internal security, but supplementing its coverage with a substantially expanded capability in the clandestine collection of positive intelligence. We believe that we have the capability of developing this new look knowing that at the same time we can institute a badly needed leadership to eliminate a gap in the acquirement of high-quality intelligence in the United States. The main features of this plan are:

1) Establishment of a list of foreign diplomatic targets consistent with the needs of the Government.

2) Expansion of our technical surveillance capabilities with emphasis on misurs.

3) Expansion of live sources characterized with selectivity and high-quality value.

4) The FBI assuming a role of leadership in the clandestine exploitation of positive intelligence in the U. S., and in so doing making maximum use of the talent and capabilities of other appropriate U. S. Agencies.

Authorization

The plan would be implemented under proper executive authorization (Presidential) and furthermore would be coordinated with the United States Intelligence Board (USIB). A letter from the President authorizing the Bureau to expand its capabilities in clandestine positive intelligence collection, consistent with the needs of the government, would suffice. In order to avoid any misunderstanding or confusion within the intelligence community, USIB would be apprised of the Presidential authorization. The letter from the President would not require any details regarding the nature and the scope of the action to be taken by the Bureau but could be

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expressed in general terms. This same authorization could be further defined by the President's Foreign Intelligence Advisory Board.

It is realized that it would be necessary to discuss this plan with the President so that he fully understood the purpose, scope and the controlling features. With his approval, the plan could also be discussed with the Foreign Intelligence Advisory Board.

Selection of Targets

Priority on targets can be established by application of the following criteria:

1) Review of requests or requirements levied on us by the President and U. S. Intelligence Agencies.

2) Review of priority listed by the USIB. (This is done on a regular basis.)

3) Our own analysis and evaluation of international political developments. This primarily will be done at SOG, but we should be so organized that the field would be free to submit recommendations.

As of March, 1966, the following could be set forth as a tentative list of priority targets in the United States:

1) USSR

a. Indications of significant changes in Soviet policies, particularly with respect to relations with the West and with Communist China.

b. Background information illuminating the decisions of the 23rd Party Congress, especially indications of policy disputes or political rivalries; repercussions in other Communist parties.

c. Developments in Soviet space programs in the wake of Luna 9.

2) Vietnam/Laos/Cambodia

a. Chinese Communist, Soviet and North Vietnamese capabilities, intentions, and actions with respect to Vietnam/Laos and to US activities in the area.

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b. Indications of Soviet deployment of surface-to-surface missiles to North Vietnam.

c. Changes in the attitudes and policies of influential South Vietnamese, especially Buddhist leaders, toward the war effort or the US.

d. Indications of a major change in Viet Cong/PAVN and Pathet Lao military capabilities and tactics.

e. Information pertaining to the location, size, and types of Chinese troop units in Indochina.

f. Evidence of Viet Cong/PAVN/Chinese Communist use of Cambodia as a sanctuary, operating base, or source of supply; Cambodian Government attitudes toward such uses.

3) Communist China

a. Military, logistic, transportation, and economic information bearing on Communist China's capability to fight a war in Southeast Asia and indications of Chinese intentions respecting direct involvement in this area.

b. Movements of Chinese submarines out of their normal bases or operating areas, particularly toward the South China Sea and the Gulf of Tonkin.

c. Increased air defense capability, particularly production and deployment of advanced fighter/interceptor aircraft.

d. Military activities in other border areas.

4) France

a. French foreign policy, especially concerning NATO, the USSR, the war in Vietnam/Laos and estrangement or competition with the US.

5) The Dominican Republic

a. The character, strength, influence and potential of the contending parties and factions; their capabilities and intentions to conduct coups or insurrectionist activities; their attitudes toward the June elections; capabilities of the Provisional Government to maintain control.

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6) India-Pakistan

a. Developments in Indo-Pakistani relations and attitudes toward the US, the USSR and Communist China.

7) Latin America

a. Evidence of increased external Communist assistance to insurgency movements in Latin America in the wake of the January conferences in Havana.

8) Indonesia and Malaysia/Singapore

a. Political aims of the Indonesian military; Sukarno's health and political intentions and capabilities; moves to rebuild a Communist party.

b. Indonesian intentions to continue or reduce the conflict with Malaysia.

c. Changes in Soviet or Chinese policy toward Indonesia resulting from the current internal conflict.

9) Thailand and Burma

a. Communist subversive activity and external support; government capabilities to oppose subversion.

10) Africa

a. African and Communist support to Southern Rhodesian black nationalists; nationalist capabilities to act against the Smith regime; white opposition to the Smith regime; South African and Portuguese assistance to the Smith regime.

b. Effect of recent coups on the stability of other African states.

11) Yemen

a. Evidence of intentions and actions of the UAR and Saudi Arabia with respect to the Yemeni situation.

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Technical Surveillance of Targets

Coverage in this field will be divided into the following categories:

1) Technical Surveillances
2) Microphone Surveillances
3) More sophisticated electronic monitoring, i.e. code machines.

At the present time we are handling a very limited number of installations. With existing capabilities, we could virtually double our present technical coverage. Once we have established reasonable priority listing, it is believed we should systematically expand our operations. In this connection, the following should be borne in mind:

1) Heavy emphasis should be placed on microphone surveillances.

2) Today we are placing greater stress on coverage of official establishments. The new program asks for an expansion of coverage on individuals and/or residences of individuals. Here again selectivity will be a dominating characteristic.

3) The program should be so flexible that we would be able to deactivate any installation for security reasons or for non-productivity and whenever possible employ techniques which would permit easy reactivation.

4) Except for current intelligence requiring immediate dissemination, the product should be handled as communications intelligence and dissemination would be subjected to well-established Comint controls of the National Security Agency (NSA) plus any additional restrictions the Bureau felt should be imposed.

5) The product would be transmitted to NSA by us for dissemination within the intelligence community. NSA would be responsible for handling any needed translation. We must recognize that the program will produce voluminous information and the responsibility for processing the data should be fixed with an agency which is organized and equipped to handle the job. It is believed that if the Bureau assumed this responsibility we would be burdened with a gigantic task of information processing to the point that this element would adversely affect other phases of the program.

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6) If the information collected by us suggested a potential for the development of an operation, i.e. double agent, the Bureau could assume complete control of this operation including the dissemination of the information.

7) Our involvement in the "sophisticated" category should be increased by expanded research and development bearing in mind we should be utilizing the most productive equipment available. The importance of this field cannot be exaggerated in light of the rapid developments in the scientific world.

Technical Surveillance Controls

Under this plan we could furnish the President and the Attorney General a listing of technical surveillance targets and do so on a periodic basis. This could even include an annual evaluation of the program.

[redacted]

(This material, which is a peculiarly sensitive foreign intelligence operation, will be covered in a briefing to be arranged by the Counsel to the President)

Live Sources

The category of "live sources" when broadly interpreted includes every individual from the casual contact to the controlled informant who is delivering high quality information at an obvious risk. At the present time, our sources in diplomatic establishments are for the most part American citizens. This situation is largely due to an undesirable arrangement where we must first obtain clearance from the State Department before we proceed to recruit any employee or officials of a diplomatic establishment. This places State in the "driver's seat" and that Department, therefore, is practically controlling our efforts. We feel that such an arrangement is certainly not conducive to

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producing the best results. In our opinion this can be removed by the President's advising the Secretary of State that the FBI is being authorized to develop penetrations in foreign diplomatic establishments without obtaining clearances from State. It would be understood that the Bureau would proceed in a discreet and secure manner. Periodic contact with the Secretary of State or other top State officials to discuss general developments and any potential problems will provide a mechanism for healthy coordination with State. We recognize that a source can turn "sour" and, therefore, there is the danger of potential embarrassment. However, it should be noted that our record in this regard has been outstanding over the years.

Any efficient investigative agency needs sources of all categories and we are no exception. Therefore, we should continue our present program of general source development, and this would include contacts who can produce information on an occasional basis or who might be in a position to be of assistance in a particular investigation. In diplomatic establishments the reception clerk, chauffeur, the maid, can always be of assistance.

However, the primary emphasis of this new program would be directed toward high quality sources, such as:

1) Code clerks
2) Officials who have access to files, records, or communications
3) Officials or employees who are in a position to penetrate communist-bloc circles or establishments
4) Members of foreign intelligence and security services.

Our existing programs of seeking penetrations in communist-bloc installations naturally must continue but will require an increased effort toward production of information relating to personality data, and this should be done on a larger number of individual targets. We realize that Bloc personnel does live in a fairly insulated world, and elementary investigative techniques do not produce voluminous and highly significant data. It is therefore believed that our techniques should become more sophisticated through additional coverage on the residences of individuals

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Such efforts naturally fall in line with our internal security responsibilities, but the coverage may also provide leads for development of sources in the positive intelligence field. Every Soviet is not a member of KGB or GRU, but he nevertheless could offer information of value, and he could be most useful on a long-range basis. Our program very definitely should have this philosophy in mind, and it is an element which must be impressed upon our personnel in our training programs. In this regard, we must recognize that at some point it may become necessary to turn over recruited sources to another agency such as CIA or one of the military services. Such turnover will, of course, depend on the circumstances. The guiding principle should be the preservation of the source under the best security.

In the non-communist bloc field we would concentrate on development of high-quality sources to meet the priority needs of the Government.

Training of Personnel

At the present time, our personnel are not properly oriented to effectively engage in a program as recommended. To accommodate to a new approach, it will be necessary to:

1) Include in our training classes lectures which will cover a more detailed picture of U. S. intelligence, its history, definition of terms, functions of intelligence agencies.

2) Include lectures regarding the foreign intelligence needs of the U. S. Government.

3) Use outstanding officials of other agencies to lecture on special intelligence matters. This would include the critical areas throughout the world.

4) Disseminate a bulletin to the field on a regular basis to emphasize foreign intelligence needs as they relate to our capabilities.

5) Institute a special In-Service class (once or twice per year) which will concentrate on foreign intelligence. This will be designed to develop the leaders or the specialists in the field.

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6) Arrange for attendance of selected Bureau personnel to schools of other agencies such as State Department, CIA, and the military services.

7) Arrange for attendance of selected personnel at War Colleges.

8) Expand the training of Agents in the handling of technical surveillance installations.

Reporting Procedures

This program will not require any basic departure from our present reporting procedures. The Bureau should not become involved in evaluating, estimating, etc. We should endeavor to adhere to our traditional position of reporting the facts as collected. We may wish to give consideration to adding one feature to our regular reporting on individuals. This could be an annex for "Personality Data." The objective would be to maintain an up-to-date book on everything collected relating to the subject's character, habits, family life, interests, weaknesses, etc.

Language Capabilities

An expanded program for collection of foreign intelligence would require increased capability to handle foreign languages. As explained above, the material collected through technical surveillances should be handled as communications intelligence, and the major translating responsibility would, therefore, be placed on NSA.

We do, however, recognize that it is necessary to maintain a strong foreign language capability in the field wherever it may be useful to develop live sources. In offices such as New York City and Washington, D. C., we should expand the number of Agents who are fluent in French, Russian, Polish, Czech, German, Chinese, and Spanish. An office which is well equipped with a capability in the foregoing is generally able to handle most situations which arise.

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Relations with Other Agencies

If this program is adopted, other intelligence agencies would be officially apprised of the Presidential authority granted to the FBI to collect foreign intelligence in the United States. Other agencies would be informed regarding the nature and the extent of the authority being delegated to the Bureau. It would be necessary to make clear that the Bureau was not assuming responsibility for the clandestine collection of all foreign intelligence in the United States, but we were taking a constructive step in an effort to increase the production of foreign intelligence through assets available to us. We would clearly point out that the FBI was not taking this approach as a solution to all of the problems relating to foreign intelligence collection in this country. We would emphasize that we would move against targets in line with established priorities and that we would do so on a selective basis. We would have it understood that operational activities would be properly coordinated wherever it was obviously necessary.

With regard to the handling of the product of technical surveillances, it would be necessary to effect a working agreement with NSA. To do this we might be obliged to discuss this at the USIB level so that NSA could obtain the required authority to support the hiring of additional personnel and purchase of equipment for the processing of our product. Our arrangement with NSA would include ground rules for processing, translation, and classification and dissemination.

Since any announcement that we were in the foreign intelligence field would prompt unusual interest and very likely queries, we should brief CIA regarding the objectives of our program. Our plan will not abrogate the existing ground rules which permit CIA to assess and recruit positive intelligence sources in this country under certain conditions. Since both Agencies will have foreign intelligence sources in the U.S., we undoubtedly will find it useful to work out an agreement whereby one Agency knows that the other has coverage in a particular area or establishment. We already receive the identities of CIA sources. It would not be necessary for us to identify our sources, but we could indicate to CIA that we had an asset in a particular area.

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This would permit CIA to levy requirements on us. For example, if we recruited the Third Secretary of the French Embassy, CIA might wish to ask any number of questions dealing with the French political situation. If we felt that the request was reasonable, we could handle this through our source.

It will be noted that the program does not preclude CIA from development of foreign intelligence sources in the U. S. for fulfillment of CIA responsibilities. CIA will continue to operate under existing ground rules which are designed to protect Bureau interests.

We believe that if the program is implemented and jells we will be in a position to "spot" sources required by CIA and other agencies to discharge their responsibilities. This would apply to cases where the target was in the U. S. for a visit or if he had some specialized knowledge not related to our internal security responsibilities. These would be targets which other agencies could handle without interfering with our operations and without making us carry a load for another agency. This particular concept should include a Bureau attitude that any and every source handled by another agency in the U. S. potentially ca.. be useful to us. We should have an outlook that all sources should be exploited to the fullest extent and under secure conditions. If another agency has a capability to open a door we should take advantage of the situation.

In those instances where CIA has a source in the United States, we should prod that agency to seek information of interest to the Bureau, and where obviously necessary we should arrange access to the CIA source. The important feature of this new concept is that we assume the role of projecting initiative, leadership and aggressiveness. Our position should be such that we push the other agencies to use their resources even to the point of healthy irritation.

We have looked at CIA as the "other agency" in this picture, but we should not neglect the potential of agencies such as ACSI, Air Force, ONI and State. All of them have entree to diplomatic circles. The day-to-day contacts which officials of these agencies have with personnel of foreign governments produce many "pieces" of personality data which, when added up over a period of time,

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can prove to be extremely useful. We should confer with these agencies regarding ways and means of recruiting sources either to be handled by us jointly or by one of the intelligence agencies. Here again, the Bureau can be the dominant and pushing source.

It is believed that if we moved along the lines described above, the Bureau, over a period of time, would have collected valuable information regarding numerous personalities and the inner workings of the many diplomatic establishments. The acquirement of data of this type creates operational strength. It places us in a position to exploit the development of new sources, bearing in mind that in planning our approaches we will be equipped with ammunition not gained through casual surveillances and observations. With the knowledge that we gain, we can plan high quality operations. It is interesting to note that during the past two years the information received from CIA's sources in the United States has been fairly voluminous and very definitely valuable. It is a good illustration of the Bureau's gaining useful data from another agency with a minimum of Bureau expense and effort, but still maintaining very effective control of our jurisdictional rights.

Undoubtedly related to the utilization of other agencies' resources is the considerably vast potential offered by friendly foreign security services. If the services of Great Britain, Germany, France, Holland, Italy, Australia and Canada provided us information collected in Washington, D. C. and New York resulting from contacts with communist-bloc officials, we would have another valuable source of information. We should bear in mind that we do spend hundreds and thousands of man-hours seeking such information through other difficult channels.

We should utilize the friendly liaison services along the lines described above.

Administrative Reorganization

The present administrative framework at the Seat of Government and in the field would not be adequate to implement the recommended program. Placing the additional load on our existing supervisory structure is, of course,

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out of the question. We definitely would require an increase in supervisory personnel in the Domestic Intelligence Division. In addition, there would be a need for more manpower in our Laboratory to handle expansion in the technical surveillance field. There would be a need for additional personnel to be assigned for the development of live sources in the field. It would be necessary to have field personnel assigned to technical surveillance installations on a continued basis and, of course, there would be a need for support related to such activities as preliminary security surveys.

It is outside the scope of this Committee's competency to outline any specific administrative reorganization and propose what personnel, equipment and facilities would be needed. We feel that this could be best handled only after the objectives of the program are approved. At that point, officials from the Seat of Government and the field could meet to map out the necessary reorganization. The extent of reorganization will hinge on our decision as to the pace we should set. We recommend that we proceed at a steady, even pace, making certain that we lay solid groundwork for all of our activity. We should refrain from becoming involved in a "crash" program unless national security interests obviously warrant such an approach.

In connection with any planning for reorganization, it would be unwise to proceed without first obtaining a reliable inventory of our current resources. Such an inventory would encompass the following: (1) The number of Agents currently assigned to strictly positive intelligence collection; (2) Our foreign language capabilities; (3) Our current sources and informants with an objective assessment of capabilities; (4) Number of supervisors at the Seat of Government currently handling positive intelligence matters.

In connection with any plans for reorganization, we should not neglect to give consideration to the problems which we will encounter as time goes on in the areas of information storage and retrieval. We, therefore, should realize that it would be unwise to exclude research or study regarding the computerizing of information.

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L. ALTERNATIVES

In addition to the recommended plan set forth in preceeding sections, there are several alternative courses of action we might take:

1. We could take the position, and seek ways to implement it, that the entire field of foreign intelligence collection in the U. S., both overt and covert, should be handled by the FBI. Such an across-the-board approach would exclude CIA and other U. S. agencies from foreign intelligence collection in this country and would place exclusive responsibility and jurisdiction in this field on the FBI. As indicated in Section I, this would require a revamping of existing legislation and directives and would necessitate drastic changes in the Bureau's operations, including major increases in personnel and costs and a substantial expansion in our recruitment and training programs, and other reorganization. We do not feel this approach is warranted nor do we believe it would be a practical and sound one.

2. We could recommend that CIA continue to be responsible for overt collection of foreign intelligence in this country but that the FBI exclusively handle covert foreign intelligence collection. This has several obvious drawbacks. First, we would be assuming a wide range of heavy and fixed responsibilities which in many cases would be completely divorced from the Bureau's internal security and counterintelligence interests. Second, we would become to a large extent a service group for other U. S. agencies and departments (including CIA, State, the military and others) in the handling of a host of foreign intelligence requirements levied by other agencies. This would involve a considerable commitment of manpower, communication costs, etc. on the part of the Bureau. In addition, such an approach would necessitate significant changes in our recruitment and training procedures and would also place on our shoulders a definite accountability in connection with any failures in U. S. intelligence foreign collection. It is not believed that this approach is as sound or desirable as our recommended plan of action: namely, that we expand our foreign intelligence collection efforts but on a selective basis and without our assuming full responsibility.

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3. We could endeavor to work out a division of responsibility and work in this area whereby the Bureau and CIA would each have certain primary areas of operation. For example, the FBI could make known its willingness to contribute more heavily in support of U. S. foreign intelligence collection efforts and propose this field be broken into two categories; namely, technical coverage (this would include and live informant development among foreign diplomats. We could propose that the FBI continue to operate exclusively in the first category (technical coverage) with CIA continuing to stay entirely out of this field.

In this regard, the Bureau is better equipped than CIA to handle technical surveillances and operations by reason of our long experience and expertise in this area.

With regard to the second category (live sources) we could propose that CIA conduct no operations involving countries where the Bureau's counterintelligence interests are paramount or significant. This would include the Sino-Soviet-bloc countries and could also include certain other countries, such as the Dominican Republic, where we have already developed strong capabilities or where there are unique factors.

With regard to other countries (non-Bloc), we could propose that CIA should assume primary responsibility for developing live diplomatic sources. However, this would be with the clear proviso that, in the event the FBI should develop significant internal security interests, we would have the prerogative of levying requirements on CIA sources, having direct access to CIA sources when needed, or as a final step, developing our own sources if CIA could not satisify our needs.

This alternative plan would not involve as much manpower or other expense to the Bureau as our recommended plan. However, it would involve our approval of CIA operations in the live informant field and would risk CIA infringing on FBI interests. It is our consensus that this approach not be adopted.

4. We could recommend that the FBI could withdraw entirely from the field of covert foreign intelligence collection allowing CIA to handle all aspects, including and both live and technical coverage. We are strongly opposed to such an approach on the grounds that it would drastically diminish the FBI's role in the intelligence community, would give CIA carte blanche to operate in the U. S., and in many instances would certainly result in CIAs compromising on internal security and counterintelligence operations.

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5. Finally, we could take no action to change the current situation and, in effect, adopt a "status quo" approach. We are opposed to this. As indicated in this study, U. S. Government needs for foreign intelligence are growing on an almost daily basis and CIA has made definite efforts to move more actively into this field. If we were to adopt a "status quo" attitude, it is only a question of time until this matter comes to a head; for example, in the U. S. Intelligence Board or the President's Foreign Intelligence Advisory Board. If and when this occurs, the decision as to the FBI's role would, of course, be subject to the thinking and aims of people outside the FBI, possibly including individuals who are not sympathetic to our views. We would not be in a position to maintain control of developments.

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April 29, 1966

THE ROLE OF THE FBI IN CLANDESTINE FOREIGN

INTELLIGENCE COLLECTION IN THE UNITED STATES

or

Papich Report

CIA

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A. PURPOSE AND SCOPE

The purpose of this study is to define a new role for the Bureau in the field of clandestine collection of foreign intelligence in the U. S. This action is necessary and most timely because of our Government's vital need for increased foreign intelligence and because of CIA's expanding interests in the United States. There is a decided need for a new Bureau concept, the implementation of which could greatly increase our effectiveness and could deter CIA from becoming a threat to our operational interests.

