

9 March 1969



Edith Kermit Roosevelt

Big business maintains close government ties

Washington—The Ford Foundation's annual report scoring Congress for cutbacks in foreign aid and for failure to provide new funds for the World Bank may direct legislative attention to the vast, free-wheeling, foreign policy operations by some of our tax-exempt foundations.

It has been pointed out in New York that by a not too strange happenstance the Ford Foundation's trustees include Eugene Black, former president of the World Bank, and Robert S. McNamara, who heads the Bank now. International aid and development are the World Bank's business.

Nixon's top aide

We have only to look at some of President Nixon's appointments to see the influence of certain foundations which have long functioned as a front for the so-called "Eastern Establishment." Dr. Henry A. Kissinger, Mr. Nixon's top foreign policy adviser, has been described as "Rockefeller's man at the White House."

While he was at Harvard,

Dr. Kissinger received the Rockefeller Foundation Fellowship for political theory. He worked for the Rockefeller Brothers Fund, Inc., as director of an overall special studies project (1956-'57) "to develop concepts that might be helpful in meeting the challenges America faces today."

For 10 years he was chief foreign policy adviser to Governor Nelson A. Rockefeller, who reportedly "recommended him enthusiastically" to Mr. Nixon. Kissinger also attended both the 1964 and the 1968 Republican conventions as a Rockefeller aide and is credited with having pushed the Republican platform in 1968 for a more "dovish" position on Vietnam, reflecting the view of Wall Street that the Asian war was an unprofitable venture and could only be provocative to the Russians.

Economist Burns

Arthur Burns, an economist whom Mr. Nixon appointed to his cabinet, has been listed as a trustee of the 20th Century Fund. He also is a member of the Council on Foreign Relations, the Research Council for the Institute of World Affairs and of the International Pilgrims Society, which coordinates powerful British and American international financial groups.

The membership and connections of such high officials with these foundations, it seems to me, can hardly be coincidental. As Rep. Wright Patman (D-Tex.) said to the House Ways and Means Committee:

"Does a businessman in a government post pose a greater potential conflict of interest than the officials of foundations in government—such as, for example, McGeorge Bundy, President of the Ford Foundation, whose overlords, the Ford family, have immense commercial interests throughout the world, including the Middle East?"

Patman observed that Bun-

dy became executive secretary to the National Security Council Committee on the Middle East in June of 1967 while retaining his \$65,000 annual salary from the Ford Foundation.

Other appointees

Other examples of potential conflict of interest arise from payment by foundations for research and trips by government officials. Sen. J. W. Fulbright's chief of staff of the Senate Foreign Relations Committee, Dr. Carl Marcy and his wife, Mildred Marcy, who is woman's advisor in the United States Information Agency, were given a one-year "fellowship" in 1963 for a round-the-world trip by the Institute of Current World Affairs.

The executive director of the Institute, Richard Nolte, also last year was appointed U. S. ambassador to the United Arab Republic. His appointment was subject to approval by the Senate Foreign Relations Committee.

Foundations have long served as middle men for the penetration of foreign policy by large Eastern corporations, banking and financial institutions. A case in point is the secret meetings that have been held over the years at the headquarters of the Council on Foreign Relations in New York City between members of the New York financial establishment and officials from the State Department, CIA and the Pentagon.

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5. (Unclassified - JGO) Met with Mr. A. J. Montgomery, Special Assistant to Senator Jack Miller, who advised that the FBIS White Book is a very useful office tool and that the office would appreciate receiving it on a continuing basis.

6. (Confidential - JGO) Met with Mr. Robert Michaels, House Appropriations Committee staff, who advised that as of the moment, he does not foresee time for scheduling a meeting of the CIA Subcommittee for the next two weeks.

I also reviewed with Mr. Michaels the classified handling of the transcripts of the Director's briefing of the Defense Subcommittee on 13 and 14 March. Mr. Michaels noted that the Chairman and members of the Subcommittee will undoubtedly have questions on Vietnam and Southeast Asia that will be generated by Secretary Laird's trip to the Far East.

7. (Internal Use Only - JGO) Met with Mr. Homer McMurray, Clerk, Office of Official Reporters to House Committees, and made the preliminary arrangements for Agency control of the reporters' notes, and transcripts of the Defense Appropriations Subcommittee hearings for 13 and 14 March. I will meet again with Mr. McMurray prior to the meetings to ascertain the names of the reporters and transcribers to be used for the hearing.

8. (Confidential - JGO) Received from Miss Berniece Kalinowski, House Armed Services Committee staff, the Agency copy of the transcript of the Director's testimony of 5 March before the Pike Subcommittee.

9. (Internal Use Only - JGO) Received a call from Mr. Borstein, in the office of Representative Leonard Farbstein (D., N. Y.) concerning the membership of the Soviet Politbureau and other persons in the present government of the Soviet Union. I referred Mr. Borstein to the Department of State.

