

12 December 1975

MEMORANDUM FOR: Director of Central Intelligence
FROM : Richard Lehman
SUBJECT : White House Request for Assistance

1. Yesterday afternoon, at Mitch Rogovin's request, I went to see Mike Duval. He asked that we provide presentational advice and editorial and graphics assistance in preparing the "package on intelligence issues" he is assembling for the President. He is fully aware that using CIA in this particular circumstance might be subject to criticism, but is willing to take the risk.

2. I believe a favorable response to this request would be proper for CIA and recommend you approve. If you do so, I will provide Duval with some ideas, and make available to him the DDI's editorial and graphics services.



RICHARD LEHMAN

Copy furnished:
Mr. Rogovin



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SUBJECT: White House Request for Assistance

APPROVED: _____

Date

DISAPPROVED: _____

Date

Given informally to

Organization and Management

- I. Reasons why this is an immediate issue
 - A. Congressional interest
 - B. Certainty that changes in National Security Act will be considered offers an opportunity that may not come again soon.

C. [Redacted]

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- II. Reasons why O. and M. issues can be considered separately from oversight and secrecy issues.
- III. First decision is whether major change is desirable.

- A. Goals to be sought
 - 1. Primary is best quality product. This in turn is a function of:
 - a. Close liaison between ultimate user and intelligence producer.
 - b. Responsiveness of collection to producer's needs.
 - c. Minimum of compartmentation and sensitivity barriers.
 - d. Imagination, innovation, and flexibility among both collectors and consumers.
 - e. Good people, and

2. Secondary, but important, is efficiency (including control of costs). Here you should seek:
 - a. More orderly decision-making.
 - b. A better balance between analysis and collection.
 - i. Collection is relatively expensive, analysis cheap.
 - ii. Duplication and competition in analysis of major issues is desirable; duplication in collection is desirable only when it greatly increases the likelihood of acquiring essential intelligence.
 - c. Closer linkages between user and producer, producer and collector (as in 1a and 1b) to reduce collection and production of the irrelevant.
 - d. Increased use of national assets to meet tactical requirements, and vice versa. (This in itself is a highly complex issue).
 - e. A freerer flow of information through the system (as in 1c).

B. Reasons for making major changes now.

1. The structure built upon the Act of 1947 has taken about all the load of change it can carry. There are so many Committees, boards, informal working arrangements, ad hoc solutions to overtaken problems, scars of old bureaucratic wars, that the system has become muscle-bound. It is difficult to track lines of responsibility, and the decision-making process is anything but orderly. [REDACTED] 25X1
2. Resources are increasingly constrained.
3. Technological change has made obsolete the traditional distinctions between national and tactical intelligence. New organization forms are needed to deal with the dual capabilities of real-time collection systems [REDACTED] 25X1
4. Congress is likely to propose simplistic solutions to highly complex problems. It would be desirable to have a more sophisticated package as a basis for ^{vs}Legislation-Executive dialogue.

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5. Announcement of a major reorganization would have political advantage.

C. Reasons for not making major change now

1. With all its warts, the system works pretty well. It reflects bureaucratic equities which will be extremely difficult to adjust.

2. The disruption in ongoing operations is not worth marginal gains in efficiency.

3. The machinery is so intricate that any change can have unforeseen and perhaps dangerous side-effects. Long and careful study is needed before decisions.

4. While the Select Committees are talking change, there will be strong resistance in the Standing Committees to major departure from present arrangements.

5. There is no public pressure for improved efficiency of intelligence.

IV. If you decide you want to make major change, you should approach it in real and not theoretical terms. That is, you should recognize that the key relationship in the intelligence structure is that between the DCI and the Secretary of Defense. For a number of reasons, the relation-

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- A. CIA view (passage from Taylor report)
 - B. DOD view (paper to be provided)
 - (C. Independent view?)
- V. It is apparent from these discussions that you are dealing with a rough and constantly changing balance of equities between the Secretary of Defense and the DCI in the intelligence field. Again, speaking in real and not theoretical terms:
- A. The DCI's power is built upon his control of CIA, which gives him:
 - 1. A strong analytic capability, independent of departmental positions, and valued as such by Congress.
 - 2. A capability for action beyond diplomacy and short of war, which makes his presence essential in, for instance, WSAG.
 - 3. A strong voice in the management of NRO.
 - B. The Secretary of Defense's power in intelligence is built upon:
 - 1. His operational and budgetary control of NRO and NSA.
 - 2. The unquestioned primacy of DOD's needs in time of war.
 - 3. His overall clout as head of a major department.

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VI. It follows that any significant change must provide a different basis for the DCI-SecDef relationship. Along with such a change might come:

- A. Reduction of the power of CIA, or of the DCI's authority over it, in favor of Defense, or
- B. Reduction of Defense's budget and perhaps operational control over NRO and NSA in favor of the DCI.

VII. A working group of the ICG has been developing options for you in the organizational field. The study group has done an excellent job in isolating the issues, but none of these options as it stands has been fully staffed. Presented for you below are its findings, not for decision, but to illustrate your range of choice.

- A. Transfer of primary authority to Defense (Ogilvie Option 3).
- B. Transfer of primary authority to the DCI (Ogilvie Option 1)
- C. Strengthened collective management, no change in equities (DCI Option).
- D. Strengthened collective management with increased authority for DCI (Ogilvie Option 2)