The study encompasses a review of history as it relates to foreign intelligence collection in the U. S. Analysis is made of the need and the potential for such intelligence; the capabilities of the Bureau and CIA in this field; and the responsibilities of over-all (overt and covert) collection of foreign intelligence in the U. S. We have submitted our general findings, and we recommend a plan of action for a new Bureau role.

This study was not designed to eliminate once and for all the many problems relating to collection of foreign intelligence in the U. S. It would have been a Utopian objective to recommend a plan which would produce maximum intelligence collection, remove existing defects within the U. S. intelligence community, and establish complete harmony among interested agencies. We did not go that far. Careful and exhaustive analysis dictated that we endeavor to reach a reasonable goal consistent with prudent planning and sound operational implementation. We feel that the recommended plan meets such guidelines, that it is a decidedly major step forward for the Bureau, and it strongly conforms with the national security needs.

It should be noted that this document does not deal with our law enforcement or internal security functions, although it is fully recognized that internal security and clandestine collection of foreign intelligence are closely linked. Any plan on our part to produce foreign intelligence will affect our capabilities in the field of counterintelligence.

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B. INTELLIGENCE TERMINOLOGY

People who do not speak and understand a common language have difficulty in communicating their ideas. Even in a country such as ours where English is the common language, words take on different meanings in different geographical locales and in different social, political, and economic environments. Likewise, in professional fields, varying backgrounds and experiences have conveyed different meanings to terms in the professional vocabulary.

In the field of security, intelligence, and counter-intelligence operations, certain professional terminology has developed ostensibly to assist in the exchange of ideas by persons in this field. However, as progress is made in a field or a special segment of the field, new horizons develop which require additional terminology or cause an evolution in existing terminology. This development or evolution in security and intelligence terminology, coupled with individualistic usage, brings further problems in meaning which we also face in the broader aspects of the English language. We have all noted that our dictionaries do not always provide a single meaning and we must be careful in daily conversation that we are not misunderstood when merely using a conversational vocabulary. We face a similar problem in the use of professional terminology in security and intelligence matters as this terminology takes on new meaning with additional experience and takes on varying meanings to different persons.

An additional factor to consider in understanding the meaning of terminology is the context in which a term is used. For example, the term "intelligence" may be vague and confusing without the knowledge of the context in which it is used. It can, as a generic term, pertain to the whole field of activities undertaken by a government in the collection of information, the protection of its institutions, and the conduct of nonattributable activities to facilitate the formation and implementation of government policy. Also, it can relate to the organization devoted to the collection and production of information necessary to the government. In addition, it may pertain to the whole body of theory and practice on the basis of which an intelligence organization operates. Finally, the word "intelligence" may be utilized to mean any part or all of the above.

The following definitions do not include all possible meanings that have been utilized but, instead, are designed to assist the reader in digesting this study.

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BASIC INTELLIGENCE is that factual intelligence which results from the collation of encyclopedia information of a fundamental and more or less permanent nature and which, as a result of evaluation and interpretation, is determined to be the best available.

BIOGRAPHIC INTELLIGENCE is intelligence concerning individuals.

CLANDESTINE COLLECTION A coordinated complex of collection activities designed to accomplish an intelligence, counter-intelligence, or other similar purpose, sponsored and conducted by a governmental department or agency, or jointly by two or more such entities, in such a way as to assure secrecy or concealment.

COMBAT INTELLIGENCE is military intelligence for use in combat situations. This is commonly referred to as tactical.

COUNTERESPIONAGE is identifying, penetrating, manipulating or repressing inimical espionage organizations.

COUNTERINTELLIGENCE is defined as that intelligence activity, with its resultant product, which is devoted to destroying the effectiveness of inimical foreign intelligence activities and which is undertaken to protect the security of the nation, and its personnel, information, and installations against espionage, sabotage, and subversion. Counterintelligence includes the process of procuring, developing, recording, and disseminating information concerning hostile clandestine activity and of penetrating, manipulating, or repressing individuals, groups, or organizations conducting or capable of conducting such activity.

CURRENT INTELLIGENCE is that intelligence of all types and forms of immediate interest which is usually disseminated without the delays incident to complete evaluation or interpretation.

DEPARTMENTAL INTELLIGENCE is that intelligence which any department or agency requires to execute its own mission.

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DOMESTIC INTELLIGENCE concerns information and investigation of espionage, counterespionage, etc., which pertains to the internal security of the U.S. and, therefore, is in subject matter pertinent to the internal affairs of the U.S.

ECONOMIC INTELLIGENCE concerns the potentialities, utilization, and vulnerabilities of a nation's natural and human resources.

ESPIONAGE is defined as that intelligence activity which is directed toward the acquisition of information through clandestine operations.

FOREIGN INTELLIGENCE pertains to foreign affairs and subject matters pertinent to foreign countries. The word "foreign" as used here denotes the target of the intelligence and is distinct from the geographic location of the source providing the information. For example, refugees, defectors, and immigrants from target countries (such as the Soviet Union) have the potential for supplying intelligence regarding their countries to United States authorities. Although physically located in the United States, they are potential foreign intelligence sources.

GEOGRAPHIC INTELLIGENCE concerns the meterology, hydrography, topography, and basic natural resources of an area.

INTELLIGENCE is the product derived from information collected for the formulation and execution of Government policy and for safeguarding the national welfare.

INTELLIGENCE INFORMATION is information collected for intelligence purposes that has not been evaluated by comparison with the existing body of knowledge on the subject reported on; the raw material of intelligence.

INTERDEPARTMENTAL INTELLIGENCE is integrated departmental intelligence which is required by departments and agencies of the Government for the execution of their missions, but which transcends the exclusive competence of a single department or agency to produce.

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INTERNAL SECURITY relates to the defense and protection within the United States and its territories and possessions of the people, the government, the institutions, and the installations of critical importance from all hostile or destructive action.

INVESTIGATION means systematic and direct inquiries or procedures (such as physical or technical surveillances or neighborhood inquiries) aiming at developing information concerning an individual's activities or background; investigation does not include the acceptance or the development of information through social contacts or contacts normally made by CIA agents in discharging their cover functions.

MILITARY INTELLIGENCE: See Combat Intelligence and Strategic Intelligence.

NATIONAL INTELLIGENCE is that intelligence which is required for the formulation of national security policy, concerns more than one department or agency, and transcends the exclusive competence of a single department or agency.

OVERT COLLECTION is collection activities conducted in such a manner that they may be attributed to or acknowledged by the sponsoring government.

POLITICAL INTELLIGENCE concerns foreign and domestic policies of governments and the activities of political movements.

POSITIVE INTELLIGENCE may be described as a comprehensive product resulting from collection, evaluation, collation, analysis, and interpretation of all available information relating to national security and concerning other countries where such information is significant to our Government's development and execution of plans, policies, and courses of action. Such intelligence can be divided into various categories, such as basic, biographic, combat, current, departmental, economic, geographic, interdepartmental, military, national, political, scientific, sociological, strategic, tactical, and technical. Perhaps the most simple definition would be that positive intelligence is all the things you should know in advance of initiating a course of action.

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There appears to be much confusion in professional circles regarding the use of the term "positive intelligence." Some professionals use the term "positive intelligence" synonymously with the term "foreign intelligence." In still another usage, "positive intelligence" and "intelligence" are used interchangeably. In another useage, which is closely related to the definition utilized in this study, "positive intelligence" is described as what is left of the entire field after "security intelligence" has been subtracted. This source continues that both "positive intelligence" and "security intelligence" can be against domestic targets, as well as against foreign targets. For example, the Department of State, in connection with its formulation of foreign policy, encounters a large number of organizations of Americans whose parents came from foreign countries. Many of these organizations--the Poles for example--have strong views on what United States policy should be toward Poland. The views of these organizations regarding our foreign policy is likely to be a matter of some importance to the Department of State in its policy formulation. The knowledge of what these organizations think and do can be a very significant phase of what might be called "domestic positive intelligence." In addition, the connections which these organizations may have with the foreign country such as Poland sometimes provide a source of "foreign positive intelligence."

SCIENTIFIC INTELLIGENCE pertains to the progress of scientific research and development and usually this intelligence is within the framework of how it affects military or economic potential of a nation.

SECURITY INTELLIGENCE is basically the intelligence behind the police function to protect the nation and its members from those working to our national and individual detriment. For example, this would include intelligence regarding clandestine agents sent to the United States by a foreign power.

SOCIOLOGICAL INTELLIGENCE pertains to the social, cultural, psychological, or ethnic structure and characteristics of a people.

STRATEGIC INTELLIGENCE is the intelligence required for broad and usually long-range planning, especially with regard to military operations.

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TACTICAL INTELLIGENCE See Combat Intelligence.

TECHNICAL INTELLIGENCE concerns devices, equipment, and special processes. This is related to Scientific Intelligence, but tends to be differentiated from it as practice differs from theory.

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C. THE HISTORY OF FOREIGN INTELLIGENCE COLLECTION IN THE UNITED STATES

1. Prior to World War II

A study of the history and progress of foreign intelligence collection in the United States reveals that prior to World War II such collection efforts were incidental and in direct proportion to the intensity of the coverage maintained in the counterintelligence field. Accordingly, the history of foreign intelligence collection in the United States prior to World War II is primarily a history of counterintelligence and internal security coverage, of which foreign intelligence was a by-product. Historical highlights of the developments in this field are as follows:

(a) In August, 1914, when German espionage agents Count Johann Von Bernstorff and Dr. Heinrich Albert of the German Embassy, Washington, D. C., arrived in the United States with $150,000,000 in German treasury notes to finance the first foreign espionage and sabotage apparatus to be organized in this country, United States Government intelligence work was handled for the most part by five small organizations (Bureau of Investigation of the Department of Justice, Secret Service, Army, State and Navy), all operating on their own with small staffs and without coordination and sufficient delineation of responsibilities.

(b) On April 6, 1917, Congress declared war against Germany and President Woodrow Wilson gave the Bureau of Investigation the task of enforcing his proclamation governing the conduct of enemy aliens. The Bureau at the time had 300 Agents but shortly after the outbreak of the war the staff was increased to 400.

(c) As result of a rash of bombings believed executed by Bolsheviks, Attorney General Palmer appointed Francis P. Garvan of New York as Assistant Attorney General to deal with the problem. He created a General Intelligence Division under command of J. Edgar Hoover and Mr. Hoover was instructed to make a study of subversive activities in the United States to determine their scope and the potential for prosecution.

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(d) On May 9, 1934, President Roosevelt called a White House conference attended by the Attorney General, Secretary of Treasury, Secretary of Labor, Director of FBI and Chief of United States Secret Service to deal with the problem of growth of fascist organizations in the United States. The conference agreed that there should be an investigation of these groups and their activities for intelligence purposes. Since the only Federal law believed applicable at the time was the Immigration Law, the President decided that the Commissioner of Immigration and Naturalization Service would confer with the Chief of Secret Service and the Director of the FBI to work out details of the investigation.

Mr. Hoover immediately issued orders to FBI personnel to conduct an intensive and confidential investigation of the Nazi movement. This was the first general intelligence investigation made by the Government into fascist activities in this country.

(e) As a result of President Franklin Roosevelt's concern over activities of the communists and other subversive groups, a series of conferences was held in the latter part of August and early September, 1936, participated in by the President, the Secretary of State and the Director of the FBI. As a result of his concern over the international character of communism and fascism, the President stated the FBI should conduct necessary investigations and coordinate information upon these matters in the possession of the Military Intelligence Division, the Naval Intelligence Division and the State Department.

It is noteworthy that it was specified the investigation was to be for intelligence purposes only.

The Presidential Order was implemented by the Director in a letter to all Special Agents in Charge, September 5, 1936.

(f) As a result of opposition primarily by the State Department against accepting the FBI as the coordinating agency in the investigations of all subversive activities in the United States, President Roosevelt, on June 26, 1939, issued a confidential directive to Cabinet members which established an Interdepartmental Intelligence Coordinating Committee composed of the FBI and the Intelligence Divisions of the War Department and the Navy. He named the FBI as the coordinating agency to receive all reports on subversive activities.

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(g) President Roosevelt publicly designated the FBI to investigate matters relating to espionage, sabotage and violations of the neutrality regulations by Presidential Directive dated September 6, 1939.

(h) On May 21, 1940, President Roosevelt in a memorandum to the then Attorney General, Robert H. Jackson, authorized and directed the Attorney General in such cases as he might approve to authorize the use of listening devices directed to the conversations or other communications of persons suspected of subversive activity against the Government of the United States, including suspected spies.

Pursuant to such authorization, commencing on June 1, 1940, technical surveillances were installed on diplomatic establishments throughout the United States of such countries as Germany, Italy, Japan, Russia and France. These installations in addition to providing counterintelligence information of value produced a substantial quantity of foreign intelligence information.

(i) Although lines of responsibility were established for domestic intelligence work in connection with the September 6, 1939, Presidential Directive, there were no clearly defined areas of responsibility of overseas intelligence operations and as time passed the need for decisions in that field grew more evident.

As a result, the Special Intelligence Service (SIS) came into being. By Presidential Directive June 24, 1940, President Franklin D. Roosevelt set forth lines of responsibility in the operations of United States intelligence agencies in the foreign field. This Directive grew out of a series of meetings involving representatives of State Department, Army and Navy intelligence and the FBI wherein it was agreed that the SIS would act as a service agency, furnishing the State Department, the military, the FBI and other governmental agencies with information having to do with financial, economic, political and subversive activities detrimental to the security of the United States. The June 24th Directive placed the responsibility for nonmilitary intelligence coverage in the Western Hemisphere on the FBI. Less than thirty days thereafter the FBI had organized an SIS operation.

Through World War II and until approximately March 31, 1947, the FBI continued its SIS operations. The culmination of our activities in this field came about as a result of the January 22, 1946, Presidential Directive establishing the Central Intelligence Group and giving it the responsibility of collecting foreign intelligence abroad.

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2. During World War II (1941 - 1945)

a. The FBI's Role

During World War II, as prior to the war, foreign intelligence collection in this country was geared to and principally a product of our intensive efforts in the counter-intelligence field. It is also significant to note that a steady stream of foreign intelligence continued to be developed from our technical coverage of diplomatic establishments of enemy-bloc countries, as well as other sensitive countries such as Russia, Argentina, Portugal and Spain.

In line with the Presidential Directive of September 6, 1939, the FBI continued to be in charge of all investigative work in matters pertaining to espionage, sabotage, counterespionage, subversive activities and violations of the neutrality laws.

On January 8, 1943, the President issued another Directive in which he reiterated the previous Directive of September 6, 1939.

In ordering the FBI to take charge in the foregoing areas, President Roosevelt did not define the various types of intelligence involved but placed the entire intelligence and internal security responsibilities involved under the jurisdiction of the FBI. As a matter of fact, in carrying out these responsibilities we did produce foreign intelligence in substantial quantity especially through our technical coverage of foreign diplomatic establishments.

b. Office of Strategic Services

The position of Colonel William J. Donovan as Coordinator of Information (COI) was created by Presidential Directive dated July 11, 1941. On July 14, 1941, President Roosevelt sent a letter to the Attorney General stating the position was created, "in order to provide a central point in the Government for the analysis of information and data which bears upon national security. . . ." The President described Donovan's duties as "assist me and the various Departments and agencies of the Government in assembling and correlating information which may be useful in the formulation of basic plans for the defense of the nation."

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In the letter President Roosevelt clearly limited Donovan's jurisdiction with the following statement: "I should like to emphasize that Colonel Donovan's work is not intended to supersede or duplicate or involve any direction of the activities of established agencies already obtaining and interpreting defense information."

The Presidential order dated September 11, 1941, established the position of COI with clear cut authority to collect and analyze information bearing on national security; correlate and make such information available to the President and other Government officials as the President may determine. COI was finally authorized to carry out, when requested by the President, supplementary activities as might facilitate the securing of information not then available to the Government.

Donovan, in a memorandum captioned "MEMORANDUM OF ESTABLISHMENT OF SERVICE OF STRATEGIC INFORMATION," expanded on the President's directive in general terms. Under his plan for procedure there was a Coordinator of Strategic Information responsible directly to the President. (Note this same organizational set up was later adopted by the Director of Central Intelligence.) Donovan noted, however, in his memorandum, "The proposed centralized unit will neither displace nor encroach upon the FBI, Army and Navy Intelligence, or any other Department of the Government." (62-64427, serials 23 and X3.)

Our file on the Office of Strategic Services (OSS) reveals that that organization continued its organizational, training, and operational activities in this country based on Donovan's premise that he was the central clearing point for anti-Axis espionage and counterespionage. An interesting insight into OSS operations in this country is provided in the nonfiction work "The Scarlet Thread" by former OSS agent Donald Downes. Downes noted that he was a former British intelligence agent serving for that organization in New York when he was recruited by OSS immediately after Pearl Harbor. He tells of his recruitment by Allan Dulles, his association with Donovan, and his work in the counterespionage field in New York City and Washington, D. C., with other OSS agents, including the current United States Ambassador to the United Nations, Arthur Goldberg. Downes detailed attempts by him and other OSS agents to steal diplomatic codes from

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"friendly" or "neutral" country embassies in Washington in the early 1940's and frequently referred to the fact that this was being done by OSS with knowledge that its jurisdiction in this country was based only on the theory that a foreign Embassy is not American soil and is technically outside the jurisdiction of the FBI, which had full jurisdiction for counterintelligence in the western hemisphere.

Our file on the OSS is replete with incidents indicating OSS recruitment and counterespionage activities in this country during the early 1940's.

By memorandum dated May 22, 1945, Stanley J. Tracey, advised of a conversation overheard between two high-ranking State Department officials. The conversation dealt with OSS attempts to take over Bureau SIS operations in Latin America with one of the State Department officials, Aura Warren, stating that officials of OSS felt that organization was better equipped to handle work than FBI personnel attached to various American Embassies in South America. In response to this attempt of OSS to take over our duties, the Director commented: "I would like to know where Warren gets this. According to Ladd our contacts in State Department have no knowledge of such OSS efforts. Also Tracey should point out it is State Department duty to initiate it as we would 'service it' and the State Department in fact started the SIS project. H" (62-64427-1059.)

An interesting evaluation of OSS operations is provided in a report prepared by Colonel Richard Park of the War Department as a result of a survey of OSS operations made as a special and confidential mission for the President in 1944 and 1945. Colonel Park commented: "Without going into details I was everywhere left with the same impression of utter incompetency on the part of OSS leadership....

"Everywhere that the subject of OSS came up, unsolicited remarks clearly brought out the very well known amateurish nature of the organization.

"The OSS has been restricted from active operations in South America by Presidential directive...."

Despite the absence of any jurisdiction in or responsibility for counterintelligence operations in the western hemisphere, an officer of OSS was reported to have

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attempted to obtain cover for an OSS agent in South America under guise of employment by an organization doing business in South America.

A closing paragraph of Colonel Park's report commented on observations made by an official of OSS as follows:

"This official of OSS added that it was the policy of his agency not to give any more information than necessary to the Federal Bureau of Investigation. He pointed out that OSS instructors in their school in the United States had discussed the FBI in an unfavorable light and had painted the picture of OSS replacing the Federal Bureau of Investigation not only outside the United States but in the domestic field. The publicity campaign referred to was to be one of the means adopted to accomplish this purpose."

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3. National Intelligence Authority (NIA)

On January 22, 1946, President Harry S. Truman addressed a Directive to the Secretary of State, the Secretary of War, and the Secretary of the Navy stating, in part, "I hereby designate you, together with another person to be named by me as my personal representative, as the National Intelligence Authority. . ." The Directive provided that each of these three Secretaries would from time to time assign personnel and facilities from their respective departments "which persons shall collectively form a Central Intelligence Group" (CIG) under a Director of Central Intelligence. It was provided that the latter would be responsible to the NIA.

President Truman then stated that subject to the existing law the Director of Central Intelligence should (a) accomplish the correlation and evaluation of intelligence and the appropriate dissemination within the Government of the results; (b) plan for the coordination of such activities of the intelligence agencies of the three departments involved as related to the national security; (c) perform such services of common concern as the NIA determined could be more effectively accomplished centrally; and (d) perform such other functions and duties related to intelligence as the President and the NIA might from time to time direct.

The Presidential Directive said that no police, law enforcement or internal security functions should be exercised under the Directive; that certain intelligence should be freely available to the Director of Central Intelligence "for correlation, evaluation or dissemination"; and that "the existing intelligence agencies of your departments shall continue to collect, evaluate, correlate and disseminate departmental intelligence." The ninth provision of the Directive stated, "Nothing herein shall be construed to authorize the making of investigations inside the continental limits of the United States and its possessions, except as provided by law and Presidential directives."

A series of communications between the Bureau and Lieutenant General Hoyt S. Vandenberg, who was designated as Director of the Central Intelligence Group, then followed. On June 21, 1946, a memorandum analyzed a communication from Vandenberg which submitted a proposed memorandum to the NIA and a proposed Directive to be issued by NIA extending the powers and duties of the Director of Central Intelligence. The Directive provided, in essence, the following additional functions and powers for the Director of Central Intelligence:

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(1) Undertake such basic research and analysis of intelligence and counterintelligence as may in his opinion be required.

(2) Act as the executive agent of this authority (NIA) in coordinating and in supervising all Federal foreign intelligence activities.

