5 November 1973

MEMORANDUM FOR: Associate Deputy Director for

Intelligence

SUBJECT : Comments on Congressional Proposal

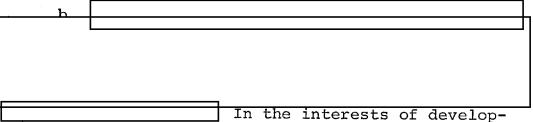
1. We have reviewed the activities that would impact on OSR by the proposed legislation recommended by the Nedzi Special Subcommittee. With respect to the specific activities listed in your 1 November memorandum:

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This record is such that the proposed legislation would have little impact on OSR in these specific areas. We would not, however, want our options foreclosed and thus hope some safeguards will be included in the legislation.

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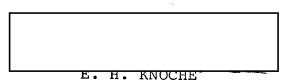
- 2. In addition we offer the following comments:
- a. In order to assure that the Agency does not have to operate under more severe restrictions than other Federal Agencies in the domestic arena, transactions with former CIA employees elsewhere in government should be explicitly excepted from the prohibited "transactions" section of the proposed legislation. As drafted the provisio could inhibit or prevent exchanges with former CIA employees such as Bruce Clarke, Bill Hyland, et al.



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In the interests of developing a better public relations image, the Agency has in recent years tended to be more open in those relationships and associations where there was no overriding necessity for secrecy. This is an area where legislation might play a useful role in providing guidelines for Agency activities without inhibiting the open and fruitful contacts the Agency maintains with former employees in academia or in the business world.

- c. Another question which poses itself is how will this legislation affect the Agency's present right to protect its secrets by prosecuting ex-employees who violate voluntary oaths.
- d. We in the DDI are particularly close to employees who return to teaching positions at US universities and very often undertake unclassified research projects on behalf of the Agency. These ex-employees provide a useful channel for the Agency to keep in touch with the latest technologies and intellectual thought in the academic world. This legislation could be interpreted to prevent this kind of association.



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