VIII. In essence, your choices are

A. Strengthen Defense.

1. Advantages

2. Disadvantages

B. Strengthen DCI

1. Advantages

2. Disadvantages

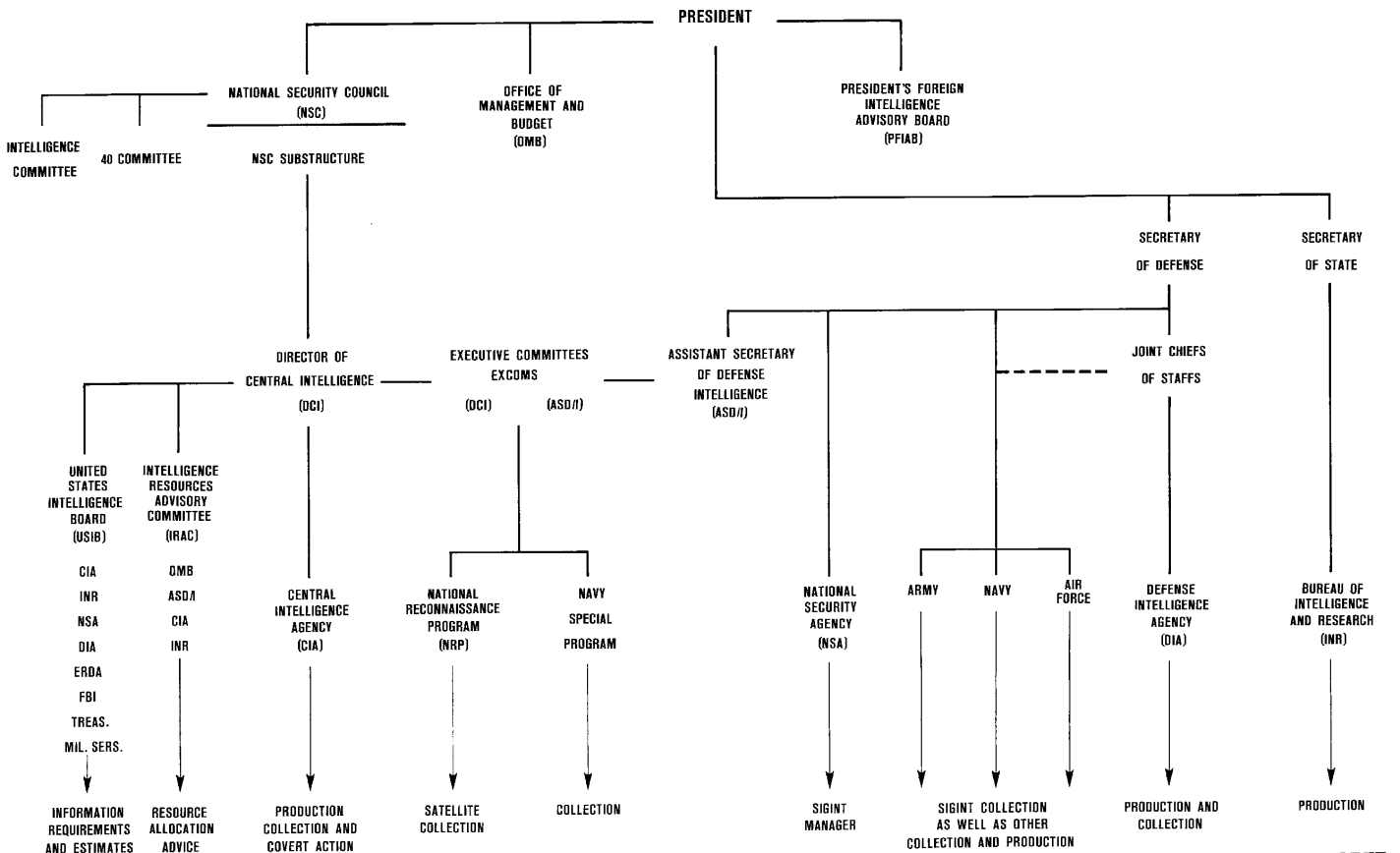
C. Neither, but strengthen central management.

1. With some element of A or B above

2. Without

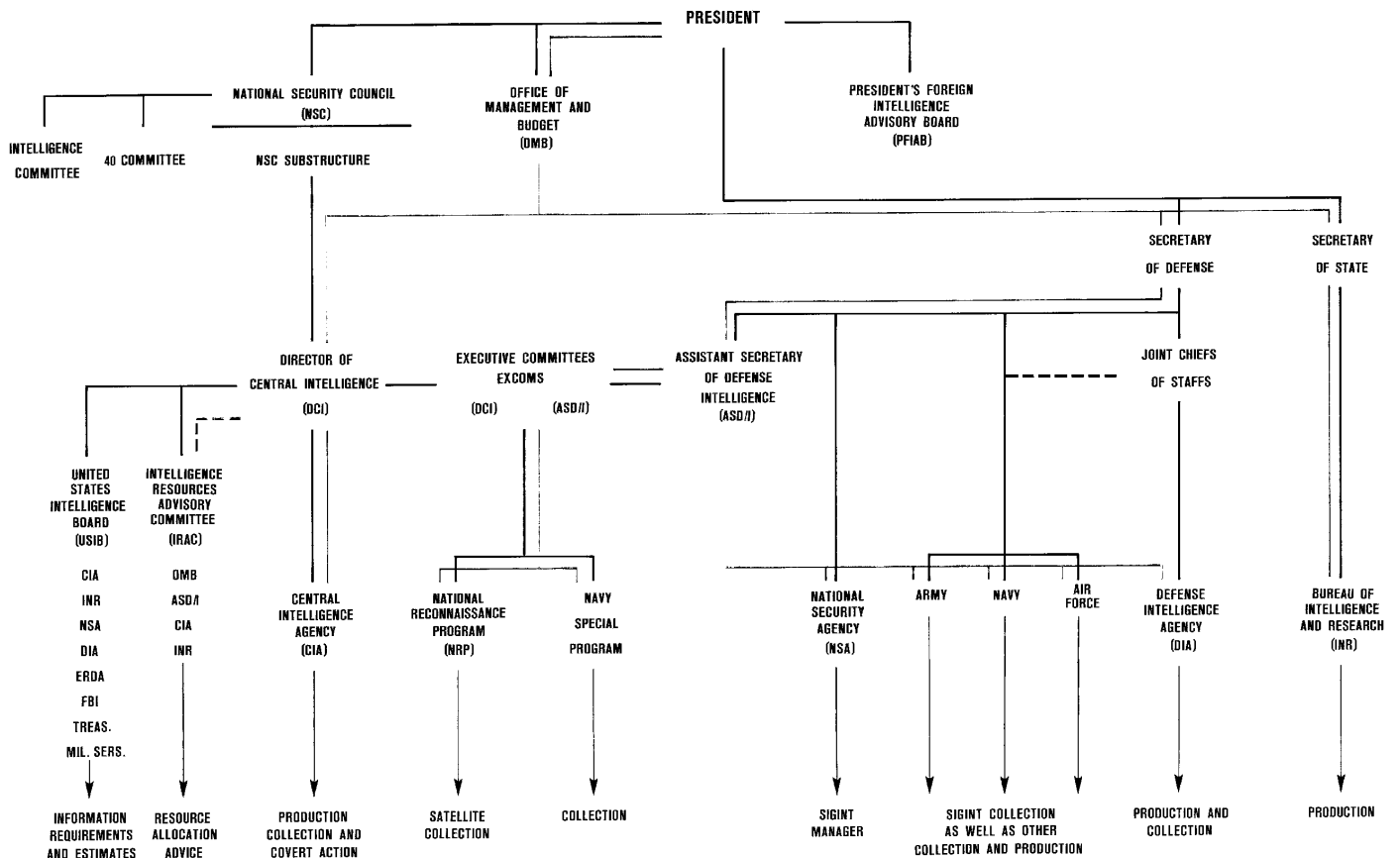
IX. Within each of these broad approaches there are in turn a range of interrelated choices. For this reason, we recommend that at this time you decide only on a broad approach (as outlined in Section VIII), and that you then direct that specific options to implement this decision be prepared for your consideration.

