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24 September 1981

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MEMORANDUM FOR: John McMahon, Director
National Foreign Assessment Center

FROM : Maurice C. Ernst, Director
Office of Economic Research

SUBJECT : CIA Documents and the Rosenthal Congressional
Hearings

1. For the past several days the press has been covering Congressional hearings called by Representative Benjamin Rosenthal, Chairman of the Subcommittee on Commerce, Consumer, and Monetary Affairs, of the Committee on Government Operations. In two of these articles, it appears that the press has had access to at least one classified CIA document passed to the Rosenthal committee over the past two years and may have access to more.



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2. On three occasions since June 1979 Rosenthal has made blanket requests to CIA for data concerning OPEC investments in the United States. In response to Rosenthal's requests we coordinated over 350 relevant documents with DDO, [redacted] Treasury, and [redacted] for deletion of sensitive material. As a result of the requests we:

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- o Passed 290 documents for retention by the Rosenthal committee, all classified Secret or below;
- o Showed 58 Codeword documents to Rosenthal and his assistant but did not leave any for retention;
- o Neither passed nor showed 22 documents to Rosenthal because of their overall sensitivity.

We are currently processing an additional request by Rosenthal for declassification of 17 of the CIA documents passed to his subcommittee. [redacted]

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3. Rosenthal's effort is directed at gaining access to data collected by the Department of Treasury. Treasury contends however, that the International Investment Survey Act of 1976 prevents it from releasing information that would identify individual banks or depositors [redacted]

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[redacted] We receive the Treasury information for analytical purposes under an agreement with Treasury and the Department of Commerce, who legally controls its distribution, but defer to Treasury on the dissemination of the data to non-executive branch offices. [redacted]

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4. We have not made a formal determination of the releasability of the information [redacted]

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[redacted]

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5. Attached for your reference are the copies of the two press articles, the exchange of letters between Blumenthal and Turner, and the memorandum quoted in the articles. [redacted]

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Maurice C. Ernst
Director
Office of Economic Research

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Next 4 Page(s) In Document Denied