(3) Perform the following services of common concern: (a) conduct all Federal espionage and counterespionage operations for the collection of foreign intelligence; (b) conduct all Federal monitoring of press and propaganda broadcasts of foreign powers for the collection of intelligence information.

In discussing this Directive which Vandenberg desired issued, the memorandum stated the Directive did not conform with the original plan proposed by the President or which was envisioned by the discussions occurring prior to the time the President issued his Directive. The original plan, insofar as the Bureau was advised, contemplated the setting up of solely a coordinating agency which was given the power to perform certain functions which it would be determined could more adequately and economically be performed centrally for the benefit of all Government agencies. The memorandum noted that "undoubtedly if this Directive is approved and the Central Intelligence Group is successful in setting up complete foreign coverage, the Bureau would undoubtedly be pushed into a 'second rate' position insofar as purely intelligence functions are concerned in the domestic field. . . It is inevitable that the Central Intelligence Group must enter into the domestic field picture insofar as intelligence is concerned because of the sources of foreign intelligence existing in that field. Also, it is impossible to separate entirely foreign intelligence and the domestic functions performed by the Bureau."*

In reply to the Directive proposed by General Vandenberg, a letter was sent to him June 25, 1946, which stated that the Directive was approved with certain changes suggested "for clarification purposes only." The Director suggested that to the item relating to the Director of Central Intelligence acting

* * * * * * * * * * * * * * * * * * *

* With respect to this last quoted statement, Mr. E. A. Tamm and Mr. C. A. Tolson noted an exception by placing an addendum on the memorandum. The Director's comments were set forth. This is more fully reported below under the heading, "Director's Comments."

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as the executive agent of National Intelligence Authority in coordinating and supervising all foreign intelligence activities there should be added "performed outside the United States and its possessions relating to the national security in accordance with the overall policies and objectives established by this Authority." With respect to the proposal that the Director of Central Intelligence direct all espionage and counterespionage operations for the collection of foreign intelligence, it was proposed that the phrase "outside the United States and its possessions" also be inserted in this provision.

On July 29, 1946, General Vandenberg sent over a memorandum on the subject "Exploitation of American Business Concerns With Connections Abroad as Sources of Foreign Intelligence Information." He added a proposed Directive. The Director replied by letter August 6, 1946, "I should like to comment that there appears to have been an addition to the field encompassed by CIG Directive #11 calling for a survey of the exploitation of American business concerns. I note that in your report and in the proposed NIA Directive, you refer not only to American business concerns but to other private groups with connections abroad. This latter phrase, in my opinion, is extremely broad and could be taken to include all types of organizations, including Foreign Nationality Groups. In fact, I feel that the report and proposed Directive should confine themselves to the discussion of American business concerns and that no references at all should be made to 'private groups'. . . I feel that at a later date the question of exploitation of these private groups by CIG representatives might be worked out by discussing them individually with the FBI when their identities are determined." This matter remained unresolved.

On August 22, 1946, General Vandenberg submitted another proposed Directive concerning exploitation of American business concerns, nongovernmental groups, and individuals (in the United States) with connections abroad as sources of foreign intelligence information. A memorandum analyzing this on August 22, 1946, pointed out the new Directive was even more

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obnoxious than the one originally proposed. The Directive noted, in part, "CIG field representatives will establish and maintain liaison with the intelligence officers of local Army and Navy headquarters and Air Force headquarters, if present, through the medium of local interagency offices." The analyzing memorandum pointed out, "If this means the CIG is going to maintain field representatives in the United States or establish offices, it certainly is something new and a provision that we did not understand was intended in the President's Directive. . . Attached to the proposed Directive is a discussion which is more or less the same as was attached to the original proposed Directive. It, however, makes the following statement which the Bureau cannot subscribe to and it would seem must oppose, that is, 'Foreign Intelligence Information related to the national security, although it may be collected from sources whose headquarters are within the limits of the United States and its possessions, is definitely a part of the national intelligence mission, the coordination of which is specifically a function of the National Intelligence Authority under the provisions of the President's letter of 22 January 1946.'"

In pointing out the Bureau's objections, the analyzing memorandum of August 22, 1946, stated, "There is now involved in this Directive the fundamental question of just what rights the Central Intelligence Group has with reference to operations within the United States. Carrying to a logical conclusion the statements set forth above contained in the discussion, they could cover all foreign embassies in the United States, take charge of double agents we are operating or radio stations we are operating as double agent set-ups, etc., because essentially these operations engaged in by the Bureau do not directly involve enforcement of the laws but rather are concerned with obtaining information in the nature of foreign intelligence which, of course, is related to internal security as is all foreign intelligence. Essentially, the Bureau's domestic operations in intelligence involve the determining of the aims, intentions, and activities of foreign countries or their representatives."

The memorandum of analysis stated that our position would be the Bureau would not consent to any provisions except those related to American business concerns with connections

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abroad. On August 23, 1946, the Director sent a letter to General Vandenberg stating in part, "I must advise that the proposed Directive does not incorporate the changes suggested in my letter of August 6, 1946, and I, therefore, cannot approve it. This new directive also includes provisions and statements in which I cannot concur and, in fact, must oppose."

The strong stand of the Director obviously led to a conference between General Vandenberg and the Director which was reported in a memorandum of September 13, 1946, which the Director prepared. As stated in the Director's memorandum the conference concerned CIG's desire to gather contacts among "nongovernmental groups and individuals with connections abroad." The entire conference was on this subject matter and did not enter into collection of foreign intelligence from foreign embassies or from foreign officials or, in fact, from any other source. The Director wrote, "I told the General that I could well appreciate that there would be cases in which his organization would be desirous of making contacts in the United States for the purpose of obtaining information from abroad and that the Bureau was not interested in such contacts except in those situations wherein the individual or the group might be engaged in activities within the United States that were either under investigation by the Bureau or might possibly be the medium of obtaining information concerning the activities of a subversive character being carried on within the United States. I told the General that I would be perfectly agreeable to his suggestion, with the added provision that if CIG was desirous of contacting any individuals of the character that he had indicated, before doing so it would check with the FBI."

The foregoing has been set forth rather extensively since it shows the strong stand the Bureau took against CIG's operating in the United States. Actually, as will be reported hereinafter, Directives were adopted permitting CIG to collect positive intelligence in this country by contacting United States citizens, American businessmen, aliens (with prior FBI approval) through the foreign language press and in later years through contacts with United States governmental personnel.

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4. Responsibilities of CIA

a. The National Security Act of 1947

This Act, which is reported in 50 USC 401 et seq., established the National Security Council (NSC) and under it the Central Intelligence Agency. It provided that when the Director of Central Intelligence was appointed the NIA should cease to exist.

There was much discussion concerning the powers and authorities to be vested in the Director of Central Intelligence. Many individuals, especially in Congress, expressed fears that CIA could develop into a gestapo if permitted to become operational in the United States. The following two excerpts, of interest in this connection, are from a Congressional publication related to hearings prior to passage of the National Security Act of 1947. The publication is entitled "Hearings Before the Committee on Expenditures in the Executive Departments, House of Representatives, 80th Congress, 1st Session on H. R. 2319 (National Security Act of 1947)":

Page 127 - During testimony concerning authority for and scope of CIA, James Forrestal, then Secretary of the Navy, stated:

> "The purposes of the Central Intelligence Authority are limited definitely to purposes outside of this country, except the collation of information gathered by other government agencies.
>
> "Regarding domestic operations, the Federal Bureau of Investigation is working at all times in collaboration with General Vandenberg. He relies upon them for domestic activities."

Page 438 - Congressman Clarence J. Brown of Ohio in speaking about the National Security Act of 1947, which was under scrutiny before passage, stated:

> "I want to write a lot of other safeguards into the section that deals with the Central Intelligence Agency.

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"I want to make certain that the activities and the functions of the Central Intelligence Agency were carefully confined to international matters, to military matters, and to matters of national security. We have enough people now running around butting into everybody else's business in this country without establishing another agency to do so.

"What we ought to do is to eliminate 90 percent of the present snoopers instead of adding to them.

"I do not think it would be the Central Intelligence Agency's right, authority, or responsibility to check on the ordinary domestic activities of the average American citizen, and yet they could have the power and authority to do it under this bill as written."

The National Security Act of 1947 was approved 7/26/47. It provided that for the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, the Agency under the direction of the NSC was:

(1) To advise NSC in matters concerning such intelligence activities of the Government departments and agencies of the Government as relate to the national security,

(2) To make recommendations to the NSC for the coordination of such activities,

(3) To correlate and evaluate intelligence relating to national security and provide for its appropriate dissemination within the Government: Provided, That the Agency shall have no police, subpoena, law enforcement powers, or internal security responsibilities,

(4) To perform such additional services of common concern as the NSC determines can be more efficiently accomplished centrally,

(5) To perform such other functions and duties related to intelligence affecting national security as the NSC may from time to time direct.

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There is tacit acknowledgement in Section 403 (e) of the National Security Act of 1947 that the FBI gathers information affecting the national security. This section provides:

> (e) To the extent recommended by the NSC and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: Provided, however, That upon the written request of the Director of Central Intelligence, the Director of the FBI shall make available to the Director of Central Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security.

b. National Security Council Intelligence Directives

To implement the authority granted to it under the National Security Act of 1947, the National Security Council has issued a series of "National Security Council Intelligence Directives," usually referred to as NSCID's and commonly called "Nonscids." The first of these was issued December 12, 1947, and provided for the establishing of the Intelligence Advisory Committee to maintain the relationship necessary for a fully effective integration of the national intelligence effort. By Directive dated September 15, 1958, the U. S. Intelligence Board (USIB) was formally created as successor to the Intelligence Advisory Committee and a counterpart known as the U. S. Communications Intelligence Board.

NSCID No. 1 provided that the Director of Central Intelligence should coordinate the foreign intelligence activities of the United States, such coordination to include both special and other forms of intelligence. The USIB under this Directive shall "advise and assist the Director of Central Intelligence as he may require in the discharge of his statutory responsibilities." It is the Board which is empowered to establish policies, define intelligence objectives, make recommendations to appropriate U. S. officials, develop standards for protection of intelligence, and formulate policies with respect to arrangements with foreign governments. The Director of Central

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Intelligence is designated as Chairman of this Board and in this capacity is distinguished from the Director of the Central Intelligence Agency. A more complete discussion with regard to the Bureau's role in this over-all setup is set forth hereinafter under the caption "FBI Relations With the United States Intelligence Board."

National Security Council Intelligence Directive No. 1, originally issued 12/12/47, defines the various types of intelligence in Section 4.

(a) National Intelligence is that intelligence which is required for the formulation of national security policy, concerns more than one department or agency, and transcends the exclusive competence of a single department or agency. The Director of Central Intelligence shall produce* national intelligence with the support of the U. S. Intelligence Board.

(b) Departmental Intelligence is that intelligence which any department or agency requires to execute its own mission.

(c) Interdepartmental Intelligence is integrated departmental intelligence which is required by departments and agencies of the Government for the execution of their missions, but which transcends the exclusive competence of a single department or agency to produce. The subcommittee structure of the U. S. Intelligence Board may be utilized for the production and dissemination of interdepartmental intelligence.

Director of Central Intelligence is then authorized to disseminate national intelligence and interdepartmental intelligence provided it is done consistent with statutes and Presidential policy, and provided further "that any disclosure of FBI intelligence information shall be cleared with that agency prior to dissemination."

This acknowledges that FBI information includes both national and interdepartmental intelligence.

* * * * * * * * * * * * * * * * * * * *

*A footnote here states: "By 'produce' is meant 'to correlate and evaluate intelligence relating to the national security' as provided in the National Security Act of 1947, as amended, Section 102 (d) (3)."

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NSCID No. 2 issued 1/13/48, relates to coordination of foreign intelligence collection activities "not covered by other NSC Directives."

The Director of Central Intelligence has responsibility for planning to assure there is no undesirable duplication and that coverage is adequate.

Responsibilities are then assigned as follows:

(1) The Department of State shall have primary responsibility for, and shall perform as a service of common concern, the collection abroad (i.e., outside the U. S. and its possessions) of political, sociological, economic, scientific and technical information.

(2) The Department of Defense shall have primary responsibility for, and shall perform as a service of common concern, the collection of military intelligence information. Owing to the importance of scientific and technical intelligence to the Department of Defense and the military services, this collection responsibility shall include scientific and technical, as well as economic, information directly pertinent to Department of Defense missions. (It seems significant that while State Department primary responsibility was limited by the phrase "the collection abroad," there was no such limitation on the Department of Defense in its responsibility.)

(3) The Central Intelligence Agency may collect abroad intelligence information in support of assigned functions or as a byproduct of assigned functions: Provided, that this collection involves no undesirable duplication of any of the specific assignments to State and Defense Departments, and Provided, that any such overt collection is coordinated with the Department of State or with the Senior U. S. Representative.

In Section 7 of NSCID No. 2 there is delegated to CIA responsibility for overt collection of foreign intelligence in the U. S. as follows:

"The Central Intelligence Agency, as a service of common concern, shall be responsible for the selective exploitation within the United States of non-governmental organizations and individuals as sources of foreign

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intelligence information, in accordance with policies, procedures and practices established as provided in paragraph 3a of NSCID No. 1, by the Director of Central Intelligence with the concurrences of the U. S. Intelligence Board."

Section 9 of the same Directive provides that CIA "shall conduct the exploitation of foreign language publications for intelligence purposes, as appropriate, as a service of common concern. When this function is carried out in the U. S., this also constitutes overt collection of foreign intelligence by that Agency in this country.

It may be worthy to note at this point that NSCID No.'s 1 and 2 were discussed, approved, and issued in their original forms prior to 7/7/49 when the FBI was designated a member of the Intelligence Advisory Committee.

NSCID No. 3 on Coordination of Intelligence Production contains definitions of various types of intelligence (including those defined in NSCID No. 1) and then delineates primary responsibilities for "producing" intelligence among various agencies, stating with respect to CIA:

"The Central Intelligence Agency shall produce economic intelligence on the Sino-Soviet Bloc and scientific and technical intelligence as a service of common concern. Further, the Central Intelligence Agency may produce such other intelligence as may be necessary to discharge the statutory responsibilities of the Director of Central Intelligence."

Since, as noted hereinbefore, "collection" activities are defined in NSCID No. 2, it would seem to follow that the word "produce" as used in NSCID No. 3 has the same definition as set out in a footnote to NSCID No. 1, paragraph 4, i.e., "to correlate and evaluate intelligence relating to the national security." Thus, NSCID No. 3 would not appear to extend CIA's jurisdiction to collect intelligence or be operational in any way.

The remaining NSCID's appear to have no bearing on the subject matter of foreign intelligence collection in the United States.

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c. Director of Central Intelligence Directives

To implement the National Security Act of 1947 as amended and the various National Security Council Intelligence Directives issued pursuant thereto, the Director of Central Intelligence has issued numerous Directives (DCID's). The first of these having a direct bearing on jurisdictional matters is DCID No. 2/3, captioned "Domestic Exploitation of Nongovernmental Organizations and Individuals." NSCID No. 2, paragraph 7, states that CIA shall be responsible for the selective exploitation within the U. S. of such organizations and individuals as sources of foreign intelligence information. We, therefore, have avoided, and should avoid, any operations among nongovernmental organizations and individuals designed solely to produce foreign intelligence without CIA prior approval or nullification of these provisions.

DCID No. 2/3 provides for exploitation of nongovernmental U. S. citizens by CIA domestic field offices and states, "In cases where the Federal Bureau of Investigation has indicated an operational interest in a U. S. citizen, Central Intelligence Agency will coordinate with that agency prior to further contact."

This DCID also provides for exploitation by CIA domestic field offices of aliens, following a prior name check with FBI so our statutory obligations may be properly met without CIA interference.

It is of possible interest to note that in dealing with these two matters, DCID No. 2/3 refers to nongovernmental U. S. citizens but only to aliens (without the restrictive adjective). The NSCID on which it is based refers to nongrovernmental individuals without distinguishing between citizens and aliens. Thus, there appears to have been an intention to confine CIA's intelligence exploitation functions within the U. S. A review of our file on CIA (62-80750) indicates this might well have been a concession to the Bureau since we went on record opposing delegation of any intelligence collection functions within the U. S. to CIA in letters to Lieutenant General Hoyt S. Vandenberg (then Director of Central Intelligence Group) on June 25, 1946, (Serial 96), August 6, 1946, (Serial 138), and August 23, 1946, (Serial 222), which have been discussed more fully under the heading "National Intelligence Authority."

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DCID No. 2/8 is captioned "Domestic Exploitation of U. S. Government Organizations and Officials." It begins in very general terms, "Pursuant to the provisions of NSCID No. 1 and NSCID No. 2. . . ." It provides, "The Central Intelligence Agency shall coordinate and have the primary responsibility for exploitation of the foreign intelligence potential of non-USIB organizations and officials to meet community needs as a service of common concern."

As set forth above, there seems to be no basis for such CIA jurisdiction in NSCID No. 1 and No. 2. Paragraph 7 of NSCID No. 2 specifically restricts CIA in this area of operations to nongovernmental organizations and individuals.

A review of our U. S. Intelligence Board (USIB) file, 62-90718, shows following apropos this matter:

> The Draft Minutes of the 3/21/61 USIB meeting report that the Board approved the draft of a DCID on "Domestic Exploitation of U. S. Government Organizations and Officials," which would be issued as DCID No. 2/8, effective 3/21/61. Mr. Belmont was present at this USIB meeting as the FBI representative. (unnumbered serial between serials 1131 & 1132, USIB file)
>
> Tracing this subject matter back through the USIB file it was learned that it apparently was first considered at the meeting held 2/23/60 at which the Bureau was represented by Fred A. Frohbose. The minutes for that meeting reported the Board agreed in principle that a directive on Intelligence Exploitation of U. S. Governmental officials would be desirable. However, the matter was referred to the Committee on Domestic Exploitation for further study and the submission of a revised draft for Board consideration. (unnumbered serial between serials 1040 & 1041, USIB file)

From the foregoing it would appear that the Bureau concurred in the issuance of this particular Directive and thus to an extension of CIA's overt collection activities in the U. S. if this should, in fact, be interpreted as an extension.

DCID 4/1 provides for the establishment of the Interagency Defector Committee.

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DCID's 4/2 and 4/3 relate to the Defector Program abroad and domestically, respectively. The latter one dwells on division of responsibilities between FBI and CIA in the handling of defectors within the continental limits of the United States. It provides that exploitation of such defectors shall be conducted:

1. To obtain internal security information or other data required by FBI in view of its statutory responsibilities in the internal security field.

2. To obtain foreign intelligence information required in the interests of national security by the member agencies of the USIB.

3. For such other purposes as are deemed to be in the interests of national security.

The very next sentence then gives the implication that exploitation of the defector for foreign intelligence purposes is the principal responsibility of CIA, for it reads, "Decision as to the relative importance of internal security exploitation by FBI and foreign intelligence exploitation by the Central Intelligence Agency (CIA) shall be made jointly by representatives of CIA and FBI."

There then follows a listing of nine specific FBI responsibilities, one of which is to make available to CIA foreign intelligence information resulting from the initial exploitation of defectors. There is no subsequent specific delineation of CIA responsibility over foreign intelligence exploitation until there is a transfer of responsibility for handling a defector from FBI to CIA after FBI interests have been fully satisfied. There is a general assignment of such responsibility to CIA in the terms, "CIA shall be responsible for: a. Coordinating the activities of other departments and agencies concerned with defector matters, except those responsibilities assigned exclusively to FBI . . . ."

As a matter of practice, if it is determined there is little or no importance from an internal security standpoint in connection with a particular defection, we do not take over but in effect give clearance to CIA to proceed from a foreign intelligence standpoint.

DCID's in the 5/ series (numbers one through five) were issued principally to implement NSCID Number 5 which deals with U. S. espionage and clandestine counterintelligence activities abroad. There appears to be no conflict with FBI jurisdiction in this series.

All other DCID's relate to Elint Critical Intelligence and other matters which appear to have no bearing on possible conflicts between CIA and FBI responsibilities.

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d. Dulles Committee, 1949

The Dulles Committee was appointed February 3, 1948, by the National Security Council (NSC) to make a "comprehensive, impartial and objective survey of the organization, activities and personnel of the Central Intelligence Agency (CIA)." The Committee was instructed to report its findings and recommendations on the following matters:

(a) The adequacy and effectiveness of the organization structure of CIA.

(b) The value and efficiency of existing CIA activities.

(c) The relationship of these activities to those of other departments and agencies.

(d) The utilization and qualifications of CIA personnel.

The Committee's scope was extended on March 17, 1948, to include the following provisions: "This survey will comprise primarily a thorough and comprehensive examination of the structure, administration, activities and inter-agency relationships of the CIA as outlined in the resolution of the National Security Council. It will also include an examination of such intelligence activities of other Government departments and agencies as relate to the national security, in order to make recommendations for their effective operation and overall coordination. . ."

This report, which is dated January 1, 1949, for the most part concerned itself with administrative matters affecting CIA and the necessity for reorganization within that Agency. It notes, however, that the National Security Act, as implemented by directives of the NSC, imposed upon CIA responsibility for carrying out three essential functions:

(1) The coordination of intelligence activities.

(2) The correlation and evaluation of intelligence relating to the national security, which has been interpreted by directive as meaning the production* of national intelligence.