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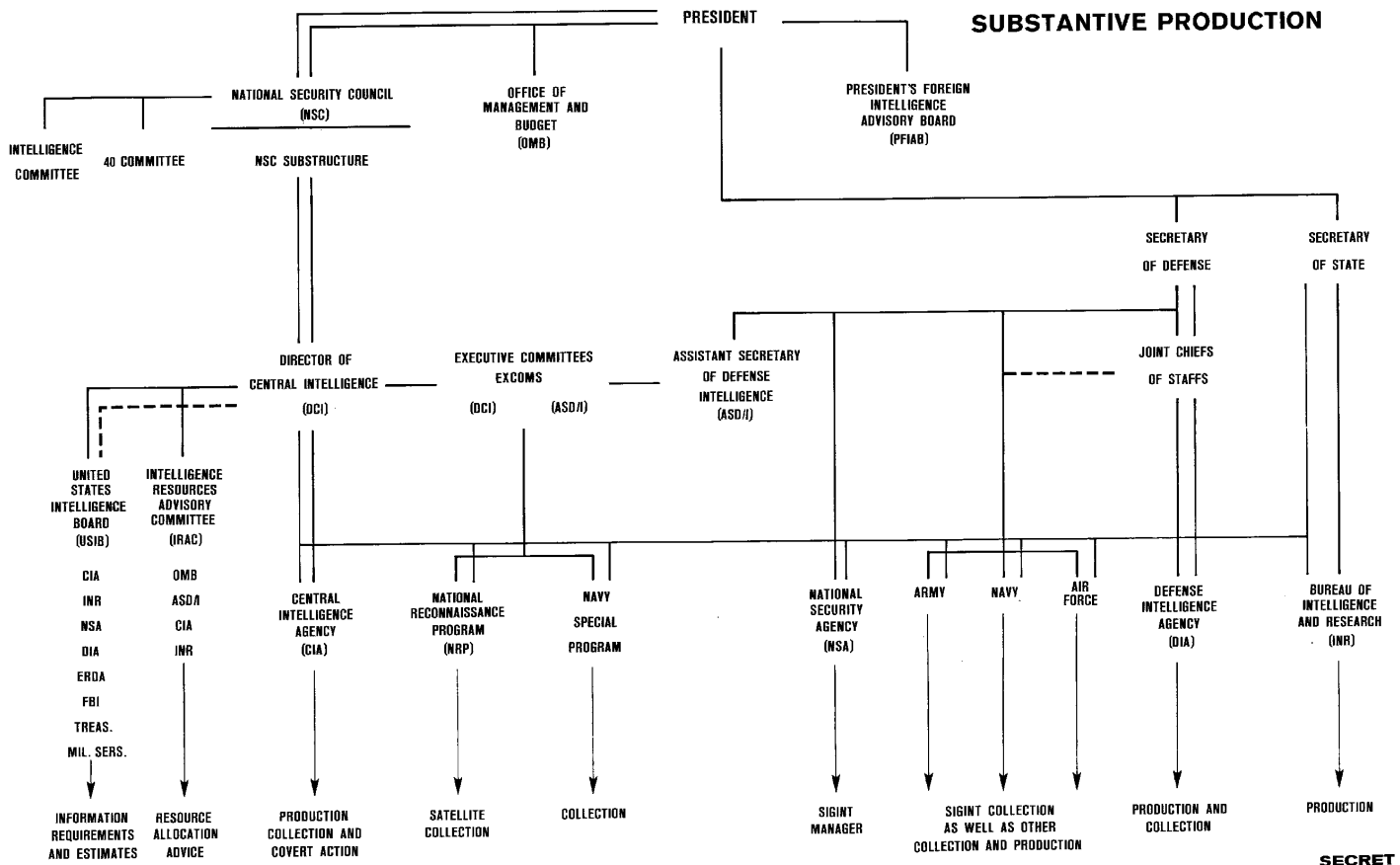