10. (Secret - JGO) Met with Mary McLaughlin, Senate Foreign Relations Committee staff, and advised that the additional material concerning cost of certain Soviet military programs for inclusion in the record of the hearing of 26 February will be forwarded on Tuesday, 11 March. Miss McLaughlin will relay this advice to Mr. Marcy but indicated that she is certain this will be satisfactory.

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14. (Secret - GLC) Hand carried to Mr. Edward Braswell, Staff Director of the Senate Armed Services Committee, the Director's letter to Senator Stennis transmitting a copy of the statement which the Director gave before the Pike Subcommittee on the Pueblo. Braswell said he had not devoted any time of study to the Pueblo case and added that this would be a useful summary for him. I had the impression from Braswell's remarks that he feels Senator Stennis would like to avoid hearings on the Pueblo but is under some pressure from certain of his members to schedule them. He also has outstanding the request from Senator Fulbright that any hearings on the Pueblo be conducted with the Senate Foreign Relations Committee.

Braswell reviewed again his conversation with Senator Ervin on S. 782. He indicated that he would like the Agency to be in touch with him before we respond to the letter which Senator Ervin is sending us.

15. (Secret - GLC) During the course of a conversation with Charles Kirbow, of the Senate Armed Services Committee staff, the subject of the Ervin bill came up. We reviewed the membership of Senator Ervin's Subcommittee on Constitutional Rights and Kirbow admitted that Senator Thurmond was a member of that Subcommittee. In response to my light query Kirbow said he thought Senator Thurmond would be sympathetic to the Agency's position on the bill and suggested that we discuss it with James Lucier, of Senator Strom Thurmond's (R., S. Car.) staff, in whom the Senator has great confidence.

16. (Confidential - GLC) By way of follow up to our earlier conversation, I provided Mr. Charles Kendrick, Administrative Assistant to Senator Peter H. Dominick (R., Colo.) with copies of correspondence

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17. (Secret - GLC) Talked with James Knowles, Research Director of the Joint Economic Committee staff, regarding the Committee's proposed study on the National Economy and Military Programs in the USSR. I told Knowles that it would create problems for us in terms of workload and security to attempt to assist in this study and asked if the Committee was firmly committed to this project. Knowles said that the Chairman and Vice Chairman have indicated considerable interest in this but no commitment has been made as yet. He suggested that we convey our problems in rather general terms to Leon Herman, of the Library of Congress, who is handling this. If this does not take care of the matter, he (Knowles) will advise us and we can discuss the matter further.

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18. (Unclassified - GLC) Scott Cohen, on the staff of Senator Charles Percy, called and asked if we would give him a "rundown" on [redacted] [redacted] I told him we would check on this and be back in touch with him.

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19. (Confidential - GLC) Kathy Nelson, on the staff of Senator Stuart Symington, called and asked if we had a publication covering world-wide developments which was referred to as "green sheets." She said that members of Senator Symington's new Foreign Relations Subcommittee staff were interested in obtaining this information if it was available. I told her I would check on this.

20. (Confidential -JMM) Called Dr. [redacted] NSA, and told him highlights of the questions and answers at the Director's appearance yesterday before the House Subcommittee on the Pueblo. He asked if they could see our copy of the transcript. After checking with the Director, I called Dr. [redacted] back to say that [redacted] could come over and look at it and make notes.

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JOURNAL

OFFICE OF LEGISLATIVE COUNSEL

Wednesday - 5 March 1969

1. (Confidential - GLC) Robert Michaels, on the staff of the House Appropriations Committee, called and said that although the Chairman would not be able to schedule hearings on the 1970 defense budget for awhile he would like to proceed with the intelligence briefing which the Defense Appropriations Subcommittee has customarily received before considering the defense budget. Michaels suggested as possible dates next Tuesday or Wednesday, 11 or 12 March, or Thursday, 13 March, if this would better suit the Director. I mentioned that Wednesday is generally the National Security Council meeting day and after checking with the Director advised Michaels that Thursday was by far the preferable date for Mr. Helms. This will be the usual worldwide round up briefing. [redacted] has been notified.

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25X1 2. [redacted] called to alert us to the fact that Jyoti Singh and other leaders of the World Assembly of Youth are scheduled to meet with Senator Edward M. Kennedy (D., Mass.) this afternoon. They propose to invite Senator Kennedy to address the Worldwide Assembly this summer. This will be the first such meeting since the National Student Association's controversy arose. If we receive any inquiries from Senator Kennedy's staff concerning this, [redacted] should be contacted.

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3. (Unclassified - GLC) In connection with the current review of congressional offices receiving the FBIS daily reports, the following offices were contacted and their desires regarding the continuing receipt of the daily reports were determined:

- a. Senator Robert P. Griffin (R., Mich), continue.
- b. Senator Edward J. Gurney (R., Fla.), continue to the attention of Mr. Martin, Senate Office Building.
- c. Senator Strom Thurmond (R., S. Car.), continue addressed to Room 3311, New Senate Office Building.
- d. Foreign Relations Committee, continue.