* * * * * * * * * * * * * * * * * * * *

*. See definition of "produce" in footnote to NSCID No. 1, Section 4b as "correlate and evaluate," the reverse of connotation given here.

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(3) The performance centrally, subject to NSC direction, of certain intelligence and related functions of common concern to various departments of the Government.

The report noted that Section 102 of the National Security Act of 1947 established a framework for a sound intelligence system and no amendment to that Section of the Act was deemed necessary.

Although the coordination of intelligence activities of the several departments and agencies concerned with national security was a primary reason for establishing CIA, the report noted the National Security Act does not give CIA independent authority to coordinate intelligence activities, as final responsibility to establish policies was vested in the NSC.

The statutory limitations upon the authority of CIA to coordinate intelligence activities without the approval of the NSC were, according to the report, obviously designed to protect the autonomy and internal arrangements of the various departments and agencies performing intelligence functions. In spite of these calculated limitations on the authority of CIA, the report noted, it was clear the Agency was expected to provide the initiative and leadership in developing a coordinated intelligence system. In practice, the NSC has almost without exception approved the recommendations submitted to it by CIA for the coordination of intelligence activities.

The National Security Act does not define the "intelligence activities" which were to be coordinated by CIA under the direction of the NSC or specify the departments whose activities were covered. Presumably, according to the report, all intelligence activities relating to the national security were included, from collecting information in the first instance to the preparation and dissemination of finished intelligence reports and estimates. "The criterion," which the report noted was a very broad one, was "such intelligence activities. . . as relate to the national security and not the identity of the departments concerned or the nature or locale of the intelligence activity." Thus, the report noted, practically no limitations are set upon the scope of the intelligence activities with which the Central Intelligence Agency is to concern itself.

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The report noted another broad field requiring coordination is that of foreign intelligence derived from domestic sources and the allied field of domestic counter-intelligence. This includes the exploitation of intelligence from United States business firms, travellers, etc., exploitation of the intelligence possibilities of groups and individuals of foreign nationality in the United States, the relating of domestic counterintelligence to foreign intelligence and the coordination of domestic counterespionage with counterespionage abroad. Except for the exploitation of private sources of foreign intelligence in the United States which is centralized in the Office of Operations, CIA, responsibility for other activities is scattered among the State Department, the armed services, the FBI and CIA.

The FBI, which has primary security and law enforcement responsibilities, is concerned in fact with an important area of intelligence. This includes domestic counterespionage and countersabotage, control of communist and other subversive activities and surveillances of alien individuals and groups. All of these functions, according to the report, are closely related to the comparable activities abroad of the CIA.

The report noted the FBI was not part of the then existing machinery for coordination of intelligence through the Intelligence Advisory Committee and there was no continuing manner whereby domestic intelligence and counterintelligence were related to overall national intelligence in order to serve the general purpose set forth in the National Security Act, which was set forth as "of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security."

It was the opinion of the authors of the Dulles Report that CIA had the duty under the Act to concern itself with the problem of coordinating those phases of domestic intelligence and counterintelligence which relate to the national security and CIA should submit recommendations on this subject to the NSC. The report noted this was not inconsistent with the stipulation of the National Security Act that CIA "shall have no police, subpoena, law enforcement powers or internal security functions."

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The Dulles Commission recommended that the FBI should be made a member of the Intelligence Advisory Committee to improve coordination of domestic intelligence and counter-intelligence insofar as these matters related to the national security.

While discussing the production of National Intelligence Estimates by CIA, the report noted, "There is no systematic way of tapping that domestic intelligence information, which should be chiefly in the hands of the FBI, having a bearing on broader intelligence issues and there is no regular and agreed arrangement for participation by the FBI and for the use of intelligence from domestic sources in a national estimate."

National Security Council Intelligence Directive Number 7 provided that CIA shall be responsible for the exploitation, on a highly selective basis, within the United States of business concerns, other non-Governmental organizations and individuals as sources of foreign intelligence information. The report concluded the amount of foreign intelligence which can be obtained through the exploitation of non-Governmental sources in the United States is considerable and its quality could be very high if appropriate arrangements were made and discrimination was employed. It was felt the vast number of organizations, institutions and individuals having foreign interests and knowledge represented a potential source of intelligence that in many ways was superior to any other, as it was felt that they were in a position to provide information obtained from their foreign contacts and from the findings on their own people abroad.

A further important source of information, the exploitation for intelligence purposes of foreign individuals and groups in the United States was also being developed. The report noted that these individuals and groups as well as political refugees and former foreign government officials were often engaged in political activity with significant international implications.

CIA and other intelligence agencies had not developed coordinated and effective policies and procedures for the exploitation of intelligence in this important field. The FBI, according to the report, had a major interest in foreign

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individuals and groups in the United States because of possible security implications. The report indicated the FBI possessed considerable information concerning many individuals and groups but this information had been obtained primarily with security rather than intelligence considerations in mind and was not normally given the kind of interpretation or dissemination that intelligence required if it was to be properly used. It was also noted the FBI was, in cases where it had a security interest, reluctant on security grounds to have intelligence exploitation by outside agencies. The general result of this situation, according to the report, was that an important source of intelligence was not being fully exploited.

The report noted that the question of the exploitation for intelligence purposes of foreign groups and individuals in the United States was a clear example where the Intelligence Advisory Committee, with the FBI being added as a member, should establish principles and rules for coordination.

In discussing the administrative handling of espionage and counterespionage matters within the CIA, the report noted the FBI was charged with all counterespionage responsibilities in the United States except those affecting personnel of the armed services. The Dulles Commission recommended the counterespionage activities of CIA should be increased in scope and emphasis and that closer liaison in this field should be established with the FBI.

The only effect the Dulles Report had on the FBI was its inclusion as a member of the Intelligence Advisory Committee by amendment to HSCID Number 1 dated July 7, 1949.

e. Hoover Commission, 1948 and 1955

Task forces of the Commission on Organization of the Executive Branch of the Government (Hoover Commission) conducted surveys of CIA operations from 1947 to 1949 (under F. Eberstadt) and from 1953 to 1955 (under General Mark Clark).

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The Commission concerned itself principally with the efficiency with which CIA was fulfilling its statutory missions of coordination, correlation, evaluation, and dissemination of the intelligence product of other Government agencies and departments. The Commission examined agency activity in light of the CIA primary mission of advising NSC and performing services and duties related to intelligence and national security as the NSC directed.

(1a) Eberstadt Task Force Report

The results of the first examination of CIA by the Hoover Commission were more or less apologetic in tone, emphasizing the soundness of directives setting up NSC and its direction of the Agency. The report pointed out, however, that CIA and its parent, NSC, had had little time to actually implement the coordination necessary for leadership in the field. The Task Force clearly defined its understanding of the CIA mission as: ".....coordinate intelligence activities of Federal agencies concerned with national security."

The duties of CIA were listed as:

1. Advise National Security Council on national security intelligence activities of Federal departments and agencies.

2. Recommend necessary coordination of such activities to National Security Council.

3. Correlate, evaluate and disseminate national security intelligence.

4. Render intelligence services for other Federal departments and agencies." (62-88575-3 enclosure behind file.)

In discussing the duties of the CIA the Task Force noted, "Under the statute CIA is entrusted with the performance of such services of common concern as the National Security Council shall determine. At present these include, apart from Scientific Intelligence, which is discussed separately: (a) maintenance of central indexes of report, records, and documents having intelligence value; (b) examination of foreign documents from which intelligence material is extracted and disseminated; (c) maintenance of central map facilities; (d) monitoring of foreign broadcasts; and (e) collection of the information by clandestine means and counterespionage abroad."

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In evaluating the operations and location of CIA counterespionage the Task Force commented as follows:

"The counterespionage activities of CIA abroad appear properly integrated with CIA's other clandestine operations. Although arguments have been made in favor of extending CIA's authority to include responsibility for counterespionage in this Country, such an extension of jurisdiction does not a present appear justified. For one thing, concentration of power over counterespionage activities at home in the hands of a Director of Central Intelligence responsible for espionage abroad might justifiably arouse public suspicion and opposition. Conceivably it could form the basis for a charge that a gestapo is in process of creating even though the power to arrest were specifically withheld. To transfer responsibility for domestic counterespionage from the FBI, which has an established organization and long tradition, to CIA, which is not equipped for the assignment, would probably create more problems than it would solve. It is doubtful whether the logical benefit of having one agency responsible for counterespionage throughout the world would justify the dislocation and confusion that such a transfer would inevitably occasion."

"CIA representatives have indicated that their present working liaison with FBI is satisfactory, but the Committee doubts that FBI-CIA relationships are completely adequate. The Director of FBI declined the Committee's invitation to appear before it to discuss the CIA with the committee or its representatives on the ground that he knew too little of its activities."

The groundwork for CIA acceptance was laid by the Committee recommendation and finding: "CIA is not now properly organized. Co-equal improvement in G-2, FBI, ONI, State Department, and other Government intelligence services is also essential. Spirit of teamwork must govern interagency intelligence relationships. CIA deserves and must have greater degree of acceptance and support from old-line intelligence services than it has had in the past."

A pitch was made for a single agency controlling internal security in the Committee's finding: "The committee believes that responsibility for internal security policies should be immediately focused in one agency. A more thorough study of the subject than any yet made must be prosecuted, and interagency frictions must be ended." It is noted that the committee commented elsewhere in its report:

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"Detailed study of organization and activities of intelligence divisions of the Government, including CIA, is being made by a committee consisting of Messrs. Allen Dulles, William H. Jackson, and Mathias Correa, assisted by a staff of four directed by Mr. Robert Blum of the Office of Secretary of Defense." With this statement it may be assumed the Task Force excused omissions it may have made with the observation that the Dulles group was conducting almost the same survey carried on in the Hoover Commission so far as CIA was involved.

(1b) Clark Task Force Report

The Task Force headed by General Mark Clark submitted a Top Secret report dated in May, 1955, setting forth results of the second Hoover Commission survey of the organization of CIA. The report pointed out the survey was of departments and agencies with entire or prime responsibility in the field of positive foreign intelligence as it pertains to national defense and security. It qualified this survey when speaking of the FBI, noting survey was limited to survey of Bureau only to the extent that it dealt in security intelligence.

Again the Hoover Commission through its Task Force pinned CIA jurisdiction down to the areas defined by statute, and emphasized the Agency was subordinate only to the National Security Council in its coordination, correlation, dissemination and collection of intelligence data. The Task Force noted that since CIA is charged with the over-all responsibility for coordinating the output of all intelligence forces, the Task Force was giving special attention to the work of that Agency.

In the Task Force Report a review of the FBI functions in the intelligence community was set forth. The committee noted that the FBI had only limited activities in the positive intelligence field but noted additionally that FBI functions in the current intelligence effort were of interest in order to fill out the intelligence picture.

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The FBI was cited as one of the four members of the Interdepartmental Intelligence Conference (IIC), created by the NSC, approved by the President 3/23/49, to coordinate "the investigation of all domestic espionage, counterespionage, sabotage, subversion, and other related matters affecting internal security."

It was noted that the IIC charter did not disturb responsibilities of its member agencies but made mandatory action by those agencies deemed necessary to insure complete investigative coverage in compliance with the needs of the IIC, which had full responsibility for coordination of the investigation of all domestic espionage, counterespionage, et cetera, affecting internal security.

The Committee stated, "The Central Intelligence Agency is, by law, excluded from duplicating the internal security functions of the FBI. However, the CIA does develop within and without the U. S., sources for foreign (positive) intelligence, and incidental thereto may develop leads as to subversive activities within this country. In such cases CIA through liaison gives its information to the FBI."

A Task Force survey revealed, "Through the Central Intelligence Agency's domestic field offices, contacts are made on a highly selective basis with business concerns and other nongovernmental agencies, as well as with previously cleared individuals who travel abroad . . . Under the provisions of DCID 7/1, each member of the Intelligence Advisory Committee is required to establish in Washington a focal office for the purpose of interviewing nongovernment visitors. . . Any visitors to these offices demonstrating good intelligence potential are referred to the CIA for further exploitation."

The Task Force noted that as far back as 1939 President Roosevelt by executive order directed the FBI to coordinate and conduct domestic counterintelligence activities. In 1949, according to the Committee's survey, the IIC was formalized and by charter restricted to coordinating investigations in intelligence matters domestically.

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In commenting on the role of the FBI the Committee further noted, "The Federal Bureau of Investigation, however, is the recognized center of the domestic aspect of internal security including counterintelligence within the United States and its possessions."

With regard to the use and surfacing of sources, the Committee noted that CIA was not bound to disclose its sources; however, it commented on the excellent liaison system of the FBI which had overcome this restriction so far as internal security within the U. S. is concerned. "Now, as a matter of practice the CIA usually refers domestic sources to the FBI, the only exception being where the source is to be used in foreign intelligence work by the CIA." In the area of defectors within this country, the Committee noted that the FBI will receive from CIA or by a direct interrogation of a CIA-controlled defector information which the defector may have concerning internal security. Persons who defect within this country, on the other hand, were found to be under the cognizance of the FBI. Then the reverse of the above situation comes into play and CIA has access to the defector for developing leads in the foreign intelligence field. The Committee commented, "It is the duty of the FBI to conduct investigations of all cases involving foreign nationals in the United States as set forth in the Delimitations Agreement."

A review of the Commission report lends one important fact to our study of this subject matter. This was pointed up by the membership of the various groups at the disposal of the National Security Council within the field of national intelligence. Ten subcommittees or working groups with membership from separate departments or interested agencies acted in advisory capacities to the IAC parent committee. In each of these subcommittees the chairman was a representative of the Director of CIA and the working groups were individually serviced by a secretariat furnished by CIA. From the top-heavy alignment of CIA personnel in IAC and its working groups it was obvious in which direction advisory opinions would be slanted when dissenting matters were presented by the IAC and CIA to the NSC.

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f. The Doolittle Committee, 1954

In July, 1954, we received information from the White House that the President had appointed Lieutenant General James H. Doolittle to study in collaboration with the Central Intelligence Agency (CIA) certain aspects of the national intelligence effort. By letter dated July 28, 1954, Sherman Adams, the Assistant to the President, requested that the Bureau brief General Doolittle's group concerning the relationship that existed between the Bureau and CIA. We subsequently learned that at approximately the same time a survey would be conducted by the Hoover Commission under the chairmanship of General Mark Clark. We learned from Allen W. Dulles, Director of CIA, that the President strongly believed that General Clark should not permit the survey to get into CIA covert operations, particularly in the field of political and psychological warfare. The President had told Dulles that he was selecting General Doolittle to study CIA's covert operations.

General Doolittle's group was briefed on August 25, 1954, at which time the Bureau's position in the intelligence field was described and the manner in which the Bureau transacted business with CIA was explained. In addition, certain constructive criticism concerning problems and conflicts experienced in dealing with CIA was furnished General Doolittle's group. The following salient features of the criticism appear to bear on the current study:

We were critical of a policy of the Office of Operations, CIA, which precluded that Division from identifying any of its sources in the United States when such sources possessed information bearing on the internal security of the United States. The Office of Operations as of 1954 collected foreign intelligence information in the United States from aliens, businessmen, and others, and periodically would receive information of interest to the Bureau. Instances arose where the Bureau desired to interview the original source but was prevented from getting to the

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source by CIA policy. We were of the opinion that CIA's policy could be modified to allow us direct access to the source in the United States when such was necessary.

As of 1954, CIA had interest in various organizations such as Radio Free Europe and others and from time to time the Bureau would get involved in investigation of organizations only to learn they were being supported or guided by CIA. Our opinion was that if we had been appropriately notified of CIA's interest considerable investigative time and manpower could have been saved and in addition we would have been in a position to notify CIA when anything of interest came to our attention.

Concerning CIA investigations in the United States, we readily acknowledged CIA's right to investigate its own applicants or consultants. We did object to CIA's undertaking any investigation in this country when the facts indicated the case was clearly within Bureau jurisdiction and pointed out that the Bureau had recently become involved in investigating an individual suspected of espionage activity. We were in contact with CIA and had solicited its help concerning certain aspects in the case but it was a few weeks before we learned CIA had conducted a very close investigation of this same individual. We made the observations that close and open cooperation between the Bureau and CIA was vital to the proper handling of espionage cases.

The Bureau pointed out that as of 1954 it had received little or no significant information concerning espionage or sabotage agents coming to the United States. We excluded diplomatic personnel in this matter but clearly indicated that CIA should be in a position to give us some advance notification when spies were coming to this country.

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Possibly this latter was the strongest criticism we had since we did not feel CIA with its resources and overseas contacts was performing one of its prime functions in the intelligence field; that is, identifying foreign illegals who are en route to the United States. During our briefing of General Doolittle's group, we described the Bureau's collection of intelligence information for the interested Government agencies as a major operation. Our discharge of our intelligence operation concerning the Communist Party and Soviet and Satellite diplomats was explained in detail to the satisfaction of all personnel attending the briefing.

General Doolittle asked for recommendations as to what could be done to improve CIA so the Bureau would get better service. It was suggested that corrective action be taken on the matters which had been criticized constructively; CIA should establish adequate coverage (although not specifically noted, this obviously regarded advance notice of foreign intelligence personnel coming to the United States); and finally CIA should transmit information developed in an expedite fashion.

Prior to submitting the report to the President, General Doolittle expressed a desire to see Mr. Hoover, whom he regarded as the outstanding intelligence authority in the world. The General visited the Director on October 5, 1954, during which visit CIA's operations were discussed and generally the points of the previous meeting were reiterated. General Doolittle felt the ideal solution would be to wipe out CIA entirely and start all over again, but since this was impractical his committee would point out certain weaknesses and make certain recommendations and suggestions to the President for the correction of these weaknesses.

We do not have the contents of General Doolittle's report and there is nothing to indicate an executive order was issued from it which in any way delineated the respective jurisdiction of the Bureau or of CIA.

g. The Joint Study Group on Foreign Intelligence Activities of the United States Government

Captioned report was prepared by the Study Group and issued 12/15/60. The Group was under the chairmanship of

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Lyman B. Kirtkpatrick, Inspector General, Central Intelligence Agency (CIA), acting as a representative of the Director of Central Intelligence (DCI). The other four members of the Study Group represented the Department of State, Secretary of Defense, Bureau of the Budget, and the National Security Council (NSC).

The stated targets of examination by the Group were organizational and management aspects within the intelligence effort relating to all aspects of foreign intelligence. In the confines of these objectives the Bureau was not considered for examination by the Group in view of the Bureau's lack of operational jurisdiction in matters outside of this country. Mr. Belmont, acting for the Bureau, gave a briefing before the Group on 7/29/60 regarding the Bureau's relations with other United States intelligence agencies. There was no mention made of the Bureau in the report except in one of its recommendations relative to reorganization of the membership of the United States Intelligence Board (USIB) which will be dealt with in more detail later.

The 141 page report submitted by the Group appeared to be apologetic in tone for any shortcomings of CIA. The reader obtains the definite impression the report was used as a sounding board for differences of opinion as to methods and administration for collection of foreign intelligence (overt and covert) abroad.

The main basis for conclusions and recommendations made by the Group rested in delineation of duties of DCI as coordinator of intelligence as opposed to DCI secondary responsibility as head of CIA. The Group recognized service jealousies apparently resulting from refusal to accept the fact that DCI could control and coordinate intelligence effort without affording preferential treatment to CIA which was his operational and administrative arm.

There is no reference in the report to a clear definition of CIA operational responsibilities or jurisdiction within continental United States.

The Group found that DCI through heads of missions abroad and designated DCI representatives in foreign countries had principal responsibility for control and coordination of foreign collection efforts. The CIA's operations abroad were recognized in almost all 43 of the Group's recommendations.

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Recommendation number 17 emphasized that CIA should place emphasis on the establishment of unofficial cover throughout the world; recommendation number 20 was that CIA should increase intelligence support to unified and component commanders by direct dissemination from pertinent field stations.

The report noted that CIA's main requirements problem related to clandestine collection and concerned the great number of requirements served on the Agency. . .

The main tone of the report was that greater cooperation was required between the Joint Chiefs of Staff (JCS), Department of State, and CIA in carrying out foreign intelligence collection missions. The recommendations of the Group were all directed toward this end and had no bearing on internal espionage or counterespionage activities within the United States.

In commenting on the coordination duties of the DCI, the Group pointed out that USIB had been officially directed to "establish policies and develop programs for the guidance of all departments and agencies concerned; the DCI is authorized to make such surveys of departmental intelligence activities or the various departments and agencies as he may deem necessary in connection with his duty to advise the NSC and coordinate the intelligence effort of the United States." The report interpreted these official directions to indicate that USIB should assume a greater proportion of the actual direction and control of the intelligence community of which the Bureau was noted to be a member.

To strengthen USIB position as a director, coordinator, and controller of intelligence effort, the Group recommended (recommendation number 30) that the USIB should be reduced to four members who should be the DCI (chairman) and representatives of Secretary of State, Secretary of Defense, and Joint Chiefs of Staff. The FBI and the Atomic Energy Commission would be relegated to ad hoc representation on the Board.

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It should be noted in considering the proposed change of USIB membership that the Bureau was a member of six of the twenty-six subcommittees which formed the committee make-up of the USIB.

Memorandum January 10, 1961, Mr. Belmont to Mr. Parsons outlined the proposed USIB membership change for the Director. It recommended that Bureau make no issue of the proposed recommendation. The Director underlined a passage of the memorandum which stated "In one sense of the word it could be argued the FBI would lose prestige by changing from a regular member to an ad hoc member." The Director approved the recommendation of the memorandum with the following notation: "O.K. but I am not enthusiastic about the change of our status. H." Our status, however, was not changed and the Bureau has continued to hold full membership on the Board.