THE INTELLIGENCE COMMUNITY

RESOURCE AUTHORITY

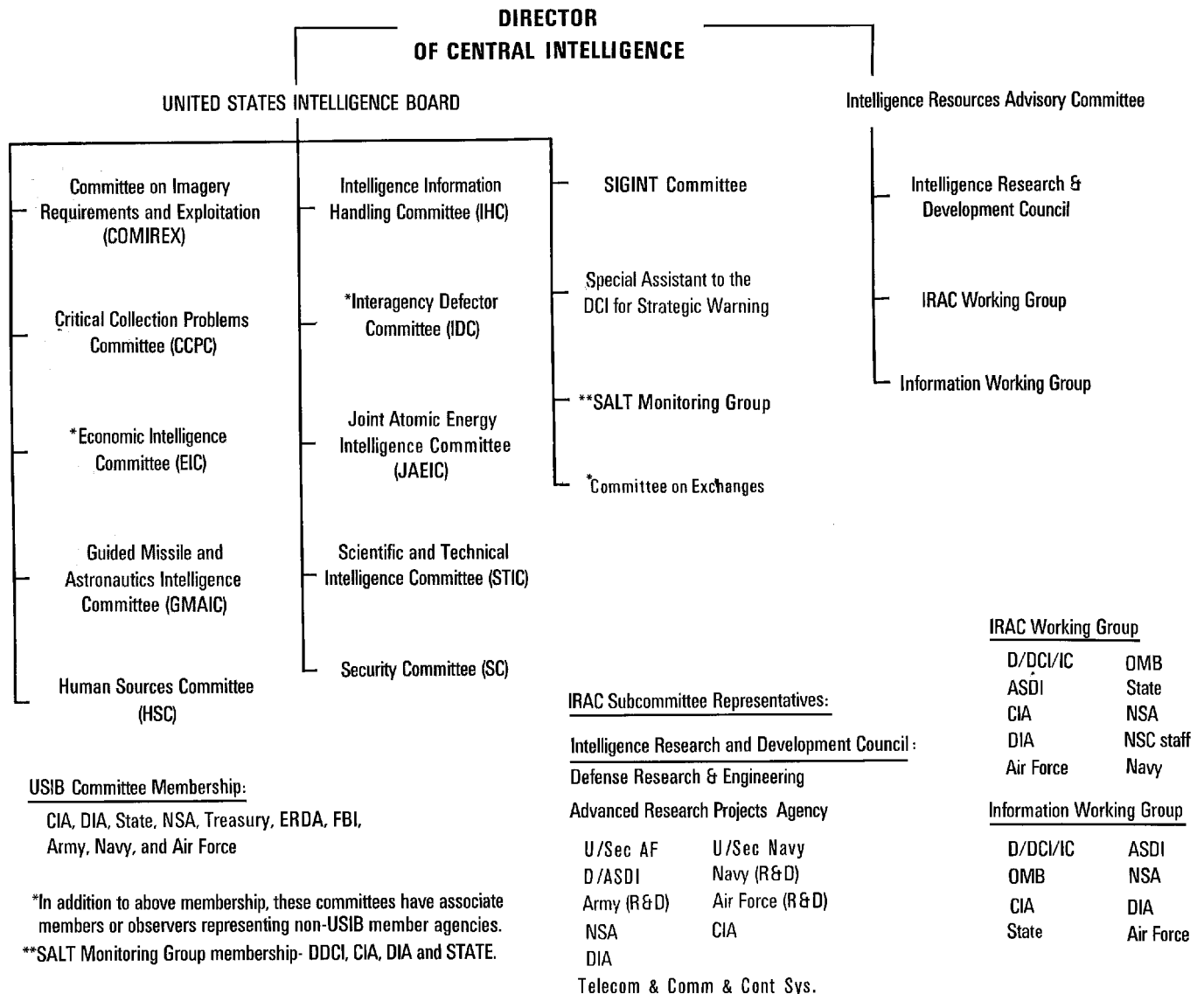


THE INTELLIGENCE COMMUNITY



COMMITTEES OF THE UNITED STATES INTELLIGENCE BOARD AND INTELLIGENCE RESOURCES ADVISORY COMMITTEE

December 1975



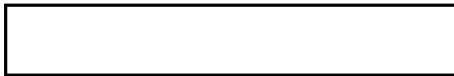
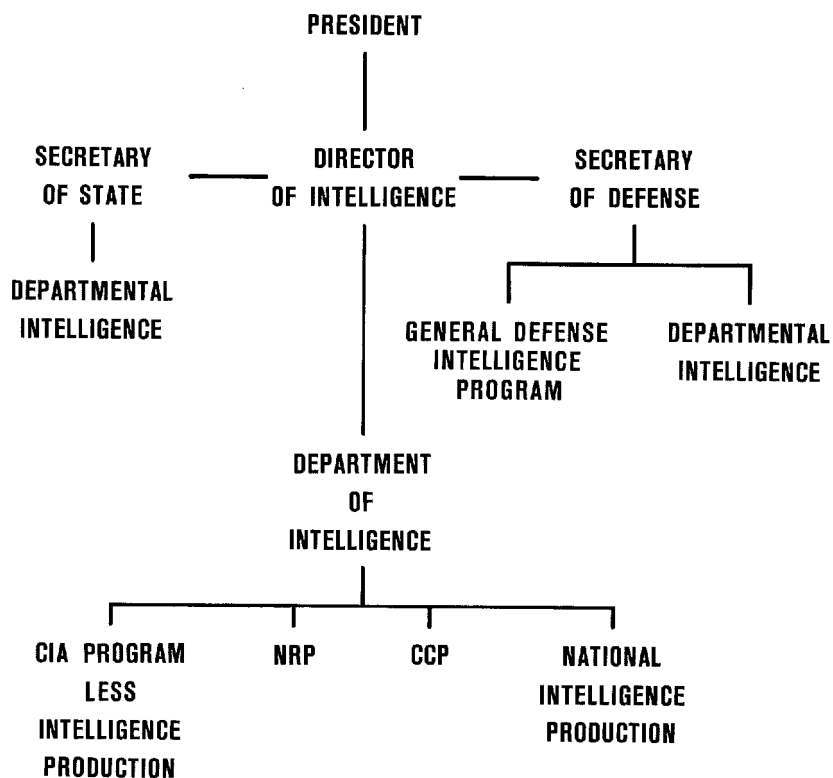
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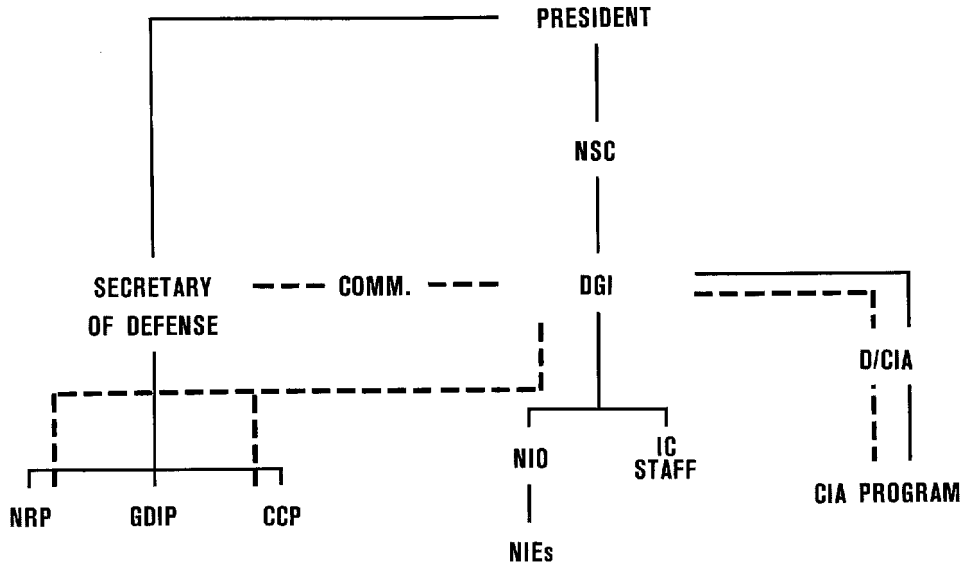
OPTION I
FROM THE REPORT TO THE PRESIDENT
ON THE FOREIGN INTELLIGENCE COMMUNITY



