


EXECUTIVE SECRETARIAT
Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	D/ICS				
4	DD/NFA				
5	DD/A				
6	DD/O		X		
7	DD/S&T				
8	Chm/NIC				
9	GC		X		
10	IG				
11	Compt				
12	D/EEO				
13	D/Pers				
14	D/OPP				
15	C/EAS/OPP				
16	C/IAS/OPP				
17	AO/DCI				
18	EXDIR		X		
19	DDI		X		
20	D/OGI	X			
21	D/OEA		X		
22					
		SUSPENSE	ASAP		
			Date		

Remarks: Per my conversation with Mr. Gates, D/OGI will provide DCI ASAP results of interagency "Re-review" of material by senior officers.


 Executive Secretary
 10 February 1982
 Date

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MAJORITY—(202) 225-4407

Congress of the United States

House of Representatives

COMMERCE, CONSUMER, AND MONETARY AFFAIRS
SUBCOMMITTEE

OF THE
COMMITTEE ON GOVERNMENT OPERATIONS

RAYBURN HOUSE OFFICE BUILDING, ROOM B-377
WASHINGTON, D.C. 20515

February 9, 1982

82-4120/9

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The Subcommittee on Commerce, Consumer, and Monetary Affairs of the House Committee on Government Operations has been examining the public policy consequences of foreign investment in the United States and the appropriate Federal response to such investments. In July 1979, the subcommittee held four days of hearings on OPEC investments in the United States. In 1981, we held six days of hearings, four of which focused on the [REDACTED]

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During the course of our inquiry, the subcommittee received and reviewed numerous U.S. Government documents, both classified and unclassified, relative to OPEC investments in the United States, including over one hundred CIA documents. We believe that publication of 17 CIA documents, as a part of the subcommittee's hearing record, is essential to the Congress' and the public's understanding of the important public policy issues surrounding OPEC government investments in our country. I am writing because the subcommittee and the CIA have been unable to resolve differences over the declassification of the 17 documents.

A July 12, 1979, Memorandum of Understanding (attached) between the Director of Central Intelligence and myself as chairman of the subcommittee, governs the procedures to be followed for declassifying all or part of CIA documents the subcommittee wishes to publish. As the agreement requires, I am hereby notifying you that the subcommittee intends to publish 17 CIA documents, as specified in the attachment to this letter, with certain deletions, acceptable to the subcommittee, to protect CIA intelligence sources.

Under the agreement, the subcommittee can publish the documents, unless the President personally advises me in writing within ten working days of receipt of this letter of his objections to disclosing information contained in the document, providing, for each document, the reasons for his objection and certifying that (1) disclosure of the information involved would "cause a grave injury to national defense or foreign relations, or...compromise sources and methods of intelligence gathering," and (2) "such injury outweighs any public interest

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served by the disclosure." Should you so object, then pursuant to the agreement, the subcommittee may by majority vote refer the question of disclosure of such information, with a recommendation thereon, to the House of Representatives for its consideration.

The 17 CIA documents at issue deal with [redacted]

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These documents shed light on subjects often shrouded in mystery. Compared with other Federal agency documents, the CIA documents present the best analysis within the Federal Government on the critical public policy issues raised by OPEC government surpluses and investments, [redacted]

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Some of the CIA documents raise concerns about OPEC investment not expressed by other Government agencies, such as State and Treasury. In congressional hearings and elsewhere, these agencies have repeatedly asserted that there is no basis for concern in the recycling of petrodollars and OPEC investments in the United States. The CIA documents express a different view on the type of investment OPEC governments have been making in the recent past. Without the CIA documents, the public will get a distorted and one-sided Executive Branch view of the nature, extent, and impact of such investment.

The CIA objects to the publication of these documents in any useful form and has declassified them by making excessive and unjustifiable deletions. In one case, for example, the CIA deleted the entire contents of a five-page document dealing with [redacted]. They seek to prevent public disclosure of important but non-sensitive CIA research and prognostications and CIA analyses and conclusions about OPEC surpluses and investments.

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I have endeavored unsuccessfully to resolve the differences we have with the CIA about publication of the documents. On January 14, 1981, I spoke with Director Casey. On January 21, 1981, subcommittee staff met with representatives of the CIA at CIA headquarters. However, CIA staff advised him that they would not enter into negotiations to narrow the number and scope of their numerous deletions. Further, it appears that Treasury and State have been given "veto" powers over passages in certain documents. While the subcommittee still remains agreeable to certain deletions to protect CIA sources and to avoid jeopardy to legitimate U.S. national security interests, the present situation, including repeated delays dating back to September 1981, is clearly unacceptable.

The issues surrounding OPEC country surpluses and investments are extremely important. A considered judgment, by the public and the Congress, about the potential benefits and harm of such investment cannot be made and a rational

public policy fashioned without this information. Therefore, I respectfully request that you exercise your authority to declassify the contents of the documents involved, deleting only that minimal information which you are authorized to delete under the agreement.

Sincerely,

Benjamin S. Rosenthal
Chairman

BSR:mv
Attachment

cc: Director of Central Intelligence