In brief, the Joint Study Group Report noted that the majority of the recommendations of the Study Group had been favorably received by the intelligence community in that positive action had been taken to place most of them in effect. Many of the recommendations of the Group were felt to have been met by the creation of the Defense Intelligence Agency (DIA) which acted as a coordinator and overseer of the intelligence effort of the Joint Chiefs of Staff. There is no comment made in this report which would bear on our present survey of CIA jurisdiction or activities within the United States in conflict with our own jurisdictional and investigative interests. The only reference to the Bureau in this latter report was as previously mentioned in the comment relative to reorganization of the membership of the USIB.

5. Responsibilities of the FBI

a. Laws and Directives

No information has been developed with respect to any laws passed or directives issued specifically delegating to the FBI responsibilities for the positive acquisition of foreign intelligence in the United States. As has been set

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forth above under the caption, "The History of Foreign Intelligence Collection in the United States - Prior to World War II," President Roosevelt conducted certain conferences following which he issued instructions with regard to investigations of fascist and communist activities in the United States. Those investigations were to be for intelligence purposes. For the most part, they took on a counterintelligence aspect; however, during the course of them foreign intelligence information was developed either as an outgrowth of investigative activity or through the conducting of technical surveillances.

We found no record regarding the designation of the FBI as the agency responsible for collection of foreign intelligence information in the United States as of the time the Office of Coordinator of Information was created on 7/11/41. Neither did we find any record indicating such responsibility had been delegated to any other agency.

b. Requests From Other Agencies

From time to time the Bureau has received specific requests from other agencies based upon which we have undertaken the collection of foreign intelligence information in the United States in a clandestine fashion. Two instances of this nature were based on requests from the Department of State and from the White House.

(1) Department of State Request - Recognizing a gap in our intelligence coverage of friendly governments, on 10/21/55 we discussed with the then Deputy Undersecretary of State, Robert Murphy, the question of instituting limited discreet technical surveillances on official establishments of selected foreign nations, principally those located in world trouble areas. We pointed out that the FBI stood ready to institute such coverage as might be desired by the Department of State.

JFK Act 5 (g)(2)(D)

Mr. Murphy was quite receptive to this idea, stating that limited coverage sufficiently flexible to change with changing world conditions might be highly desirable. After further discussions it was agreed that a program, "progressive" in nature, would be instituted. By this, Mr. Murphy explained that he did not feel at that time that all desirable coverage should be instituted at a given date, but rather that coverage should be placed on one country at a time as moving events abroad might dictate. On this basis this type coverage was instituted.

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based on a specific request from Mr. Murphy on 12/5/55 that we place technical surveillances on all Egyptian establishments in the United States. Since then, technical surveillances have been placed on numerous establishments of foreign countries for either extended or limited periods of time, depending upon developments on the international scene.

(2) White House Request - In May, 1965, President Johnson advised the Director he wanted the FBI to set up a group in the Dominican Republic for the purpose of taking charge of cleaning out communists in the Dominican Government and advising the Government of those who might try to infiltrate Government ranks. This was the basis for opening our Santo Domingo Office, which has continued operation since 5/21/65.

As a result of maintaining our Dominican Office and assisting in its mission, we have instituted various technical surveillances and developed numerous live sources in the United States from which we regularly acquire foreign intelligence information. Since the President has relied on the Bureau to keep him apprised of developments from an intelligence standpoint as well as developments with respect to communist influence, these sources are regularly contacted for information which fits within the terms of foreign intelligence data.

c. FBI's Role in the United States Intelligence Board

The predecessor to the United States Intelligence Board (USIB) was the Intelligence Advisory Committee (IAC). the IAC was established by National Security Council Intelligence Directive (NSCID) number 1 dated 12/12/47. By amendment to this Directive dated 7/7/49, the Bureau was designated a member of the IAC for the purpose of coordinating domestic intelligence with foreign intelligence. NSCID 1 has been revised several times. Subsequent to a revision dated 4/21/58, the President's Foreign Intelligence Advisory Board merged the IAC and the U. S. Communications Intelligence Board into one body known as the United States Intelligence Board. National Security Council Directive dated 9/15/58, approved by the President, formally created the United States Intelligence Board as successor to the IAC and the U. S. Communications Intelligence Board.

The USIB in its present form is chaired by the Director of Central Intelligence. The Director of Central

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Intelligence is distinguished from the Director of Central Intelligence Agency (CIA) in that the Director of Central Intelligence as Chairman of the United States Intelligence Board is considered the President's principal advisor on foreign intelligence. Membership on the United States Intelligence Board consists of the Director of Intelligence and Research, Department of State; the Deputy Director of CIA; the Director of the Defense Intelligence Agency; the Director of the National Security Agency; the Assistant General Manager for Administration, Atomic Energy Commission, and the Assistant Director of the FBI. The primary responsibility of the USIB is the coordination of intelligence activities. In this regard, USIB's major effort is concerned with the preparation and approval of National Intelligence Estimates (NIE) for use by policy makers.

As a rule, the Bureau does not participate in the preparation of NIE's inasmuch as the subject matter is usually outside the jurisdiction of this Bureau. We have in the past participated in some selective NIE's such as certain estimates on Cuba, world communism, the clandestine introduction of nuclear weapons into the United States and on the Dominican Republic.

As part of its staffing procedure, USIB has created numerous committees in some of which the Bureau maintains membership. The USIB committees on which the Bureau has representation are the Technical Surveillance Countermeasures Committee, the Signal Intelligence Committee, the Interagency Defector Committee, the Watch Committee, the Joint Atomic Energy Intelligence Committee, the Guided Missile Astronautics Intelligence Committee, the Security Committee, and the Committee on Documentation. As a general rule, attendance at Committee sessions is handled by the Liaison Section. Attendance at meetings is in the main restricted to the Interagency Defector Committee, the Watch Committee, the Security Committee, the Technical Surveillance Countermeasures Committee and the Committee on Documentation. The Bureau has a primary interest in the business of these five committees. All decisions made by these committees, which are subsequently approved by the USIB, are the subject of individual memoranda submitted to the Director for his approval.

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Over the years, consideration has been given to the Bureau's withdrawing its membership from USIB. On each occasion the Director has chosen to have the Bureau retain its membership on the Board. The last such occasion occurred in 1964 during the period when John McCone was Chairman of the United States Intelligence Board. At that time, the military services were removed from membership on the Board and replaced by the Defense Intelligence Agency. At the time, Mr. Belmont, then Assistant to the Director, orally discussed with the Director the possibility of the Bureau's withdrawing from the USIB. The Director's comments were that we would not request removal from membership on the Board but would withdraw our membership only if so requested by the Director of Central Intelligence in his role as Chairman of the USIB. The Bureau's withdrawal would, of course, require action on the part of the National Security Council.

d. The President's Foreign Intelligence Advisory Board (PFIAB)

This group was originally organized in January, 1956, as the President's Board of Consultants on Foreign Intelligence Activity. Its primary function at that time was to review periodically the Government's foreign intelligence efforts with specific emphasis on the operations of the Central Intelligence Agency. It was established as a result of recommendations by the Hoover Commission. In the later years of the Eisenhower Administration the activity of the group fell off and it was re-organized in its present form with the advent of the Kennedy Administration.

Our relationship with this Board has historically been one of informal liaison in view of the fact that the primary function of the Board is concerned with foreign intelligence. There have been occasions where representatives of the Bureau briefed individual members and/or panels of the Board concerning our jurisdiction, techniques and accomplishments in the intelligence field. These briefings have been received with a receptive and sympathetic attitude. Our main concern in following the activities of this Board has been to assure that the Central Intelligence Agency does not encroach upon our jurisdiction and upon the functions of the various intelligence communities in which we hold membership

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The case involving Army Sergeant Jack E. Dunlap, a former employee of the National Security Agency who was a Soviet espionage agent, was thoroughly reviewed by the present PFIAB in view of the most serious ramifications it presented. This case concerned the penetration by the Soviets of the National Security Agency. The report which emanated from the PFIAB study included proposals which affect the responsibilities and activities of several agencies within the intelligence community. All of the twenty-one recommendations of the Board dealt with various aspects of achieving a strengthened counterintelligence capability to guard against penetration of our security establishments by hostile intelligence agencies. Nineteen of the recommendations of the Board were approved by the President and three of these related directly to Bureau activity. They are as follows:

#18: "That steps be taken to assure that the Federal Bureau of Investigation has adequate agent resources to effect the required domestic counterintelligence coverage of both bloc and nonbloc official installations and personnel who may be engaged in intelligence and related activities inimical to the national security."

#19: "That the policies of the Department of State with respect to authorizing technical coverage (use of wiretapping and listening devices) by the Federal Bureau of Investigation of foreign official installations and personnel in this country be re-examined with a view to liberalization to the extent necessary to provide the counterintelligence coverage required in the interest of national security."

#20: "That, in future, when consideration is given to exchanging detected Soviet-bloc intelligence agents for imprisoned American personnel in bloc countries, advance consultations be held with Central Intelligence Agency and the Federal Bureau of Investigation to assure that adequate attention is given all intelligence aspects of such proposed exchanges in the interest of the national security, weighed against the political gains to be achieved."

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e. The Director's Stand Over the Years

The Director's stand over the years with respect to jurisdiction concerning foreign intelligence matters within the United States is reflected in numerous comments he has made dating back to the days when the Central Intelligence Group (CIG) was being formed.

In June, 1946, General Vandenberg, then head of CIG, sent a memorandum to the Director proposing that the National Intelligence Authority issue a directive extending the powers and duties of the Director of Central Intelligence, which position General Vandenberg occupied. The memorandum was analyzed on June 21, 1946, in a memorandum from C. H. Carson to D. M. Ladd in which it was pointed out that it was inevitable that CIG must enter into the domestic picture because of sources of foreign intelligence in that field. An addendum was placed on the memorandum by Mr. Edward A. Tamm and Mr. C. A. Tolson which was followed by comments by the Director which is most pertinent to the subject matter under discussion. The addendum read:

> "Mr. Tolson and Mr. Tamm do not concur with the conclusion expressed in this memorandum that 'It is inevitable that the Central Intelligence Group must enter into the domestic field picture insofar as intelligence is concerned because of the sources of foreign intelligence existing in that field.' They feel that a coordinated program for the exchange of information between the Central Intelligence Authority and the FBI, permitting a free and comprehensive exchange of information in matters of mutual interest, will enable the Bureau to work in the domestic field without interference from the Central Intelligence Authority in the same manner that the Bureau works, for example, with local police departments or other governmental agencies within defined jurisdictional lines. We believe that the attached letter to General Vandenberg is satisfactory."

The Director commented as follows:

"I am not as optimistic as are Tolson & Tamm. I think it is inevitable that there will be a collision with CIG over our domestic jurisdiction

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or rather their expansion into it on intelligence matters. It ought not occur but this new memo of CIG shows how greedy it is. It is the Donovan plan almost in toto & is being slyly put over. It means we must zealously guard our domestic jurisdiction & not yield an inch & be ever alert to resist any encroachment."

On March 27, 1953, the Director testified before the Senate Subcommittee on Appropriations. In response to a question from Senator McCarran concerning liaison between FBI and CIA, the Director stated: "There is close liaison. CIA has exclusive jurisdiction abroad for intelligence. We have exclusive jurisdiction within the United States. We maintain continuous liaison with CIA Headquarters in Washington through a liaison representative of our Bureau in order to facilitate the transmission of material from them to us and from our service to them."

In October, 1958, CIA approached us requesting our concurrence in CIA's establishing physical and technical surveillance in the United States on the brother of the then current ruler of Yemen. CIA had an operational interest in this individual. By memorandum it was recommended that the Bureau not become involved in this CIA operation and that CIA be informed that this would not establish a precedent for approval of future CIA activities in the United States. Responsive to continuing to present problems, the Director noted: "This is an understatement particularly if we are going to adopt a macaroni backbone attitude instead of standing up forthrightly for our rights and jurisdiction."

CIA, in April, 1959, advised us that one of its Egyptian sources would be visiting the United States, and requested our concurrence in CIA's establishing coverage including technical surveillance. It was recommended we stay out of this matter and inform CIA that this was not to be construed as a precedent for approval of future CIA counter-intelligence activity in the United States. The Director commented on the memorandum: "The trend has gone so far we have become nothing but a rubber stamp for CIA yet they won't even allow us to perform liaison functions abroad much less operational ones."

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In January, 1960, CIA agreed to comply with conditions imposed by the Bureau with regard to developing positive intelligence information through contacts between U. S. residents and visitors from Iron Curtain countries. CIA agreed to contact us first before promoting such associations. In March, 1960, CIA inquired if it might obtain Bureau clearance at the field level for such contacts in the interest of expediency. Mr. Tolson noted: "More and more we are agreeing to CIA operations in the U. S. I am opposed to this relaxation. We can exercise better control here than through our field offices." The Director added: "I share Tolson's views." CIA was advised clearance was to be obtained through Bureau headquarters.

Anatoli Golitzyn, a Soviet, defected in Finland A source in December, 1961, and furnished information alleging penetration of American intelligence. One Serge Karlow, a CIA officer, was developed as a suspect. On 2/9/62, we took over the investigation. On 2/26/62, Sheffield Edwards, then CIA Director of Security, admitted CIA had had technical coverage on Karlow from February, 1961 to 2/9/62. Edwards claimed his reluctance to tell us of this situation earlier because of obvious possible jeopardy to prosecution, plus embarrassment to his Agency should the Bureau raise an objection to CIA's maintaining such coverage. The Director noted: "I only wish we would eventually realize CIA can never be depended upon to deal forthrightly with us. Certainly my skepticism isn't based on prejudice nor suspicion but on specific instances all too many in number. Yet there exists wistful belief that 'the leopard has changed his spots'."

In April, 1962, we received information on a strictly confidential basis from Jay Sourwine of the Senate Internal Security Subcommittee to the effect that an unidentified CIA representative had talked to Senator Eastland concerning an alleged move to place CIA in charge of all intelligence-gathering operations for the Government -- to include Soviet espionage in the U. S. The Director noted: "I am not surprised at the above alleged effort. There is no doubt in many quarters a desire to eliminate the FBI in dealing with espionage and subversion for we are a thorn not only in the side of communists but also the ADA and Fabian Socialists. CIA which failed again and again to know what is actually going on abroad could be counted upon to blunder the same way in the USA."

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In April, 1963, we received information indicating that CIA Director John McCone was considering expansion of CIA operations in the United States -- specifically intelligence coverage and the development of sources in this country. The Director made a note on the memorandum recording this: "McCone is trying to do another 'Donovan.' If he injects himself into the U. S., the FBI gets out. Too many cooks spoil the broth."

In December, 1963, the Director inquired as to the nature and extent of intelligence operations wherein CIA had established contact with a diplomat, operated him in the U. S. with our coordination, and continued to operate him upon his having departed this country. Four such cases were cited. On the memorandum, the Director noted: "I have little confidence in CIA abiding by agreements if it serves its purpose better not to do so."

In January, 1964, CIA advised us it had reorganized its activities in the U. S. The Domestic Operations Division, CIA, had established field offices in this country under appropriate cover. A memorandum was prepared describing the history of CIA operations in the U. S. and recommending action designed to protect our interests. A letter went to CIA with ground rules which the Bureau expected CIA to follow in all matters requiring coordination. The Director noted: "OK, but I hope you are not being taken in. I can't forget CIA withholding the French espionage activities in the U. S. nor the false story concerning Oswald's trip to Mexico City, only to mention two of their instances of double dealing."

The New York Office, by letter 2/14/64, set forth its observations concerning a briefing given that office on the matter of CIA operations in the U. S. The Director commented: "I think this domestic operations expansion of CIA is very dangerous and will inevitably 'muddy' the waters."

In May, 1964, the Bureau reconsidered its stand with respect to permitting CIA to approach sources at foreign establishments in the United States for intelligence purposes. The following policy was proposed and subsequently approved:

(1) Where there was no indication a source would be leaving the United States, we would deny CIA clearance for contact until we had fully explored the person's potential for our own purposes. If we decided we had no

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interest and CIA contact would not jeopardize any FBI investigations, we would grant CIA approval to proceed with its contact with proviso we be kept informed of information developed of possible interest to us.

(2) Where it appeared source would be returning to a foreign country shortly we would normally grant CIA clearance for preliminary contact with proviso we be kept informed of results. We reserved the right to take direct access to the source as our needs required.

(3) Where there was an overlapping of interests and source expected to continue in United States for fairly extended period of time, in those instances where CIA had entree and no Bureau investigation would be jeopardized we would permit CIA to explore matter and make preliminary contact keeping us advised of progress and getting our specific clearance before a direct recruitment approach; however, where factors indicated it would be to best Bureau interests to operate source, we would undertake the recruitment and keep CIA advised of information of interest to that Agency.

When these matters were submitted for approval Mr. Tolson commented, "Looks okay, but we will have to watch this very closely." The Director concurred in Mr. Tolson's remark.

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D. THE NEED AND THE POTENTIAL FOR FOREIGN INTELLIGENCE IN THE U. S.

In 1941, the U. S. allegedly had in its possession practically all of the foreign intelligence it needed regarding military and strategic targets in Japan. The information was scattered among various individuals who had personal knowledge or was located in libraries, various Government agencies, private business firms, institutions, et cetera. Tragically, the U. S. Government did not have any mechanism to collect, record and evaluate such information. Intelligence was badly needed in 1941, and we paid dearly in lives and financial resources to accomplish certain missions because the information was not readily available.

Today, the need for foreign intelligence is greater than ever. The stakes of foreign policy have never been higher. The U. S., being a dominating world power, has assumed vast responsibilities enmeshed in delicate political situations throughout the world. The ever-existing threat of an atomic war with communist countries demands a continuing acquirement of knowledge so that policies and courses of action can be designed in the most effective manner possible. The information needed applies to numerous fields of activity, a major area being scientific research and development. In this connection, the revolutionary break-throughs in the scientific category are occurring with unusually high frequency, and if the U. S. is to remain in the forefront, it is absolutely necessary that we obtain an accurate evaluation of the enemy's capabilities and intentions. We have been fortunate to collect high quality positive intelligence through sophisticated collection methods, i.e high altitude photography and research in this area is proceeding at an accelerated pace. Nevertheless, electronic gadgets and machines will never produce all that is required. We still need supplementary coverage on a heavy scale, and the human being still continues to be a vital source of information. The individual talks and volunteers information. He talks and his statements are intercepted. All of this produces valuable increments of intelligence. The individual can still provide badly needed data either through his voluntary contribution or through his unwitting divulging

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of intelligence. The importance of the individual is further emphasized when we realize that as each sophisticated collection technique is introduced, science also introduces newly designed countertechniques of covering, protecting, and camouflaging important assets. In essence, technology eventually hits an inpenetrable or leveling-off depth.

Foreign intelligence is not geographically restricted. Information regarding Chinese Communists can be obtained anywhere in the world, and even if it is of a fragmentary nature, the data can be of significant value. The demand for information is heavy and is sought by every agency in the Government. Because of this, it has been necessary for the U. S. Government to map a program of collection on a priority basis. This has been done through the creation of a committee which is attached to the U. S. Intelligence Board. The committee maintains a list of priorities on a current basis. A recent list of guidelines for the collection of foreign intelligence pertaining to scientific affairs in Communist China included approximately 170 items, i.e. long-range planning of Communist China in the nuclear field; nature of research in oceanography; computer capabilities of Shantung University; climate modification and cloud physics research; development of meteorological rockets; development of nuclear weapons; location of uranium refineries; strength of Naval forces; intentions along the Sino-Indian border; types of equipment being supplied to Laos and North Vietnam.

In the U. S. proper, the sources of foreign intelligence are voluminous. Most of these sources overtly provide information through newspapers, scientific publications, libraries, tourists, visiting professors and students, journalists, and immigrants. The compilation, collation, analysis, and reporting of such information involves an extensive program and, needless to say, the U. S. today does not have the capability of tapping all available sources on a current basis.

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For the purpose of this paper, we are thinking about the search for knowledge considered vital for national survival. One could suggest that clandestine collection of intelligence is overemphasized and that our Government could readily protect its interests through overt collection and the employment of our best analysts and evaluators. If we take this approach, we may as well discount the importance of the Bureau's activities in the counterintelligence field, which essentially are of a clandestine nature and which have produced time and again vital intelligence. We, therefore, must move on the assumption that the clandestine collection of foreign intelligence is very definitely a most necessary element of our over-all intelligence capabilities.

In addition to the overt sources, there exists a rich potential in the U. S. among the foreign diplomatic establishments including the U. N., the officials of foreign governments, and visitors such as students, professors, and scientists. A certain amount of information from such sources can be obtained in an overt fashion, but the high quality data is normally acquired through clandestine means. This can be done through technical monitoring, development of live sources, access to records, files, et cetera. There are approximately 10,000 foreign officials in the U. S. assigned to embassies, consulates, trade missions, U. N., and other international organizations. This excludes dependents. During the fiscal year ending June 30, 1965, 38,544 foreign government officials visited the U. S.; about 1500 of these came from communist-bloc countries. During the fiscal year ending June 30, 1965, approximately 50,000 foreign students came to the U. S.; 733 of these came from the communist bloc. During the same fiscal year, there were 2,075,967 visitors from all countries. Everyone of the foregoing is a potential source of foreign intelligence. As can be readily accepted, the U. S. Government does not have a capability of assessing each and every one of these sources for foreign intelligence. We can say at this point that the FBI and CIA are just scratching the surface. It is recognized that a program designed to assess

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or attempt to recruit each potential source would be out of the question. Such a massive undertaking would not be compatible with U. S. Government foreign policy. There is no question that there must be selectivity of a judicious and prudent nature.