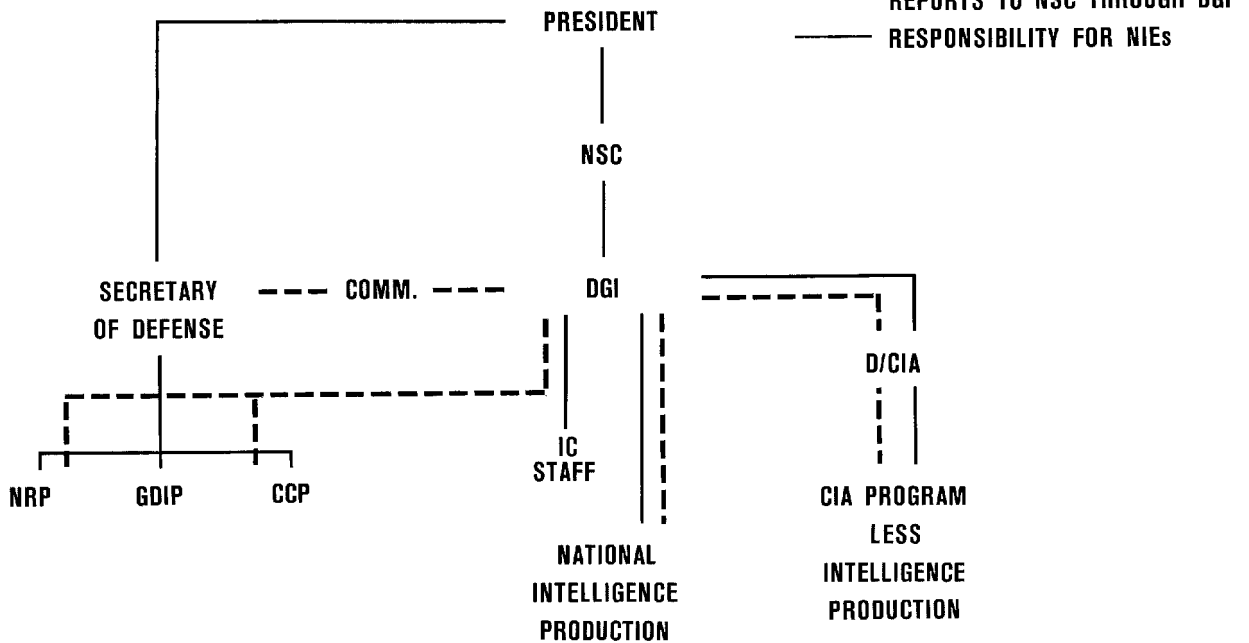
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OPTION II

FROM THE REPORT TO THE PRESIDENT ON THE FOREIGN INTELLIGENCE COMMUNITY

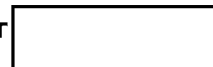


OPTION IIA



- OPERATIONAL CONTROL
- - - CONSULTATION
- - - RESOURCE CONTROL
- REPORTS TO NSC THROUGH DGI
- RESPONSIBILITY FOR NIEs

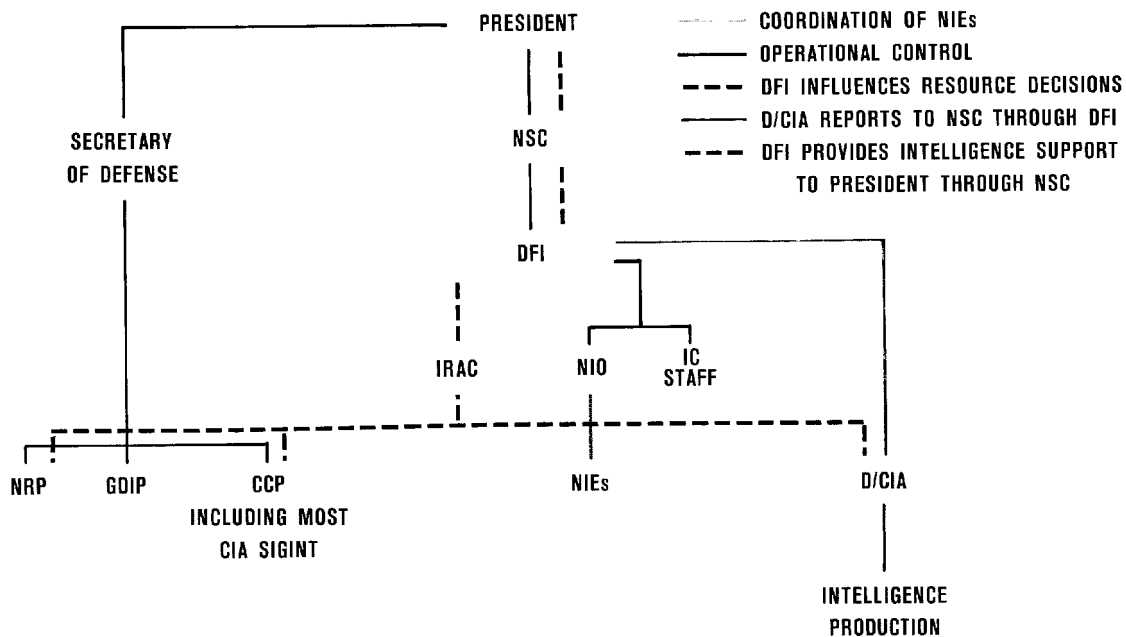
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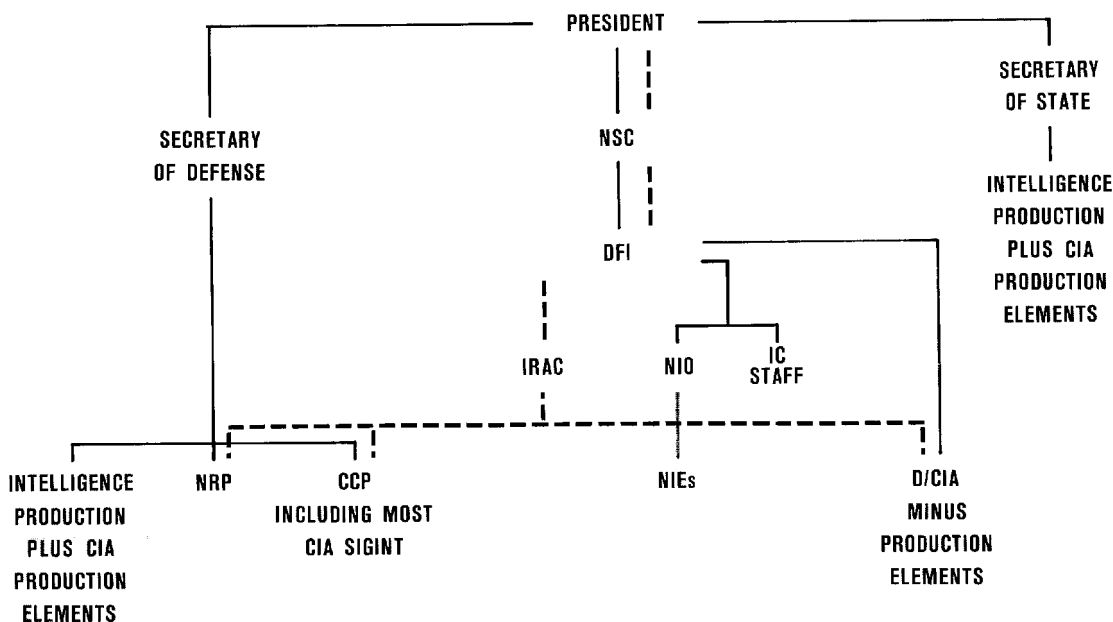
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OPTION III

