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United States Senate

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510

BERNARD F. MEMAHON, STAFF DIRECTOR
ERIC D. NEWSOM, MINORITY STAFF DIRECTOR

#85-3562

October 22, 1985

The Honorable William J. Casey
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bill:

The Select Committee on Intelligence will continue its series of closed hearings on U.S. counterintelligence and security programs on Wednesday, October 30, at 9:30 a.m. in Room SH-219 of the Hart Senate Office Building. We have been advised that the White House will designate you to represent the Administration at these hearings.

This series of hearings began with a joint CIA-FBI presentation of the hostile intelligence service threat on July 18. The Committee's objective is to develop a common agenda with the Administration for immediate actions and long-term decisions to improve U.S. counterintelligence and security programs. To achieve this objective, the Committee wishes to review all the proposals for improving counterintelligence and security that either are being implemented or are under consideration within the Executive branch. At the end of the hearings, we intend to report our findings and recommendations to the Senate.

The Committee's interests encompass all aspects of protection against hostile intelligence collection activities and active measures. This includes information, personnel, industrial, physical, communications, computer, technical, and operational security, as well as counterintelligence activities and diplomatic measures. Among our specific concerns are reducing the size of the hostile intelligence presence, finding new solutions to the longstanding problem of overclassification, developing a long-term strategy for technical and systems security, improving security management and accountability, and strengthening counterintelligence capabilities.

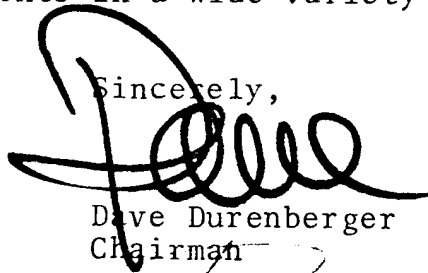
The Honorable William J. Casey
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The October 30 hearing will be devoted to an overview of the Administration's actions, including recent decisions and topics under review. We would like you to be the main witness. We would appreciate it if you could also arrange for appropriate representatives of the Intelligence Community Staff, CIA, FBI, NSA, State Department, Defense Department (including the Stilwell Commission), and the Information Security Oversight Office to be present at that hearing.

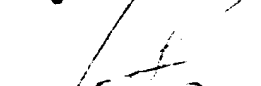
The Committee would appreciate your working with the NSC Staff and the relevant departments and agencies to prepare testimony that gives us a comprehensive survey of recent initiatives and recommendations for improved protection against hostile intelligence activities. Please include the status of current studies such as the Stilwell Commission and the Information Security Oversight Office Task Force, as well as steps taken to implement recent decisions such as NSDD-145 and the new limits on activities of certain foreign governments in this country.

We look forward to this hearing, and to a continuation of the close cooperation with the Executive branch that has characterized our efforts in recent months. Together, we can effect real improvements in a wide variety of counterintelligence and security areas.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Dave".

Dave Durenberger
Chairman

A smaller handwritten signature in black ink, appearing to read "Patrick".
Patrick Leahy
Vice Chairman

Senate Select Committee on Intelligence

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ERIC D. NEWSOM, MINORITY STAFF DIRECTOR

FOR IMMEDIATE RELEASE
October 22, 1985

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A PLAN FOR COUNTERINTELLIGENCE STRATEGY HEARINGS

The Chairman and Vice Chairman of the Senate Select Committee on Intelligence announced today that the Committee will soon hold hearings on the formulation of a national counterintelligence strategy. In addition, they made four specific recommendations to limit the hostile intelligence presence in the United States.

Senator Dave Durenberger (R-MN) and Senator Patrick Leahy (D-VT), testifying before the Permanent Subcommittee on Investigations of the Governmental Affairs Committee, said the Intelligence Committee has been reviewing counter-intelligence capabilities of the United States since before the Walker case came to public attention earlier this year.

Stressing that the Committee work is being done in close cooperation with the White House and appropriate government agencies, the two senators said that a public report to the Senate would be made at the end of the Committee review.

"Although the Intelligence Committee does most of its work in closed hearings, we believe it is vital for the entire Senate and the public to be aware of the full dimension of the espionage problem," they said.

The senators cited a number of actions already taken in the counterintelligence field but added, "more needs to be done."

"Creating a less favorable environment for espionage operations inside the United States should be the foundation of a national strategy," they said.

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Durenberger and Leahy then made four recommendations they said deserve immediate attention. The recommendations included equalizing U.S. and Soviet embassy and consular personnel by both reducing the size of the Soviet delegation in this country and increasing the number of Americans working at U.S. facilities in the Soviet Union. They noted the idea of achieving such a balance solely by an increase in the number of Americans in the Soviet Union, "totally misreads the intent of Congress and conflicts with the President's policy."

Other recommendations included reducing the size of the Soviet U.N. Mission, requiring certain foreign mission travel controls for Warsaw Pact country representatives, and regulating foreign-controlled commercial entities.

The senators said with the exception of regulating foreign-controlled commercial entities, all the recommendations could be put in place now without the need for enabling legislation.

Senator Leahy noted that he, together with Senator William Cohen, also a Member of the Intelligence Committee, has introduced a bill to reduce the size of the Soviet Mission in New York. In a floor statement on the bill, S.1773, on October 18, Senator Leahy expressed the hope that it would provide a focus for consideration of this important and difficult issue, and offered to work closely with the Administration in devising a reduction arrangement. "It may be that this bill will stimulate the Executive Branch to prepare their own plan to deal with the intelligence threat posed by the Soviet Mission to the United Nations," Senator Leahy said in his October 18 statement.

Senator Durenberger said that another bill will be introduced soon to provide the necessary legislative authorization for regulating foreign-controlled commercial entities.

The senators also submitted a preliminary report on the Intelligence Committee's review of U.S. counterintelligence and security programs. The report describes both human and electronic aspects of the espionage threat, as well as countermeasures to enhance U.S. security.