Since the U. S. is such a major power, Washington, D. C. is the center of diplomatic activity involving practically all foreign nations. The location of the U. N. in New York City presents us with another area of intensified activity. Most countries send their most able diplomats to the U. S. so we are confronted with hundreds of highly talented people. The day-to-day activities in diplomatic establishments, conferences, meetings, negotiations, liaison between countries, all create a tremendous reservoir of foreign intelligence potential.

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E. CURRENT CAPABILITIES OF CIA IN THE FOREIGN INTELLIGENCE COLLECTION FIELD IN THE UNITED STATES

In order that there may not be any misunderstanding regarding CIA's capabilities to collect foreign intelligence in the United States, we should first clarify that one of the components of the Agency which has offices in the United States does not engage in this particular activity. The Office of Security, which is responsible for personnel and physical security, maintains several offices in the United States under authorized Treasury Department cover. Personnel of this office conduct investigations of applicants, firms or individuals who may be utilized by CIA on a contract basis to support intelligence operations overseas.

The overt collection of intelligence by CIA is handled by the Domestic Contact Service (DCS) (formerly called Contact Division). CIA estimates that DCS has a capability of tapping approximately 15 per cent of the total potential of intelligence in the U. S. This Division has 18 field offices and 16 resident agencies in the United States, and each office is openly identified as being connected with CIA. Personnel totaling approximately 140 carry CIA credentials. The Division regularly has a number of officers from the various military services who are assigned to this Division on a temporary basis. These military officers concentrate on the collection of that foreign intelligence which relates to the immediate United States military needs. The personnel of DCS interview aliens, tourists, officials of import-export firms, students, scientists, and the information collected covers a very broad spectrum in the positive intelligence category. DCS claims to have contact with about 7200 organizations, institutions, or businesses and has approximately 60,000 contacts or sources of information. The information is reported in the form of "Information Reports," which is disseminated throughout the intelligence community. During 1965,

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DCS disseminated 26,000 such reports. DCS does not have any responsibilities in the clandestine collection of intelligence, and in that sense it is very specifically not operational. DCS definitely cannot engage in any activity of an internal security nature, and within CIA it is clearly understood that DCS is not to be operational under any circumstances. DCS has been the subject of some controversy within CIA. There is one school of thought which maintains that DCS should be an appendage of the Deputy Director of Plans, who is responsible for all clandestine operations. The other school which has prevailed holds to the line that DCS should be separate and continue under the supervision of the Deputy Director of Intelligence (DDI). This situation not only has caused headaches for CIA but also for the Bureau because of situations which arise where the "left hand does not know what the right hand is doing."

DCS is essentially carrying out CIA's responsibilities emanating from National Security Council Intelligence Directive (NSCID) No. 2 which has its roots in a similar directive issued under the National Intelligence Authority in 1946. It has been in business for approximately twenty years. Per agreement, DCS cannot interview an alien without first clearing with the Bureau. This is done on a daily basis. With regard to American citizens, Bureau approval is not required unless the Bureau has indicated a prior interest in the individual; however, DCS nevertheless submits name checks on Americans, and if it so happens that the subject of such an inquiry is a Bureau source or involved in a Bureau investigation, we are in a position to move to protect our interests. It should be noted that although DCS is engaged primarily in positive intelligence collection, it is required to be on the alert for sources who possibly might be useful to CIA's clandestine operations. For example, if DCS encounters an alien who can be utilized in an overseas operation, the lead is passed on to the appropriate division. At the present time, DCS alerts the newly created Domestic Operations Division (explained below) regarding potential sources.

Our current controls with regard to DCS are functioning efficiently. We regularly examine the

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status of this relationship, and we periodically make adjustments in order to make certain there is no "freewheeling" and to take advantage of the information which DCS gains and which is of interest to the Bureau. For example, we are currently working out arrangements where our field offices can contact the local DCS offices concerning Chinese aliens who might be of interest to us either as subjects for investigation or as potential informants. This liaison at the field level was deemed desirable so that we could get information at the "horse's mouth" rather than wait for a reply from CIA headquarters, which is often prolonged and, when transmitted, is sometimes stripped of pieces of information. This occurs because of the involved and sometimes complicated maze of bureaucratic compartmentation within CIA.

In the latter part of 1963, CIA created its Domestic Operations Division (DOD), which was to be responsible for any clandestine development of sources in the United States. Prior to the establishment of this Division, CIA activity in this field was managed from each individual area division at Washington headquarters. The pressing need for more clandestine sources, coupled with the recognition of the vast potential in the United States, prompted CIA to create a new division which would be responsible for all of the area division interests. DOD has headquarters at Washington, D. C., and currently has field offices at New York City, Boston, Chicago, San Francisco, Los Angeles, Honolulu, and Washington, D. C., proper. Approximately 40 intelligence officers are assigned to the task of engaging in assessment and/or recruitment of positive intelligence sources, primarily in the diplomatic field. Some of the personnel are assigned to the handling of firms or organizations which may be supporting certain CIA operations abroad. DOD personnel in the field operate under authorized Department of Defense cover. The heads of these field offices are known to us, and we have established a satisfactory liaison area at the field level.

DOD is also responsible for the handling of CIA agents (informants) who have been recruited abroad and who come to the United States for assignments either on a temporary basis or for the duration of a normal diplomatic assignment.

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The creation of DOD within CIA was and still is a somewhat controversial Agency subject. DCS saw DOD as an interfering element. The area desks were reluctant to have a new division to take over their agents. Some of the DOD personnel are very capable and seasoned intelligence officers. Many of them are considered of mediocre capability, and there is a frequent rumor that other CIA divisions send their misfits to DOD. From CIA's standpoint there appears to be a definite need for a much stronger team within DOD.

Theoretically, DOD is required to be on the alert for all potential sources who can be used by CIA in its intelligence operations, and the approach is basically one of a long-range nature. DOD is required to make use of all leads emanating from fellow employees who may have developed social contacts or associations with foreigners abroad or who might meet potential sources in the United States. Since CIA personnel operate under diplomatic cover when abroad, they do get the opportunity to move in diplomatic circles. Similarly, undercover agents of CIA traveling throughout the world also make contacts which offer potential exploitation if and when the target stops in the United States.

Since January, 1964, when DOD actually began moving, it has recruited approximately ten individuals in the diplomatic field. Most of these were in the noncommunist-bloc area. All of those recruited appear to have been in a fairly low-level category. All of them were career diplomats, and there was no evidence that the individuals were connected with any intelligence service.

In addition to the activities of DCS and DOD, there is a certain amount of CIA operational movements which do not fall under either of the foregoing divisions. One example is the CIA base in Miami which was set up for CIA's operations directed against the Cuban Government. This base is used for the training and dispatching of agents into Cuba and to some extent into other countries in the Caribbean, particularly the Dominican Republic. This base is directly responsible to the Western Hemisphere Division of CIA, which could be called the Latin American Division.

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CIA also becomes involved in political and psychological warfare type of programs directed against targets in foreign countries. The Agency broadly refers to this activity as "covert action." The programs are essentially designed to influence individuals, organizations or governments through various news media, and this will include the utilization of "agents of influence." This activity falls under the International Organizations Division (IOD) of CIA, which has no responsibility to collect information. IOD does use people in the United States to help implement the overseas programs. Quite often the Agency uses cutouts or covers for such an operation. Although IOD does not engage in intelligence collection, it is a CIA division which should be kept in mind, since its activities quite often will be tangent to matters of interest to the Bureau. For example, IOD becomes involved in the World Youth Festival, where its objective is to neutralize communist influence. We, of course, have had an interest in the Festival because of the participation of Americans, including members of the CPUSA. Theoretically, IOD is required to coordinate closely with other appropriate components of CIA. We do not believe that this coordination has been effective enough.

There is no doubt that there are individuals in CIA who aspire to broaden the Agency's operational activities in the United States. Such individuals would like to see an arrangement similar to one currently in force in England where MI-6 has a free hand to assess and recruit all foreigners, including diplomats, where there is no evidence that they are engaged in intelligence activity. If such evidence is obtained, MI-6 is required to coordinate with MI-5. There are people in CIA who would like to see similar machinery and in addition would want the freedom to conduct certain investigations and maybe even institute technical surveillances.

In summary, CIA so far has a very limited capability to recruit foreign diplomatic sources in the United States, but the Agency appears to have done fairly well with a relatively small staff; however, it can be anticipated that this capability will increase. CIA's effectiveness will probably be adversely affected for some time to come because of the Agency's well-known deficiencies, such as lack of discipline, loose administration, and lack of skilled and talented personnel.

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F. CURRENT CAPABILITIES OF THE FBI

1. Manpower Being Devoted

It is most difficult to give any specific figures as to how much manpower the FBI is currently devoting strictly to foreign intelligence collection, separate and apart from the Bureau's internal security and counterintelligence functions. Much of the foreign intelligence developed by the Bureau is an outgrowth of our internal security investigations and cannot be neatly separated in terms of manpower or time.

A substantial amount of our foreign intelligence activity is concentrated in two offices where most of the diplomatic establishments in the United States are located; namely, New York and Washington Field. Both offices were requested to furnish estimates as to how much manpower is being allocated to foreign intelligence matters, including both live sources developed and technical coverage. In both cases, the estimates provided were highly tentative and both offices stress that manpower commitments in this area fluctuate widely from week to week depending on international politics and other unpredictable factors. For instance, during the Cuban missile crisis of 1962, both offices greatly increased their normal manpower commitment to the development of current foreign intelligence. The present Dominican crisis which involves production of foreign intelligence to a large extent represents another "abnormal" situation.

However, for what it is worth, WFO and New York have estimated that at the present time they are allocating approximately 35 Agents and 20 clerical employees to the full time task of foreign intelligence collection. Virtually all of the clerical time and about 40 per cent of the Agent time is related to technical coverage and the balance is aimed at the development of live sources.

In addition, of course, all of the other offices, including our Legal Attaches abroad, have devoted manpower to foreign intelligence collection in varying degrees. Anagram operations conducted in different field offices have involved the assignment of as many as 10 or 12 Agents for temporary periods. In connection with its responsibilities in the Cuban and Latin-American fields, the Miami and San Juan offices have devoted considerable manpower to the development of foreign intelligence in recent years. The Chicago Office in connection with its handling of our top-level Solo informant has devoted manpower to the development of foreign intelligence. These represent only a few examples.

On an overall basis and bearing in mind the difficulty in citing any precise figures, it is estimated that the Bureau probably averages approximately 50 to 75 Agents and 25 to 30 clerks assigned primarily to foreign intelligence work.

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2. Number of Microphone and Telephone Surveillances with Evaluation of Product

At present, Bureau has only one microphone surveillance in foreign intelligence field and this is in connection with a special National Security Agency project directed against Turkish coded communications. Concerning technical surveillances, we are now operating about 70 foreign intelligence installations on various diplomatic establishments in this country. The majority of these are in Washington Field and New York with scattered installations in Chicago, Miami, Pittsburgh, San Francisco and San Juan. Under current Bureau policy, we are limited to 80 foreign intelligence technical surveillances and no microphone surveillances with the exception of one on the Turkish United Nations Mission.

In addition, during recent years, we have maintained approximately 50 so-called "telex" surveillances on the teletype facilities of various foreign establishments. This has been done at the specific request of the National Security Agency, in connection with its efforts to break foreign codes and to read foreign government communications.

We have had excellent results from these technical installations. Any compilation of items of value to the U.S. Intelligence Community and policy-making officials developed through this coverage would run many hundreds of pages. The results have ranged from information regarding plans and activities of key foreign countries in the diplomatic field to information regarding intelligence, political, economic and military developments in the countries concerned. In many instances, we have been able to forewarn the White House, the State Department and other interested agencies of impending developments and to furnish data giving an insight into the thinking and strategy of key foreign officials and governments. This coverage has proved specially valuable during crisis periods such as the Cuban missile crisis of 1962 and during the tense negotiations involving the Panama Canal in 1964. On many occasions, top-ranking United States officials have commented on the effectiveness of this data. The particular importance of this information has been its timeliness to current events as well as the fact that it represents a penetration of foreign diplomatic circles which is only infrequently available through live sources.

In some instances, of course, this type coverage on a particular foreign establishment or official has not paid off. We have had cases where this technique has been unproductive for sustained periods of time on a particular country. This is to be expected and we have sought to overcome this by rotating our installations, correlating our technical operations with shifting international developments and putting coverage on those countries which appear to offer the most promise for worthwhile intelligence.

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3. Live Sources With Evaluation

At present we are making active efforts to develop live informant coverage in the diplomatic establishments of 37 non-Soviet bloc countries. This list of so-called "target countries" varies from time to time but essentially we are seeking informant coverage in countries considered critical from an intelligence standpoint such as those leaning towards the Soviet bloc or countries in which the United States has paramount political or military interests or which are otherwise of primary concern. The current list includes virtually all Latin-American countries, a number of Middle East countries, and scattered countries throughout Africa and the Far East.

Our program was initiated in the early 1950s, and we are now using some 50 sources (This number fluctuates due to transfers, resignations, etc.). In each case, we clear with State Department prior to designating any country as a "target" and we also clear with State prior to conducting interviews with employees at the "target" establishment. In a number of instances, including most Latin-American countries, State has asked us to restrict our efforts to American citizens. This, of course, is a highly limiting factor.

Over the years this live informant coverage has on many occasions produced foreign intelligence of real value. Our sources have frequently provided data regarding proposed political, diplomatic or economic action by the countries concerned, on occasion in advance of other forewarning to U.S. intelligence. They have also been able to furnish a considerable amount of information regarding the whereabouts, background and general activities of individual foreign officials of security interest, thereby saving investigative time. These sources have been especially valuable in connection with the Anagram Program and other sophisticated attacks on foreign establishments, providing us with data regarding the physical security, location of code rooms, etc., of the various foreign establishments.

In addition to so-called "target" countries which are in the non-Soviet bloc area, the Bureau has developed a number of informants and defectors-in-place in Soviet-bloc establishments who have been able to furnish a substantial amount of foreign intelligence. In the Soviet-bloc field, we have also developed a number of sources in quasi-official establishments, such as trade missions, who have produced valuable foreign intelligence. In the Soviet-bloc field, of course, our live informant development has been aimed essentially at internal security and counterintelligence needs of the Bureau.

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It is significant that we have been able to operate for many years in the development of live sources in foreign diplomatic establishments, both Soviet bloc and non-bloc, without encountering any serious incidents embarrassing to the FBI or the United States Government.

In assessing the product of such live sources in a number of instances in the non-Soviet field, State Department has requested that we restrict our efforts to American citizens. To a considerable degree, this has limited the effectiveness of our program in the non-Soviet field since U.S. employees of foreign establishments will normally not have access to top-grade data. Thus, especially in the non-Soviet bloc field we are not tapping the full potential which exists for high-level foreign intelligence. This can only be realized through the development of high quality sources.

4. Anagram Program

This material, which is a peculiarly sensitive foreign intelligence operation etc.

Anagram is code word for FBI program to penetrate foreign diplomatic establishments in U.S. for purpose of securing cryptographic material. This material is primarily of value to National Security Agency in its communications intelligence efforts. Since inception of program in 1954, we have conducted Anagram operations involving 38 different foreign countries and a total of 57 separate establishments. Approximately 10 FBI field offices have participated in the program. Our operations under this program have resulted in monetary savings to the Government estimated at better than $13,000,000 and it has provided data of incalculable intelligence value. While it has been of primary value to NSA, we have on occasion produced information of primary interest to the Bureau. For example, in April, 1963, we affected a successful penetration in the Polish field which produced material disclosing the activities of Polish Intelligence Service in this country.

5. Double Agents and Informants

In a number of instances, Bureau double agents and informants, developed to assist us in connection with our internal security and counterintelligence responsibilities, have been able to provide significant high-level information of foreign intelligence value.

For example, in the Soviet field, we have developed a number of top-level sources such as Fedora and Tophat who have provided current intelligence regarding the organizational structure, personnel, and operations of the KGB and GRU, both in the Soviet Union and abroad; a description of various technical equipment used by Soviet intelligence; data regarding current relations between the Soviet Union and Communist China; and data regarding Soviet foreign policy, political and military developments, etc. Similar information of foreign intelligence value has been developed through FBI informants, double agents and defectors-in-place operating against

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Polish, Yugoslav, Czechoslovakian and other communist-bloc countries. For instance, in the Cuban field on several occasions, FBI informants have been able to develop high-level or current intelligence regarding conditions in Cuba, and policies of the Castro regime through personal contacts with ranking Cuban officials both in the U.S. and abroad.

Through our coverage of the Communist Party, USA, and related organizations we have also frequently produced foreign intelligence, although to a lesser extent than in our operations in the foreign nationality field. One of our best sources of foreign intelligence in the domestic area is our so-called Solo operation* wherein we have informants acting in a liaison capacity between the Communist Party, USA, and foreign communist groups, including the Communist Party of the Soviet Union. We have developed information through this operation regarding the Sino-Soviet dispute, social and political conditions in various countries, both in and outside the Soviet bloc, and tactics of the international communist movement.

6. Additional Potential

As indicated in the foregoing subsections, the Bureau is currently producing a considerable volume of foreign intelligence through covert means, much of it of a significant nature. Most of this data is an outgrowth of informants, technical coverage and investigative programs targeted primarily to fulfill our internal security and counterintelligence objectives and relatively speaking, we have committed only a small percentage of our assets exclusively in the direction of foreign intelligence.

It is believed that the Bureau possesses considerable potential for the development of foreign intelligence which could be realized with a fairly modest expenditure of manpower and costs if we were to make foreign intelligence collection a primary aim. For example, with existing equipment and facilities, we could expand our technical coverage of foreign establishments to include an additional 30 to 40 foreign establishments provided we could assign about 25 additional personnel to this field. With the assignment of an additional 75 to 100 Agents, we could greatly intensify our foreign intelligence collection through live informants, primarily through the development and exploitation of additional sources at foreign diplomatic establishments. We could place more stress on foreign intelligence collection in our training programs and conferences to make more effective use of our already available ass We could, for example, add specialized classes on foreign intellige collection to our In-Service schedules or designate selected Bureau personnel to attend training sessions operated by other U.S. agenci regarding this subject.

* identifies a particularly sensitive foreign intelligence operation

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G. AREAS OF CONFLICT, FBI - CIA

Any differences between FBI and CIA are first related to a basic problem existing in any country among the major powers, namely "How does a law enforcement agency coordinate its internal security functions with an intelligence organization which must operate as a clandestine service?" The very nature of the functions of the two organizations immediately introduces potential areas of conflict. One essentially operates overtly and the other covertly. This alone is enough to create an atmosphere fraught with controversies and confusion. Because each agency was molded differently and because responsibilities differ, there naturally will be conflicting approaches to national security objectives. For example, in the field of intelligence the Bureau is basically a counterintelligence body. CIA, to the contrary, has a much broader responsibility in intelligence, which includes collection of foreign intelligence, political and psychological warfare, inter-agency coordinating, evaluation, research, etc. Counter-intelligence within CIA is actually a relatively small component of the agency. Personnel in the two organizations is recruited under different criteria and standards. Training is likewise at variance. In a final analysis, the experienced FBI Agent and the seasoned CIA intelligence officer are not of the same mold but certainly are tailored as two entirely and distinctly different instruments. We should bear in mind that little has been done to introduce truly substantive cross-fertilization of outlook, approach and operational philosophy between the two agencies. This could be advocated from a Utopian point of view, but it also could be argued that there are distinct advantages to maintaining sound compartmentation.

Separate from the above basic and fundamental situation, the differences between FBI and CIA also relate to other factors such as:

1) FBI was first on the scene and was well established long before CIA came to life. This led to a conception in the early years that CIA was an intruder.

2) The seed of CIA was the Office of Strategic Services (OSS), an organization whose personnel, activities and free-wheeling were the sources of numerous conflicts

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with the Bureau during World War II. It was during these years that an atmosphere of mistrust and lack of confidence was created.

3) CIA was established as our first over-all, worldwide intelligence agency. The events and the maneuvering which led to this certainly did not bring with them a harmonious relationship.

4) Unfortunately, CIA grew big and grew fast, particularly because of an unsettled atomic world and developments such as the Korean War. The Agency did not jell effectively as an organization, and with this came numerous difficulties, many of which exist to this day.

5) Each organization has lacked adequate knowledge of the other's operational machinery, objectives, and "ways and means of doing things."

6) An element of rivalry actually developed over the years, and this, when not tempered with prudence and sound judgment, creates unhealthy situations.

7) A growing tendency on the part of CIA to expand its operational activities not originally contemplated in the formation of that agency.

It can be recognized that with this background it has not been an easy matter to establish a good working relationship with CIA without frequent conflicts, and sometimes agonizing negotiations. It could be suggested that the ideal situation would be to remove CIA from the U. S. with the understanding that we would assume responsibility for any and all activity in the intelligence field. As described in another section of this report, such a move would be highly infeasible for the Bureau.