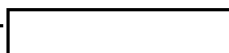
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OPTION IIIA



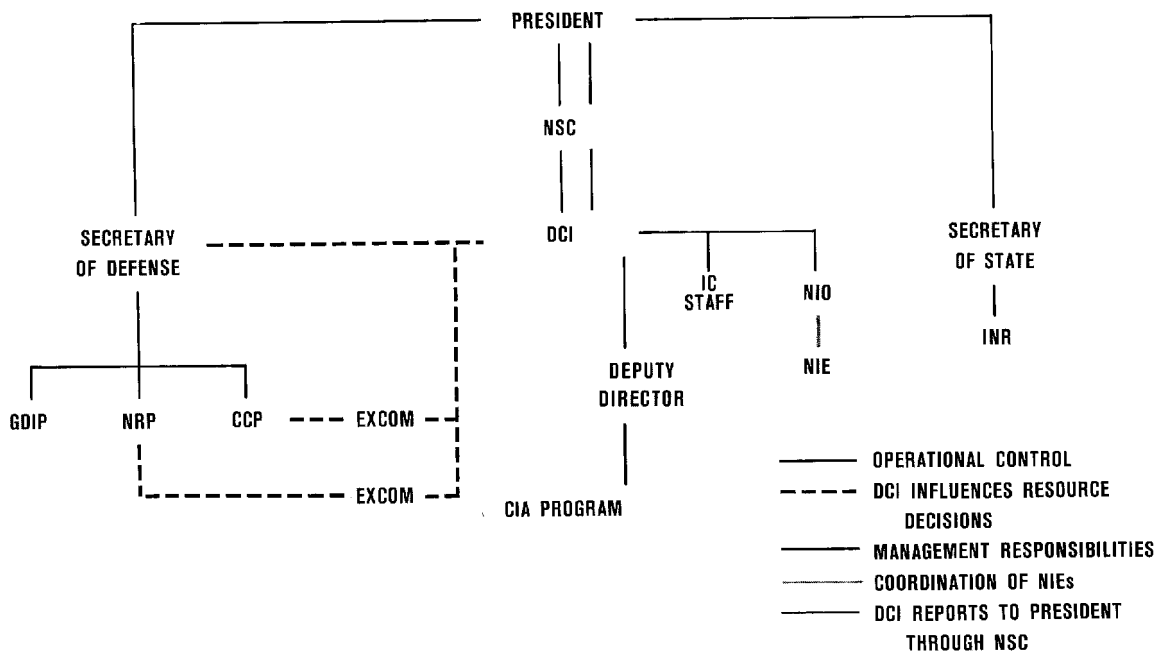
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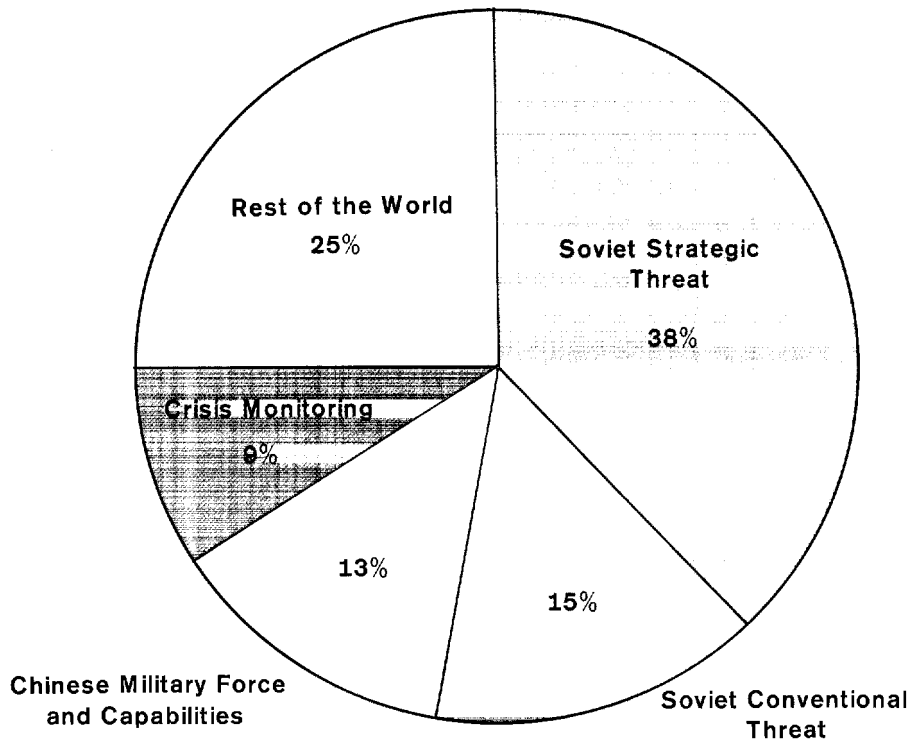
OPTION IV

FROM THE REPORT TO THE PRESIDENT ON THE FOREIGN INTELLIGENCE COMMUNITY



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NATIONAL FOREIGN INTELLIGENCE PROGRAM RESOURCE ALLOCATIONS *



*This chart is the estimate that was used by the DCI in presenting the intelligence budget for Fiscal Year 1976.

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THREE PRINCIPAL OBJECTIVES

- Dramatic demonstration of the reassertion of Presidential responsibility and leadership in the intelligence field.
- Assuring the public that their rights and privacy are protected through adequate supervision.
- Assuring the public that national security is protected by an effective intelligence community.

PROGRAM A - COMPREHENSIVE ACTION THROUGH LEGISLATION

Organization and Management

Legislative initiatives

- . Create a new intelligence agency, headed by a Director of Intelligence, with resource and line control over all national programs, military and civilian.
- . Further option: separate covert action and possibly clandestine collection from new intelligence agency.

Oversight and Restrictions

Legislative initiatives

- . Statutory restrictions on FBI and foreign intelligence community.
- . Give CIA intelligence role, domestic and foreign; limit FBI to investigation for prosecution only.
- . Create a community-wide Inspector-General.

PROGRAM B - INTERMEDIATE-RANGE ACTION THROUGH LEGISLATION

Organization and Management

Legislative initiatives

- . Create a Director General of Intelligence with control over allocation of resources, but without line control.
- . Further option: Separate production from collection by creating a new national analytic capability.

Oversight and Restrictions

Legislative initiatives

- . Combination of statutory and administrative restrictions on FBI and foreign intelligence agencies.
- . Create a community-wide Inspector General.