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STATOTHR 6. (Unclassified - CEA) Talked to Baron Shacklette, Administrative Assistant to Representative Wright Patman (D., Texas), concerning their request for information on the Minutemen on behalf of a constituent,

[redacted] I informed Shacklette that this is an organization which operates within the United States and that the Agency has no records on it. I suggested that he contact the FBI and the House Committee on Internal Security.

25X1A 7. (Unclassified - CEA) At their request, returned to Nancy Stamberger, in the office of Senator William Saxbe (R., Ohio), the original letter from [redacted] who had written to Saxbe requesting information on Agency employment.

8. (Unclassified - CEA) Delivered to Nancy Eklund, in the office of Senator Ted Stevens (R., Alaska), the Agency pamphlet and the Raborn interview together with a suggested reply for [redacted] a constituent who had asked for information on the Agency. 25X1A

9. (Secret - JGO) Delivered to Mr. Carl Marcy as follow up of questioning by Senator Gore during the Director's briefing of Senate Foreign Relations Committee of 26 February, a Memorandum titled, "CIA Estimates of Enemy Strength in South Vietnam." Mr. Marcy advised that he would show the paper to Senator Gore during the day and if possible return it for insertion in the transcript.

The paper was picked up late in the day and returned to the Agency.

10. (Confidential - JGO) Met with Mr. Frank Slatinshek, Counsel, House Armed Services Committee, at various times during the day. After the Director's appearance, Mr. Slatinshek advised that the Chairman felt the Director had made an impressive appearance and that his statement was an excellent one. He will provide our copy of the transcript the first thing in the morning and indicated that we might discuss some of the questions further after the transcript has been reviewed.

I also briefed Mr. Slatinshek on the present estimate of Soviet operational ICBMs on launcher.

11. (Confidential - JGO) Met with Mr. J. R. Blandford, Chief Counsel, House Armed Services Committee, concerning the physical and security arrangements for today's briefing of the Pike Subcommittee.

I also briefed Mr. Blandford on the number of Soviet ICBMs on launcher.

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9. (Unclassified - JMM) Talked with Chairman Henderson, Manpower and Civil Service Subcommittee, and brought him up-to-date on our activities re the Ervin bill (S. 782). See Memo for the Record for details.

10. (Secret - JMM) Called Robert Michaels, House Appropriations Committee staff, following up his inquiry of yesterday to say we had been unable to get any information regarding [redacted] [redacted] He thanked me and said he would seek his information elsewhere.

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[redacted]

12. (Secret - JMM) [redacted] General Counsel, NSA, called to say that he thought the Pueblo hearings today had gone fairly well and he would particularly like to see the transcript or get a copy of the Director's prepared statement regarding our appearance tomorrow. I said we would be glad to give him what we could.

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[redacted]

JOHN M. MAURY
Legislative Counsel

- cc:
- O/DDCI
- Ex/Dir-Compt
- OPPB
- DD/I
- DD/S
- DD/S&T
- EA/DDP
- Mr. Houston
- Mr. Goodwin

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[redacted]

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ADDENDUM TO JOURNAL
OFFICE OF LEGISLATIVE COUNSEL

Monday - 3 March 1969

1. (Secret - JGO) Delivered to Mr. Arthur Kuhl, Chief Clerk, Senate Foreign Relations Committee, the transcripts of the Director's appearance on 3 February 1967 and 26 February 1969. The transcripts were returned to the Agency late in the day for safekeeping.

2. (Internal Use Only - JGO) Received a call from Mr. Mel Christopher, ACDA, who advised that their review of SIG Minutes does not indicate NPT consideration by the Group. In consequence, their response to Senator Thurmond's letter of 17 February will probably not include reference to SIG. The Office of DD/I has been advised.

3. (Secret - JGO) Met with Mr. Robert Michaels, House Appropriations Committee staff, and reviewed with him the Agency correspondence relating to the employment application of [REDACTED]

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[REDACTED] Mr. Michaels advised that no word had been received through the Chairman's office. Should any question be raised, he will advise.

I briefed Mr. Michaels concerning Soviet intensification of intelligence effort against ChiComs and the South Vietnamese Communist offensive.

4. (Secret - JGO) Met with Mr. Frank Slatinshek, Counsel, House Armed Services Committee, in response to his request of last week and briefed him in some detail on the progress of the French IRBM program. Also discussed with him some of the arrangements for the Director's appearance on Wednesday. Mr. Slatinshek noted with apparent approval the Chairman's determination that the Director would appear in executive session.

I also briefed Mr. Slatinshek on the Communist offensive in South Vietnam and the Soviet intensified intelligence effort against the Chinese Communists.

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[REDACTED]
JOHN M. MAURY
Legislative Counsel

cc:
O/DDCI; Ex/Dir-Compt
OPP, DD/I, DD/S
DD/S&T, EA/DDP
Mr. Houston, Mr. Goodwin
[REDACTED]

Item 2 [REDACTED]
Item 3 [REDACTED] O/Personnel

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