It is to our credit that despite the problems of the past there have been some highly constructive developments in FBI-CIA relations, particularly as they affect activities in the U. S. Several years ago arrangements were made whereby CIA's Office of Security could conduct applicant investigations without infringing upon our jurisdiction. For several years we have been permitting CIA to interview aliens for foreign intelligence information under ground rules which have been very successful. Our liaison

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mechanism has been functioning effectively. We have frequent conferences. Bureau personnel lectures before CIA officers. Dissemination of information is excellent. The atmosphere for negotiating and discussing unusually complicated problems is very good. Personnel can work in the same area with a minimum of problems, as evidenced in the Dominican Republic. We attend USIB meetings and are actively engaged in the work of several committees attached to USIB. All of this is commendable progress and certainly beneficial to national security.

All of the foregoing was set forth in the way of background in order to better understand the current source of differences with CIA, namely the Agency's desire to assess and recruit foreign intelligence sources in the U.S. in the foreign diplomatic establishments, including United Nations, and to some extent among foreign visitors. CIA fully acknowledges our internal security and counterintelligence responsibilities. This is clear-cut and free of any debatable question; however, CIA feels that we have no legally-established responsibility in foreign intelligence collection and that somebody (in this case, CIA) should be fully exploiting the foreign intelligence potential in the United States, bearing in mind that there are approximately 10,000 foreign officials and employees in this country. CIA argues that a foreign diplomat can be recruited anywhere in the world but maintains that there is no better place than the United States for assessment, recruitment, training and orientation of an informant. CIA further maintains that if the Agency moves on a target, such as an Argentine diplomat who may be a career officer not connected with a foreign intelligence service, there should not be any conflict because the activity is in no way related to the internal security functions of the Bureau. CIA has also expressed the attitude that in the communist-bloc field CIA should be permitted to assess and recruit those individuals not connected with an intelligence or internal security service.

There are some people in CIA who are of the opinion that in the field of foreign intelligence the Bureau should be exerting more effort to actually assist CIA in spotting sources and, when needed, give CIA support in developing an individual through such means as surveillances, neighborhood investigations, etc. When CIA is permitted to

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recruit a source in the U. S., the Agency takes the position that if the source can be of help to the Bureau we should levy requirements on CIA and not ask for access to the source unless it clearly appears that only through access we can properly discharge our responsibilities. CIA takes a very strong view that once a source is developed it is basically unsound to introduce another agency into the relationship. The developing agency may have used techniques peculiar to its own organization and may have developed a relationship under varied circumstances, and when a new agency is introduced this relationship with the source could be unfavorably disturbed. CIA does not dispute the fact that informant and Agent turnovers sometimes are absolutely necessary.

CIA maintains that if the Bureau is given access to a CIA source we would be responsible for the counter-intelligence aspects, but if the source produces foreign intelligence CIA should be responsible for handling this information, including the dissemination. CIA's position is that it is better qualified to evaluate the information and correlate it with the foreign intelligence being developed abroad. For example, if a Nigerian source of CIA, also available to the Bureau, furnishes information regarding the Nigerian Foreign Office, CIA claims that it can better handle the report and dissemination.

Discussions and agreements with CIA, including the actions stemming from meetings with the representatives of that agency in November 1965, have resulted in a greatly improved coordinating machinery. There still are areas of potential conflict which will necessitate improvement. They are:

1) DOD personnel receives leads or tips pertaining to possible access to Soviet-bloc diplomats. This CIA Division pursues these leads and is inclined to take the position that such individuals contacted by CIA are their "CIA-controlled sources." If we permitted this to go on over a period of time, CIA would have a vast network of sources not directly available to the Bureau. This is basically unsound, and there is no reason CIA shouldn't immediately give us the lead or tip for exploitation. We can recognize that, depending upon circumstances, it might be favorable to us and CIA for the Agency to handle a particular individual, and if so, it would be clearly

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coordinated. This would be most important if the individual in any way was connected with or associated with an intelligence service.

2) DOD is anxious to have freedom to assess and recruit Bloc diplomats not known to be engaged in intelligence activity. On the surface, this does not appear to present a problem, but realistically speaking it is impossible for us to know that a Soviet diplomat, not known to be engaged in intelligence activity one day, appears on the scene the following week as an agent or coopted agent. To give CIA wide latitude in this field could create a truly undesirable mess. We believe that if CIA is permitted to move on such targets it should be done on a selective basis and with maximum coordination.

3) CIA's organizational and operational deficiencies, such as lack of discipline, poor internal coordination, unsatisfactory records, all introduce headaches which undoubtedly will continue to exist for many years.

4) There continues to be an element of mistrust and misunderstanding between the two organizations because of the historical reasons described above.

5) Continuing lack of one agency's appreciation for the other's objectives, responsibilities and operational philosophy.

6) The absence of a clearly defined Bureau policy and objectives in the field of foreign intelligence collection. CIA really does not know the nature and the extent of our interests, and consequently this lends to confusion and misunderstanding.

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H. CURRENT AGREEMENTS BETWEEN FBI AND CIA

1. According to SAC Letter 59 dated 5/24/49, CIA and FBI had reached agreement whereby clearance would be requested of FBI before CIA conducted an interview with an alien in the U.S. This clearance would consist of a review of Bureau files concerning individual in question.

According to same SAC Letter, agreement had been reached by the FBI and CIA whereby CIA was allowed to contact American businessmen without obtaining clearance from FBI in order to obtain positive foreign intelligence information and arrange covers for CIA personnel abroad. This agreement was based strictly on collection of foreign intelligence and positively did not allow for the formulation of a network of confidential informants for CIA in the U.S.

Regarding FBI-CIA agreement that CIA would clear with us prior to interviewing aliens in U.S., following documentation has been located. By letter 2/19/48 Director of CIA Hillenkoetter wrote Director and referred to National Security Council Intelligence Directive No. 7, 2/12/48. This Directive states in part that CIA will be responsible for exploitation on highly selective basis within U.S. of business concerns, other nongovernmental organizations and individuals as sources of foreign intelligence information. Hillenkoetter commented that CIA had been interviewing foreign businessmen, immigrants and refugees on small scale, always clearing matter first with FBI office in area concerned. He asked Director's views as to possible expansion of this activity.

By letter 2/26/48 Director replied to Hillenkoetter. In part, this letter pointed out FBI had no objection to CIA interviewing individuals enumerated above for foreign intelligence purposes; however, it was suggested that prior to interview such individual matters be cleared with FBI Headquarters.

2. Bureau letter to CIA 1/16/64 confirmed results of meetings between CIA and Bureau via liaison in discussing reorganization of CIA's Domestic Operations Division (DOD). Letter recognized CIA needs (recruitment of sources in U.S. who may be used abroad; recruitment of diplomats, including UN representatives, who might be useful to CIA in overseas operations or who might be transferred to Soviet-bloc countries; training of agents recruited; handling of agents developed abroad who come to U.S. for a visit or assignment; and approaches to foreign officials and visitors to assess their potential as sources when they leave the U.S.). Our letter to CIA set forth the following ground rules to be followed in connection with CIA's operations in order to avoid operational conflicts and embarrassment:

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a. CIA would not conduct investigation of any foreign official in U.S. and if CIA felt such investigation warranted, FBI should be consulted.

b. No foreign official would be approached for recruitment by CIA without its conferring with FBI.

c. When CIA agent arrives in U.S. for visit or assignment, FBI will be advised and two agencies will confer regarding handling of agent in this country, it being recognized each case has its individual peculiarities.

d. Before approaching any foreign official or visitor for recruitment assessment, CIA will clear with FBI.

3. As result of conference with CIA in January, 1966, the above "ground rules" were modified and expanded and agreed upon by both agencies early this year (Confirmed by letter to Admiral Raborn 2/7/66). New ground rules in summary are as follows:

a. CIA will not initiate investigation of any foreign official in U.S. without concurrence of FBI. (Comment: This is essentially same as (a) in January, 1964, ground rules. Only difference is that wording of this modification implies more sympathetic FBI attitude towards any proposed CIA investigations.)

b. CIA will seek FBI concurrence before approaching for recruitment any foreign official or communist bloc visitor in U.S. FBI will concur if CIA action does not conflict with any FBI operations. (Comment: This is similar to (b) and (c) ground rules adopted in January, 1964, with two differences. First, it drops requirement that CIA clear with us before approaching a non-Soviet visitor although it must still do so with regard to non-Soviet officials. Secondly, it specifically commits the FBI to concur if proposed CIA action does not conflict with FBI operations.)

c. CIA will advise FBI prior to meetings between CIA assets and foreign officials or communist bloc visitors of interest to FBI. (Comment: This was not included in previous set of ground rules.)

d. Agents of CIA who come to U.S. will be identified to FBI by name or appropriate description depending on national security interest involved.

e. When CIA agent arrives in U.S. for a visit or assignment, FBI will be advised and two agencies will confer regarding handling of agent in U.S. It is recognized each case will have

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individual peculiarities and governing principle will be positive intelligence weighed against internal security factors. CIA may, however, continue its contractual relationship for purpose of handling training, procurement of positive foreign intelligence, (underlining added) fulfillment of CIA commitments to the agent and preparation for next assignment abroad.

f. Where CIA will be handling its agent in U.S., CIA will service FBI security or counterintelligence requirements and will provide FBI all information bearing on counterintelligence or internal security matters. Where CIA servicing is inadequate for FBI internal security interests, FBI will have direct access to agent. (Comment: Rules (d), (e) and (f) represent greatly expanded and refined version of rule (c) of January, 1964, agreement. Old ground rules provided considerable latitude with regard to who would handle CIA source in the U.S. and this has led to some disagreements with CIA. The current ground rules clearly provide for CIA to retain contact with its agents not only for training, financing, etc., but also for "procurement of positive foreign intelligence." In addition, they make it clear that the FBI should not ask for direct access unless there is a specific internal security need.)

4. In addition to the above, there is one agreement we have reached with CIA which is of possible relevance; namely, our recent agreement relative to treatment of Soviet students in the U.S. By way of background, there are a number of Soviet exchange students currently attending various U.S. universities. Each student, of course, is not only a possible Soviet intelligence agent but also a potential source for the U.S. after he returns to his homeland. Accordingly, both FBI and CIA have an interest in these students.

Per memo dated 1/14/64 we advised CIA via liaison on 1/20/64 that the Bureau would adopt following procedure relative to Soviet students here. FBI will take responsibility for collecting material regarding each student on expedite basis, furnishing results to CIA as developed. At logical point FBI will confer with CIA to decide on case-by-case basis re possible recruitment. If Bureau recruits Soviet student, we will resolve whether we should turn him over to CIA before he leaves U.S. Under this procedure, CIA will not make any inquiries (through its sources in U.S.) unless it has some unusual source in a university not available to FBI who could furnish data on the student. In latter case, we would allow CIA to obtain data and advise us.

The foregoing represent all of the major agreements we have reached to date with CIA with respect to CIA operations here in foreign intelligence field.

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I. EFFECT ON THE FBI OF FULL RESPONSIBILITY FOR COLLECTION OF FOREIGN INTELLIGENCE IN THE UNITED STATES

1. Overt Collection Activities

It is evident from the National Security Act of 1947 and the succeeding National Security Council Intelligence Directives as well as the directives of the Director of Central Intelligence that Central Intelligence Agency (CIA) is charged with major responsibilities in the overt collection of foreign intelligence in the United States. In pursuit of this, CIA exploits non-governmental organizations and individuals, foreign language publications and aliens. Although CIA claims to have contacts with about 7,200 organizations and businesses as well as about 60,000 sources of information as a result of its overt activities for this purpose, CIA estimates it is reaching only 15 per cent of the foreign intelligence information available in this country.

The question we must consider here is whether the FBI should take over the overt collection of foreign intelligence in the United States, thereby making CIA operational only in areas outside the limits of FBI's jurisdiction. In this connection, the following would have to be considered:

(a) Reporting:

The Bureau is a fact-finding agency which has traditionally gathered evidence and presented its findings without bias or conclusions. This would not change. Intelligence developed by the FBI would be evaluated by the users in the intelligence community. Our report writing format might have to be geared to the needs and established procedures of the United States intelligence community.

(b) Coordination With Other Government Agencies:

Foreign intelligence is a commodity produced for the benefit of many separate agencies of the United States Government. Because of this, if the Bureau were to have full responsibility for the overt collection of foreign intelligence in this country, we would have to greatly expand our liaison services, not only for dissemination purposes but to assure that we are kept fully informed regarding all matters dealing with intelligence priorities.

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Our role in preparation of National Intelligence Estimates would be more active as a result of our increased contribution under this program. It might be necessary to utilize the assistance of highly trained personnel of other agencies to assist us periodically on interviews dealing with complicated military or scientific matters.

(c) Manpower:

While no manpower requirements can be presently estimated should we assume full responsibility for overt foreign intelligence collection, CIA is currently using approximately [140] employees throughout the United States to interview individuals in connection with its overt intelligence gathering activities, and is reaching what it estimates to be only 15 per cent of available foreign intelligence information. These [140] CIA employees do not include personnel required at CIA Headquarters to correlate, evaluate and disseminate the data gathered in the field. We would want to more effectively exploit this intelligence potential.

To merely handle the necessary review of the vast number of foreign language publications would require many additional employees proficient in foreign languages and with backgrounds in scientific or technical fields.

(d) Selection and Training of Personnel:

To assume full responsibility for the overt collection of foreign intelligence in this country, would require that we vastly broaden our selection and training procedures. We would require applicants with degrees in the sciences, languages, history, government and economics. Our basic training and In-Service agenda would have to be geared to meet our new responsibilities. We would undoubtedly desire to utilize the services of outstanding lecturers from the agencies constituting our intelligence community, and in turn, we would wish to afford our personnel training at the War Colleges operated by the Department of Defense, and from time to time furnish them the opportunity of specialized training and briefings provided by the members of the U. S. Intelligence Board.

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(e) Legislation:

CIA currently has the duty to correlate and evaluate intelligence relating to the national security and to provide for appropriate dissemination of such intelligence within the Government. This is set out in Title 50, USC, Section 403. The overt collection of foreign intelligence is not the subject of legislation but rather of National Security Council Intelligence Directives which would have to be revised in order to give the Bureau this authority now lodged with CIA.

(f) Organizational Changes:

To carry out a program committing the Bureau to the full responsibility for the overt collecting of foreign intelligence in this country would necessitate a substantial increase to the headquarters staffs of the Domestic Intelligence Division and the Laboratory Divison, as well to the personnel assigned to the New York and Washington Field Offices where diplomatic establishments and international organizations are mainly located. In all probability the creation of a new division at the Seat of Government devoted entirely to overt collection responsibilities, would be required.

(g) Observations:

The many responsibilities that would be ours under a program making the Bureau accountable for the overt collection of all foreign intelligence in this country would (1) require an enormous increase in our own personnel, trained in many specialized fields, or (2) the delegation of varied intelligence functions to other governmental agencies and close supervision of such agencies to insure efficient execution of the tasks levied upon them. These overt collection responsibilities would undoubtedly be subject to the scrutiny of many sources, some of them hostile, and we would have to face the charges, unjust though they might be, that the Bureau had ceased to perform the duties for which it was originally created and had developed into a gigantic bureaucratic octopus.

2. Clandestine Gathering Activities

There are no statutory provisions for the clandestine gathering of foreign intelligence in the United States. We have in the past produced substantial foreign intelligence while carrying out our present responsibilities.

CIA established its Domestic Operations Division (DOD) in 1963 and began to clandestinely gather foreign intelligence in this country. It now has six field offices with approximately

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40 intelligence officers assigned to these matters. It is anticipated that DOD's efforts will become more extensive.

CIA estimates there are approximately 10,000 employees and dependents assigned to the diplomatic establishments and international organizations represented in this country by approximately 120 foreign nations. It can readily be seen that we would have to establish priorities and well-defined objectives in order to cope effectively with the problem presented by the vast number of persons and establishments which could be considered for clandestine coverage.

Today there are approximately 40 nations in addition to the Soviet-bloc countries, whose establishments in this country we consider "target" countries for the purpose of developing live sources therein. In the absence of more precise criteria, our initial efforts in a program designed to expand our clandestine gathering of foreign intelligence, could be directed against these "target" nations.

(a) Objectives:

Under a program confined to the clandestine gathering of foreign intelligence in this country, and consistent with the intelligence needs of this Government, we would have as our objectives:

(1) Increasing substantially the number of live sources of high quality in diplomatic establishments, trade missions, consular offices or international organizations located within the United States;

(2) Expanding our present technical and microphone coverage in such establishments.

We would, of course, maintain our "Anagram" program which has been so successful in the clandestine acquisition of the cryptographic systems of various foreign nations, as well as our "Telex" program which is the technical coverage we afford the teletype facilities of certain foreign countries.

same wording as page 67.

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(b) Observations:

While a program limited to the clandestine gathering of foreign intelligence would require a substantial increase in manpower, both in the field and at the Bureau's headquarters, as well as an expansion of our personnel selection and training procedures, our liaison responsibilities and our filing and data processing facilities, however; in none of these phases would the increase be nearly as great as that which would be required should we assume full responsibility for the overt gathering of such foreign intelligence.

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J. GENERAL FINDINGS

The study conducted by the Committee has produced the following significant findings:

(1) There definitely is a vast potential for collection of foreign intelligence in the U. S. available through overt and clandestine channels. Even with the available capabilities of existing agencies, there is a large reservoir of untapped sources.

(2) CIA has been authorized by statute and implementing directives to collect foreign intelligence in the U. S. through overt methods and has been involved in such collection since the establishment of the Agency. This includes review of foreign language press and interviews with selected individuals such as American businessmen, aliens, and students. In addition, CIA has established an elaborate system of processing, storing, evaluating, and disseminating this information.

(3) Such overt collection by CIA does not present any threat or infringement on FBI jurisdiction or operations. The present Bureau controls for such CIA activity are satisfactory.

(4) We concluded that it would be highly undesirable for the Bureau to become responsible for overt collection of foreign intelligence in the U. S. The necessary reorganization, expansion of facilities and manpower, and heavy task of information collection and processing could place a damaging burden on the Bureau.

(5) There has never been any statutory or similar provision for the clandestine development by CIA of foreign intelligence in the United States. There are instances where the FBI has received specific assignments which encompassed foreign intelligence collection in the United States (SIS operations covering entire Western Hemisphere in World War II; present operations concerning Dominican Republic). There is no statute or directive which assigns or confirms exclusive FBI jurisdiction in clandestine development

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of foreign intelligence in the United States. As a result of our internal security and counterintelligence responsibilities, we have produced a volume of foreign intelligence covertly. In addition, either at the specific request of other U. S. agencies or on our own initiative in response to national intelligence needs, we have produced such intelligence. We have done this on a selective basis and have not assumed full responsibility in this area. As indicative of this, certain agreements have been made with CIA permitting that Agency to assess and recruit after coordination with the FBI covert foreign intelligence sources in the United States (principally for use abroad). We have reserved the right to take over such sources if internal security factors are paramount. In the absence of such factors, CIA is permitted to utilize these sources for foreign intelligence purposes.

(6) We concluded that the expanded development of clandestine foreign intelligence sources is essential if national security interests are to be effectively served.

(7) Exploitation of foreign diplomatic targets fortifies our efforts in the internal security and counterintelligence fields. Information developed increases over-all knowledge and produces leads or ties to intelligence activity being carried out by foreign intelligence and security services.

(8) The U. S. intelligence community currently does not provide an organization or a mechanism which can effectively exploit the intelligence potential in the foreign diplomatic field. There have been expressions of concern and certain limited action taken by FBI and CIA, but there has not been a well-organized or united effort and most important of all, there has been a decided lack of leadership directed toward attacking the problem and at the same time inducing an atmosphere of harmonious application of all available resources.

(9) We concluded there is an excellent opportunity for the Bureau to assume leadership in this matter and in so doing, enhance national security and

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the capabilities of the Bureau. The time has arrived for us to adopt and implement a new concept toward foreign intelligence collection. It would be unwise if the Bureau did not move into a leading role and instead applied policy and tactics conforming with a "holding action." This, in our opinion, is not consistent with the reputation of a progressive and forward looking organization.

(10) The Bureau does have talent and capability to assume a more active role in clandestine collection of foreign intelligence. We have the potential to handle clandestine collection of foreign intelligence in the U. S. in a more effective manner than any other agency. This can be done in a constructive and prudent manner.

(11) It is recognized that a new approach by the Bureau will involve operational risks. If one is to progress, he must take risks. We feel that we have the capability to succeed with a minimum of losses or debits.

(12) We feel that if we do not adopt a new role characterized with an aggressive approach, a door is left open for other agencies such as CIA to progressively introduce programs designed to fill the vacuum. CIA currently does not have the capability to inject a rapid "take-over" of operational areas. We do feel that such would be accelerated not by CIA's strength, but by our weaknesses.

(13) CIA is progressively expanding its objectives and capabilities to conduct clandestine intelligence operations in the U. S. This presents a potential for areas of conflict between CIA and FBI.

(14) We definitely must define our role in the field of clandestine foreign intelligence collection so that policy and objectives are clear-cut. Not only our own personnel but other agencies including CIA should know exactly where we stand.

(15) CIA can be permitted to develop clandestine sources of foreign intelligence under the

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established ground rules which do protect Bureau interests. A new approach being recommended would heavily deter CIA from extensive development of clandestine sources and would really leave the Agency in a minor or subordinate role.