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PROGRAM C - COMPREHENSIVE REORGANIZATION BY ACTION OF
THE PRESIDENT

Organization and Management

Non-legislative initiatives

.. One of the following:

- . Creation of Director of Foreign Intelligence (in White House), separated from operations, who would coordinate intelligence activities but have no voice in allocation; or
- . Give OMB authority to act as bridge between producers and consumers of intelligence; or
- . Strengthen authority of NSC over allocation of resources; or
- . Strengthen authority of DCI over allocation of resources.

.. Strengthen analytic and production capability of each agency in community.

Oversight and Restrictions

Non-legislative initiatives

- . Issue Executive Order restricting foreign intelligence agencies, except FBI.
- . Issue Executive Order restricting FBI.
- . Upgrade (or create) Inspector General in each agency.
- . Delegate oversight authority for intelligence community to Attorney General.

PROGRAM D - COMPREHENSIVE CONTROL THROUGH ACTION BY
THE PRESIDENT

Organization and Management

Non-legislative initiative

- . Create a second Deputy Director of Intelligence, to handle management and administration of the CIA.

Oversight and Restrictions

Non-legislative initiatives

- . Issue Executive Order restricting domestic activities of foreign intelligence agencies.
- . Presidential announcement of CIA Commission recommendations already implemented by DCI.
- . Issue Executive Order authorizing PFIAB to act as Executive Branch oversight body.
- . Announce new membership of PFIAB.
- . Direct Attorney General to issue regulations restricting FBI.
- . Presidential call for a joint select Intelligence Committee of Congress to assure secrecy and continuity, particularly with respect to covert actions.

Verbatim
Notes

INTRODUCTION

Goals for the Intelligence Community

- Eliminate abuses
- Improve organization and management
- Improve quality
- Protect secrecy, including intelligence sources and methods
- Establish more effective relations with Congress


V ✓

To Achieve Goals:

- Public confidence must be restored
 - In the Community
 - The legitimacy of its role
 - ~~The~~^{Its} adherence to law
- Decisions should be taken comprehensively
 - System is complex
 - Issues are interrelated
 - First opportunity since 1947 to deal with the
Community as a whole
 - Times and public demand it

Key Overall Problems

Question as to adequacy of charters for key agencies

- NSA; DIA; ~~NBO~~^B, FBI, CIA
- Ambiguities
- Absence of guidelines
- Problem of Congressional responsibility 

Relationship between Executive and Congress

- Recent investigations highlighted Executive Privilege issues
- Problem of covert actions
- *Problem of warrantless wiretapping*
- Congressional oversight of Executive management

Questions have been raised about responsibilities within Executive Branch

- Role of DCI
- Between DCI and Defense
- Between Community and Executive Office of President

Guideposts for decision-making:

- Community needs a strong and independent head
- Leader should have ^{Sufficient institutional support} ~~[institutional base]~~
- Competition in analysis (production) of intelligence, with good coordination, should be preserved
- The President should have direct access to an intelligence official without major foreign affairs or defense duties
- Organizational changes should promote technological creativity (U-2, Glomar)
- *There should be an institutional mechanism to assure lawfulness and propriety of actions.*

~~SECRET~~
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CONCLUSION

~~MEMORANDUM FOR INTRODUCTION~~
~~OF SECTION ON CONGRESSIONAL RELATIONS~~

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2 [PRINCIPLES IN DEALING WITH CONGRESS]

1. Authorizing a limited number of Congressmen to act for all.
2. Limiting the number of oversight committees.
3. Limiting access to sensitive information by committee rules and strengthening penalties for disclosure.
4. Avoiding the imposition of statutory requirements that the committees be "fully and currently" informed.
5. Encouraging non-statutory understandings rather than statutory requirements.
6. Separating oversight of law enforcement ~~from~~ from foreign intelligence.
7. Keeping the foreign intelligence community out of partisan politics.

Need for Statutory Charters

Should Intelligence agencies responsibilities (charters) be specified in new

Executive Orders, statutes or left as is?

New Executive Orders

- Foreign policy is Executive responsibility
- President needs flexibility
- "Mixed" charter has worked 30 years

Statutes

- Congress will exercise its will
- Stability and predictable guidelines ~~are required~~ result.
- Focus will be on past abuses

As Is (Statute for CIA, Executive Order or Department Directives for others)

- No serious problems now
- Absence for some agencies not major issue

1. ISSUE: 2. Future of Covert Action

How should charters deal with covert action?

No

- Not necessary or appropriate to have charter
- Can't admit publicly or diplomatically
- Commits President - Executive to responsibility
- Congress may allow only general references

Yes

- Abuses must be prevented
- Since actions are necessary, charter is not harmful
- Restores public confidence in Community
- Congress will insist on some references *in legislation*

1.

ISSUE: 3. Accountability to Congress

Should Executive be more accountable to Congress?

Yes - Negotiate appropriate relationship

- Congress is of necessity more involved
- Traditional Congressional mechanisms have collapsed
- Leaks and other problems can be handled
- Attention will subside

No - Oppose all efforts

- Constitution gives Executive the responsibility
- Accountability entails control and interference
- Secrecy will be at greater risk

II. Issue 1. FBI-CIA Jurisdiction

Should the jurisdictions of the CIA and FBI be *reassigned*

Reassign
Realign Jurisdictions

- Analysts need access to info ^{wherever} wherever found
- FBI and CIA have both been criticized on civil liberties
- Better distinction : "intelligence gathering" ~~info~~ vs. "investigation for ^{pro}secution"
- ^{pro}secution gathering subject to stricter control
- Post-war geographic distinction is artificial
- Duplication not a major problem

Maintain Existing Jurisdictions

- Abuses not due to jurisdictions
- Geographic distinction is easy to maintain
- CIA with domestic role is controversial
- Some duplication inevitable
- Existing system has proved adequate
- *Legal requirements governing domestic and foreign activities are not the same*

II. Issue 2. FBI Restrictions

What form should restrictions on FBI take?

Justice Department Regulation

- Leaves most flexibility for amendment
- Provides least public assurance
- ~~- Revisions are less bureaucratic, less controversial~~

Executive Order

- Provides greater assurance to public
- Similar to treatment of rest of Community
- Appears to assert direct Presidential control over FBI
- Could diminish Attorney General authority
- ~~- Combination of Presidential direction with A. G. guidelines possible~~

Statute

- Provides greatest assurance to public
- Inflexible
- Could be unreasonable
- Less Executive Branch control

Mix of all three

- ~~- A. G. has suggested mix, depending on content~~
- ~~- Statute appropriate for functions jurisdiction~~
- ~~- Executive Order appropriate for White House - FBI contacts~~
- ~~- A. G. Department Regulation best for procedures, investigation standards~~

II. *9* ISSUE *9* 3. Restrictions on Domestic Activities

Should restrictions order allow gathering information on domestic acti

of U.S. citizens by foreign intelligence agencies in
limited circumstances?