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K. RECOMMENDED PLAN OF ACTION

A penetrative and objective study of the Bureau's position has led us to conclude that the Bureau should play a much more active and influential role in the clandestine collection of positive intelligence in the United States. We are recommending the implementation of a plan which will lead to a valuable contribution to our national security effort and concurrently will improve our internal security capabilities. This plan presents a concept of an FBI as an Agency primarily responsible for internal security, but supplementing its coverage with a substantially expanded capability in the clandestine collection of positive intelligence. We believe that we have the capability of developing this new look knowing that at the same time we can institute a badly needed leadership to eliminate a gap in the acquirement of high-quality intelligence in the United States. The main features of this plan are:

1) Establishment of a list of foreign diplomatic targets consistent with the needs of the Government.

2) Expansion of our technical surveillance capabilities with emphasis on misurs.

3) Expansion of live sources characterized with selectivity and high-quality value.

4) The FBI assuming a role of leadership in the clandestine exploitation of positive intelligence in the U. S., and in so doing making maximum use of the talent and capabilities of other appropriate U. S. Agencies.

Authorization

The plan would be implemented under proper executive authorization (Presidential) and furthermore would be coordinated with the United States Intelligence Board (USIB). A letter from the President authorizing the Bureau to expand its capabilities in clandestine positive intelligence collection, consistent with the needs of the government, would suffice. In order to avoid any misunderstanding or confusion within the intelligence community, USIB would be apprised of the Presidential authorization. The letter from the President would not require any details regarding the nature and the scope of the action to be taken by the Bureau but could be

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expressed in general terms. This same authorization could be further defined by the President's Foreign Intelligence Advisory Board.

It is realized that it would be necessary to discuss this plan with the President so that he fully understood the purpose, scope and the controlling features. With his approval, the plan could also be discussed with the Foreign Intelligence Advisory Board.

Selection of Targets

Priority on targets can be established by application of the following criteria:

1) Review of requests or requirements levied on us by the President and U. S. Intelligence Agencies.

2) Review of priority listed by the USIB. (This is done on a regular basis.)

3) Our own analysis and evaluation of international political developments. This primarily will be done at SOG, but we should be so organized that the field would be free to submit recommendations.

As of March, 1966, the following could be set forth as a tentative list of priority targets in the United States:

1) USSR

a. Indications of significant changes in Soviet policies, particularly with respect to relations with the West and with Communist China.

b. Background information illuminating the decisions of the 23rd Party Congress, especially indications of policy disputes or political rivalries; repercussions in other Communist parties.

c. Developments in Soviet space programs in the wake of Luna 9.

2) Vietnam/Laos/Cambodia

a. Chinese Communist, Soviet and North Vietnamese capabilities, intentions, and actions with respect to Vietnam/Laos and to US activities in the area.

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b. Indications of Soviet deployment of surface-to-surface missiles to North Vietnam.

c. Changes in the attitudes and policies of influential South Vietnamese, especially Buddhist leaders, toward the war effort or the US.

d. Indications of a major change in Viet Cong/PAVN and Pathet Lao military capabilities and tactics.

e. Information pertaining to the location, size, and types of Chinese troop units in Indochina.

f. Evidence of Viet Cong/PAVN/Chinese Communist use of Cambodia as a sanctuary, operating base, or source of supply; Cambodian Government attitudes toward such uses.

3) Communist China

a. Military, logistic, transportation, and economic information bearing on Communist China's capability to fight a war in Southeast Asia and indications of Chinese intentions respecting direct involvement in this area.

b. Movements of Chinese submarines out of their normal bases or operating areas, particularly toward the South China Sea and the Gulf of Tonkin.

c. Increased air defense capability, particularly production and deployment of advanced fighter/interceptor aircraft.

d. Military activities in other border areas.

4) France

a. French foreign policy, especially concerning NATO, the USSR, the war in Vietnam/Laos and estrangement or competition with the US.

5) The Dominican Republic

a. The character, strength, influence and potential of the contending parties and factions; their capabilities and intentions to conduct coups or insurrectionist activities; their attitudes toward the June elections; capabilities of the Provisional Government to maintain control.

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6) India-Pakistan

a. Developments in Indo-Pakistani relations and attitudes toward the US, the USSR and Communist China.

7) Latin America

a. Evidence of increased external Communist assistance to insurgency movements in Latin America in the wake of the January conferences in Havana.

8) Indonesia and Malaysia/Singapore

a. Political aims of the Indonesian military; Sukarno's health and political intentions and capabilities; moves to rebuild a Communist party.

b. Indonesian intentions to continue or reduce the conflict with Malaysia.

c. Changes in Soviet or Chinese policy toward Indonesia resulting from the current internal conflict.

9) Thailand and Burma

a. Communist subversive activity and external support; government capabilities to oppose subversion.

10) Africa

a. African and Communist support to Southern Rhodesian black nationalists; nationalist capabilities to act against the Smith regime; white opposition to the Smith regime; South African and Portuguese assistance to the Smith regime.

b. Effect of recent coups on the stability of other African states.

11) Yemen

a. Evidence of intentions and actions of the UAR and Saudi Arabia with respect to the Yemeni situation.

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Technical Surveillance of Targets

Coverage in this field will be divided into the following categories:

1) Technical Surveillances
2) Microphone Surveillances
3) More sophisticated electronic monitoring, i.e. code machines.

At the present time we are handling a very limited number of installations. With existing capabilities, we could virtually double our present technical coverage. Once we have established reasonable priority listing, it is believed we should systematically expand our operations. In this connection, the following should be borne in mind:

1) Heavy emphasis should be placed on microphone surveillances.

2) Today we are placing greater stress on coverage of official establishments. The new program asks for an expansion of coverage on individuals and/or residences of individuals. Here again selectivity will be a dominating characteristic.

3) The program should be so flexible that we would be able to deactivate any installation for security reasons or for non-productivity and whenever possible employ techniques which would permit easy reactivation.

4) Except for current intelligence requiring immediate dissemination, the product should be handled as communications intelligence and dissemination would be subjected to well-established Comint controls of the National Security Agency (NSA) plus any additional restrictions the Bureau felt should be imposed.

5) The product would be transmitted to NSA by us for dissemination within the intelligence community. NSA would be responsible for handling any needed translation. We must recognize that the program will produce voluminous information and the responsibility for processing the data should be fixed with an agency which is organized and equipped to handle the job. It is believed that if the Bureau assumed this responsibility we would be burdened with a gigantic task of information processing to the point that this element would adversely affect other phases of the program.

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6) If the information collected by us suggested a potential for the development of an operation, i.e. double agent, the Bureau could assume complete control of this operation including the dissemination of the information.

7) Our involvement in the "sophisticated" category should be increased by expanded research and development bearing in mind we should be utilizing the most productive equipment available. The importance of this field cannot be exaggerated in light of the rapid developments in the scientific world.

Technical Surveillance Controls

Under this plan we could furnish the President and the Attorney General a listing of technical surveillance targets and do so on a periodic basis. This could even include an annual evaluation of the program.

Anagram Program (Clandestine collection of cryptographic material)

Same as 67

This has been one of the more productive programs handled by the Bureau throughout the years. We definitely believe that this program should continue and where feasible we should accelerate. The product would continue to be disseminated to NSA.

Live Sources

The category of "live sources" when broadly interpreted includes every individual from the casual contact to the controlled informant who is delivering high quality information at an obvious risk. At the present time, our sources in diplomatic establishments are for the most part American citizens. This situation is largely due to an undesirable arrangement where we must first obtain clearance from the State Department before we proceed to recruit any employee or officials of a diplomatic establishment. This places State in the "driver's seat" and that Department, therefore, is practically controlling our efforts. We feel that such an arrangement is certainly not conducive to

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producing the best results. In our opinion this can be removed by the President's advising the Secretary of State that the FBI is being authorized to develop penetrations in foreign diplomatic establishments without obtaining clearances from State. It would be understood that the Bureau would proceed in a discreet and secure manner. Periodic contact with the Secretary of State or other top State officials to discuss general developments and any potential problems will provide a mechanism for healthy coordination with State. We recognize that a source can turn "sour" and, therefore, there is the danger of potential embarrassment. However, it should be noted that our record in this regard has been outstanding over the years.

Any efficient investigative agency needs sources of all categories and we are no exception. Therefore, we should continue our present program of general source development, and this would include contacts who can produce information on an occasional basis or who might be in a position to be of assistance in a particular investigation. In diplomatic establishments the reception clerk, chauffeur, the maid, can always be of assistance.

However, the primary emphasis of this new program would be directed toward high quality sources, such as:

1) Code clerks
2) Officials who have access to files, records, or communications
3) Officials or employees who are in a position to penetrate communist-bloc circles or establishments
4) Members of foreign intelligence and security services.

Our existing programs of seeking penetrations in communist-bloc installations naturally must continue but will require an increased effort toward production of information relating to personality data, and this should be done on a larger number of individual targets. We realize that Bloc personnel does live in a fairly insulated world, and elementary investigative techniques do not produce voluminous and highly significant data. It is therefore believed that our techniques should become more sophisticated through additional coverage on the residences of individuals.

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Such efforts naturally fall in line with our internal security responsibilities, but the coverage may also provide leads for development of sources in the positive intelligence field. Every Soviet is not a member of KGB or GRU, but he nevertheless could offer information of value, and he could be most useful on a long-range basis. Our program very definitely should have this philosophy in mind, and it is an element which must be impressed upon our personnel in our training programs. In this regard, we must recognize that at some point it may become necessary to turn over recruited sources to another agency such as CIA or one of the military services. Such turnover will, of course, depend on the circumstances. The guiding principle should be the preservation of the source under the best security.

In the non-communist bloc field we would concentrate on development of high-quality sources to meet the priority needs of the Government.

Training of Personnel

At the present time, our personnel are not properly oriented to effectively engage in a program as recommended. To accommodate to a new approach, it will be necessary to:

1) Include in our training classes lectures which will cover a more detailed picture of U. S. intelligence, its history, definition of terms, functions of intelligence agencies.

2) Include lectures regarding the foreign intelligence needs of the U. S. Government.

3) Use outstanding officials of other agencies to lecture on special intelligence matters. This would include the critical areas throughout the world.

4) Disseminate a bulletin to the field on a regular basis to emphasize foreign intelligence needs as they relate to our capabilities.

5) Institute a special In-Service class (once or twice per year) which will concentrate on foreign intelligence. This will be designed to develop the leaders or the specialists in the field.

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6) Arrange for attendance of selected Bureau personnel to schools of other agencies such as State Department, CIA, and the military services.

7) Arrange for attendance of selected personnel at War Colleges.

8) Expand the training of Agents in the handling of technical surveillance installations.

Reporting Procedures

This program will not require any basic departure from our present reporting procedures. The Bureau should not become involved in evaluating, estimating, etc. We should endeavor to adhere to our traditional position of reporting the facts as collected. We may wish to give consideration to adding one feature to our regular reporting on individuals. This could be an annex for "Personality Data." The objective would be to maintain an up-to-date book on everything collected relating to the subject's character, habits, family life, interests, weaknesses, etc.

Language Capabilities

An expanded program for collection of foreign intelligence would require increased capability to handle foreign languages. As explained above, the material collected through technical surveillances should be handled as communications intelligence, and the major translating responsibility would, therefore, be placed on NSA.

We do, however, recognize that it is necessary to maintain a strong foreign language capability in the field wherever it may be useful to develop live sources. In offices such as New York City and Washington, D. C., we should expand the number of Agents who are fluent in French, Russian, Polish, Czech, German, Chinese, and Spanish. An office which is well equipped with a capability in the foregoing is generally able to handle most situations which arise.

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Relations with Other Agencies

If this program is adopted, other intelligence agencies would be officially apprised of the Presidential authority granted to the FBI to collect foreign intelligence in the United States. Other agencies would be informed regarding the nature and the extent of the authority being delegated to the Bureau. It would be necessary to make clear that the Bureau was not assuming responsibility for the clandestine collection of all foreign intelligence in the United States, but we were taking a constructive step in an effort to increase the production of foreign intelligence through assets available to us. We would clearly point out that the FBI was not taking this approach as a solution to all of the problems relating to foreign intelligence collection in this country. We would emphasize that we would move against targets in line with established priorities and that we would do so on a selective basis. We would have it understood that operational activities would be properly coordinated wherever it was obviously necessary.

With regard to the handling of the product of technical surveillances, it would be necessary to effect a working agreement with NSA. To do this we might be obliged to discuss this at the USIB level so that NSA could obtain the required authority to support the hiring of additional personnel and purchase of equipment for the processing of our product. Our arrangement with NSA would include ground rules for processing, translation, and classification and dissemination.

Since any announcement that we were in the foreign intelligence field would prompt unusual interest and very likely queries, we should brief CIA regarding the objectives of our program. Our plan will not abrogate the existing ground rules which permit CIA to assess and recruit positive intelligence sources in this country under certain conditions. Since both Agencies will have foreign intelligence sources in the U.S., we undoubtedly will find it useful to work out an agreement whereby one Agency knows that the other has coverage in a particular area or establishment. We already receive the identities of CIA sources. It would not be necessary for us to identify our sources, but we could indicate to CIA that we had an asset in a particular area.

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This would permit CIA to levy requirements on us. For example, if we recruited the Third Secretary of the French Embassy, CIA might wish to ask any number of questions dealing with the French political situation. If we felt that the request was reasonable, we could handle this through our source.

It will be noted that the program does not preclude CIA from development of foreign intelligence sources in the U. S. for fulfillment of CIA responsibilities. CIA will continue to operate under existing ground rules which are designed to protect Bureau interests.

We believe that if the program is implemented and jells we will be in a position to "spot" sources required by CIA and other agencies to discharge their responsibilities. This would apply to cases where the target was in the U. S. for a visit or if he had some specialized knowledge not related to our internal security responsibilities. These would be targets which other agencies could handle without interfering with our operations and without making us carry a load for another agency. This particular concept should include a Bureau attitude that any and every source handled by another agency in the U. S. potentially ca.. be useful to us. We should have an outlook that all sources should be exploited to the fullest extent and under secure conditions. If another agency has a capability to open a door we should take advantage of the situation.

In those instances where CIA has a source in the United States, we should prod that agency to seek information of interest to the Bureau, and where obviously necessary we should arrange access to the CIA source. The important feature of this new concept is that we assume the role of projecting initiative, leadership and aggressiveness. Our position should be such that we push the other agencies to use their resources even to the point of healthy irritation.

We have looked at CIA as the "other agency" in this picture, but we should not neglect the potential of agencies such as ACSI, Air Force, ONI and State. All of them have entree to diplomatic circles. The day-to-day contacts which officials of these agencies have with personnel of foreign governments produce many "pieces" of personality data which, when added up over a period of time,

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can prove to be extremely useful. We should confer with these agencies regarding ways and means of recruiting sources either to be handled by us jointly or by one of the intelligence agencies. Here again, the Bureau can be the dominant and pushing source.

It is believed that if we moved along the lines described above, the Bureau, over a period of time, would have collected valuable information regarding numerous personalities and the inner workings of the many diplomatic establishments. The acquirement of data of this type creates operational strength. It places us in a position to exploit the development of new sources, bearing in mind that in planning our approaches we will be equipped with ammunition not gained through casual surveillances and observations. With the knowledge that we gain, we can plan high quality operations. It is interesting to note that during the past two years the information received from CIA's sources in the United States has been fairly voluminous and very definitely valuable. It is a good illustration of the Bureau's gaining useful data from another agency with a minimum of Bureau expense and effort, but still maintaining very effective control of our jurisdictional rights.

Undoubtedly related to the utilization of other agencies' resources is the considerably vast potential offered by friendly foreign security services. If the services of Great Britain, Germany, France, Holland, Italy, Australia and Canada provided us information collected in Washington, D. C. and New York resulting from contacts with communist-bloc officials, we would have another valuable source of information. We should bear in mind that we do spend hundreds and thousands of man-hours seeking such information through other difficult channels.

We should utilize the friendly liaison services along the lines described above.

Administrative Reorganization

The present administrative framework at the Seat of Government and in the field would not be adequate to implement the recommended program. Placing the additional load on our existing supervisory structure is, of course,

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out of the question. We definitely would require an increase in supervisory personnel in the Domestic Intelligence Division. In addition, there would be a need for more manpower in our Laboratory to handle expansion in the technical surveillance field. There would be a need for additional personnel to be assigned for the development of live sources in the field. It would be necessary to have field personnel assigned to technical surveillance installations on a continued basis and, of course, there would be a need for support related to such activities as preliminary security surveys.

It is outside the scope of this Committee's competency to outline any specific administrative reorganization and propose what personnel, equipment and facilities would be needed. We feel that this could be best handled only after the objectives of the program are approved. At that point, officials from the Seat of Government and the field could meet to map out the necessary reorganization. The extent of reorganization will hinge on our decision as to the pace we should set. We recommend that we proceed at a steady, even pace, making certain that we lay solid groundwork for all of our activity. We should refrain from becoming involved in a "crash" program unless national security interests obviously warrant such an approach.

In connection with any planning for reorganization, it would be unwise to proceed without first obtaining a reliable inventory of our current resources. Such an inventory would encompass the following: (1) The number of Agents currently assigned to strictly positive intelligence collection; (2) Our foreign language capabilities; (3) Our current sources and informants with an objective assessment of capabilities; (4) Number of supervisors at the Seat of Government currently handling positive intelligence matters.

In connection with any plans for reorganization, we should not neglect to give consideration to the problems which we will encounter as time goes on in the areas of information storage and retrieval. We, therefore, should realize that it would be unwise to exclude research or study regarding the computerizing of information.

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L. ALTERNATIVES

In addition to the recommended plan set forth in preceeding sections, there are several alternative courses of action we might take:

1. We could take the position, and seek ways to implement it, that the entire field of foreign intelligence collection in the U. S., both overt and covert, should be handled by the FBI. Such an across-the-board approach would exclude CIA and other U. S. agencies from foreign intelligence collection in this country and would place exclusive responsibility and jurisdiction in this field on the FBI. As indicated in Section I, this would require a revamping of existing legislation and directives and would necessitate drastic changes in the Bureau's operations, including major increases in personnel and costs and a substantial expansion in our recruitment and training programs, and other reorganization. We do not feel this approach is warranted nor do we believe it would be a practical and sound one.

2. We could recommend that CIA continue to be responsible for overt collection of foreign intelligence in this country but that the FBI exclusively handle covert foreign intelligence collection. This has several obvious drawbacks. First, we would be assuming a wide range of heavy and fixed responsibilities which in many cases would be completely divorced from the Bureau's internal security and counterintelligence interests. Second, we would become to a large extent a service group for other U. S. agencies and departments (including CIA, State, the military and others) in the handling of a host of foreign intelligence requirements levied by other agencies. This would involve a considerable commitment of manpower, communication costs, etc. on the part of the Bureau. In addition, such an approach would necessitate significant changes in our recruitment and training procedures and would also place on our shoulders a definite accountability in connection with any failures in U. S. intelligence foreign collection. It is not believed that this approach is as sound or desirable as our recommended plan of action: namely, that we expand our foreign intelligence collection efforts but on a selective basis and without our assuming full responsibility.

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3. We could endeavor to work out a division of responsibility and work in this area whereby the Bureau and CIA would each have certain primary areas of operation. For example, the FBI could make known its willingness to contribute more heavily in support of U. S. foreign intelligence collection efforts and propose this field be broken into two categories; namely, technical coverage (this would include Anagram operations) and live informant development among foreign diplomats. We could propose that the FBI continue to operate exclusively in the first category (technical coverage) with CIA continuing to stay entirely out of this field.

In this regard, the Bureau is better equipped than CIA to handle technical surveillances and Anagram operations by reason of our long experience and expertise in this area.

With regard to the second category (live sources) we could propose that CIA conduct no operations involving countries where the Bureau's counterintelligence interests are paramount or significant. This would include the Sino-Soviet-bloc countries and could also include certain other countries, such as the Dominican Republic, where we have already developed strong capabilities or where there are unique factors.

With regard to other countries (non-Bloc), we could propose that CIA should assume primary responsibility for developing live diplomatic sources. However, this would be with the clear proviso that, in the event the FBI should develop significant internal security interests, we would have the prerogative of levying requirements on CIA sources, having direct access to CIA sources when needed, or as a final step, developing our own sources if CIA could not satisify our needs.

This alternative plan would not involve as much manpower or other expense to the Bureau as our recommended plan. However, it would involve our approval of CIA operations in the live informant field and would risk CIA infringing on FBI interests. It is our consensus that this approach not be adopted.

4. We could recommend that the FBI could withdraw entirely from the field of covert foreign intelligence collection allowing CIA to handle all aspects, including Anagram operations and both live and technical coverage. We are strongly opposed to such an approach on the grounds that it would drastically diminish the FBI's role in the intelligence community, would give CIA carte blanche to operate in the U. S., and in many instances would certainly result in CIAs compromising on internal security and counterintelligence operations.

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5. Finally, we could take no action to change the current situation and, in effect, adopt a "status quo" approach. We are opposed to this. As indicated in this study, U. S. Government needs for foreign intelligence are growing on an almost daily basis and CIA has made definite efforts to move more actively into this field. If we were to adopt a "status quo" attitude, it is only a question of time until this matter comes to a head; for example, in the U. S. Intelligence Board or the President's Foreign Intelligence Advisory Board. If and when this occurs, the decision as to the FBI's role would, of course, be subject to the thinking and aims of people outside the FBI, possibly including individuals who are not sympathetic to our views. We would not be in a position to maintain control of developments.

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