Yes, If:

- Limited to terrorists, narcotics, and collaboration with foreign powers or organizations
- Limited to foreign sources or collected abroad
- Recognizes legitimate counter-intelligence needs

No

- Exception too broad
- Covers any person dealing with foreign corporation
- CIA prohibited from police or law enforcement role

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II. Issue 4. Restrictions on Intelligence Sharing

Should restrictions order allow sharing of information on domestic

activities of citizens among agencies ^{when} ~~which~~ receiving agency
would not be permitted to collect for itself?

such information

Yes

- Would permit CIA to obtain info^{ymation} from FBI it is not otherwise permitted to obtain

- Gives CIA access to needed information

- Abuses could be limited by A. G. guidelines

No

- Would allow intelligence agencies to get law enforcement information, and vice versa

Raises question whether
~~- Would permit reestablishment of Operation CHAOS~~ *could be reestablished*

- Exception undermines credibility of restrictions order

II.

ISSUE: 5. Community Oversight

Is oversight and control within the Community adequate?

If not:

Establish Community Inspector General

- In line with needs found by Rockefeller Commission

- Could report to DCI

- Would create antagonism between DCI and agencies in

Disputes over access, jurisdiction

Upgrade Inspector General

for each agency

- Action can be taken in each agency

- Recommended by Rockefeller Commission

- CIA has proposed upgrading both I. G. and General Counsel

- Agency's I. G. 's could report to DCI

- Some action necessary

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II.

ISSUE: 6. Executive Branch Oversight

Should President have independent advisor on propriety?

The Attorney General

- Already has such responsibilities as chief legal officer
- Require special staff within Justice

Special Counsel to President

- Greatest public perception of change
- Require staff in Executive office
- Focused on problem
- Possible conflicts with A.G.

> Government-wide Inspector General

- Not limited to intelligence

Requires

- ~~Broad~~ mandate, greater visibility
- with fixed term and Senate confirmation?

NSC

- Now has statutory responsibility
- Conflicts with operational role

PANEL

... Vice President, Attorney General
and a Presidential Assistant who has no
operational responsibilities. TT G

H.

ISSUE: 7. Citizen's Oversight

Should non-governmental oversight be provided?

Give PFIAB Oversight Responsibilities

- Recommended by Rockefeller and Murphy Commissions
- Reassuring to public
- Difficult for part-time body, even with staff
- Could conflict with traditional PFIAB role *as intelligence advocate*
- PFIAB lacks credibility ~~in Congress~~
- Require a PFIAB public annual report

Establish Independent Board

- Could use public reports to reassure public
- Greater public acceptance
- Could duplicate PFIAB staff

J II. *J* ISSUE: 8. Consideration of Covert Actions

How should covert action proposals be considered?

Formal meetings of 40 Committee

- Lack of meetings cited as problem

- ~~Limit to significant proposals~~

- *Formal Committee approval likely ^{to be} Congressional action*

- Reassures public

Designate A.G. as Member of 40 Committee

- Bring legal advise^c to deliberations

- Add other departments as required

- Inconsistent with ^{an A.G.} oversight role

GIVE 40 Committee an
Staff-out proposals through NSC staff

- Provide analysis of risk and benefits

- Reduce departmental biases

- Involves NSC more deeply in covert operations

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ISSUE: 9. Congressional Oversight

How should Congress exercise its oversight function?

Through Joint or Separate Committees

- Joint committees hard to structure
- Joint committees would limit risk of disclosure
- Separate committee more normal
- Need separate checks provided by two-house action
- Senate has separate, preeminent foreign policy role
- Separate committee is current Senate Select Committee approach

2/11/11
3/10

New Committee(s) only

^ With Oversight or Oversight and Legislative Jurisdiction?

- Adding legislative jurisdiction to new committees raises problems
- Oversight alone is weak
- Oversight alone allows only disclosure remedy for expressing disapproval
- Armed Services not prepared to share or give up legislative authority

Ques: How to handle appropriations?

II. 9.

How should the intelligence budget be presented to Congress?

Status Quo

- Reveal details and total to pertinent committees

- Details now more widely available to members

- ~~Recent~~ ^{Rep.} Giomo proposal to reveal ^{budget} ~~soundly~~ defeated 267 to 147 on
Oct. 1, 1975

- Size is still undisclosed to public

Classified Appendix to Budget

- Available to all members

- Include general, big dollar data

- Could meet needs without undue risk

- Leads to demand for detail

Publish Agency totals

- Make totals only public

- Leads to request for details

- Could dispel needlessly controversial issue

How should substantive intelligence be provided to Congress?

Current Procedures and Availability

- CIA, others brief on specific subjects
- Regular publications sent to Committees
- NIE's not now available
- Congress claims needs not met

Increase Availability

- Sensitive information not likely to be protected - *sources and methods not separable from substantive intelligence.*
- Congress and Executive will disagree on amount, type, timing, etc.
- Congress will use to oppose policies, criticize agencies, etc.
- Info will be subject to partisanship
- Dissent, differences within Community *would be* ~~likely~~ stifled
- NIE's pose problems due to particular policies contained
- Establish office (under DCI) to serve Congress
- Avoid statutory requirement, work out procedures

II. ISSUE, 12. Congressional Secrecy Protection

How should Congress protect classified information?

Establish Executive-Congressional Board

- Would agree on security classification to items
- Both branches respect agreed designations
- Could handle publication issues
- Could not handle leaks
- ~~Discipline members~~

Case Amendment approach

- Secrecy removed from items only by President
- Named Committees only have access to classified agreements
- Similar to procedure with Pike Committee
- Defeatable by leaks (i. e. Angola and Italy)
- Could supplement other sanctions on members

~~AA~~ Prohibition on Any Congressional Disclosure of Classified Info?

III. *ISSUE!* I. Community Leadership

How should Community leadership be improved?

Make NSC more effective

- Create second deputy Assistant to President (for Intelligence) responsible for guiding Community.
- Reinvigorate NSC Intelligence Committee
- Focuses on political-military aspects of intelligence

Make DCI more effective

- Separate from CIA management
- Give DCI resource and line control over national intelligence programs
- DCI full member of NSC
- Make DCI independent advisor to President
- DCI chairs 40 Committee and NSC IC

Appoint new White House Special Assistant for Foreign Intelligence

- Create new, cabinet-rank officer
Broadens beyond
- Remove intelligence from NSC domination purview
- Highlight non-political military issues such as economics, food, etc.
- Remove institutional support base
INCREASE
- Centralize Executive Office oversight.
- Potential for improper White House pressure on intelligence agencies.

III.

ISSUE: 2. Controlling Resources

How should intelligence resources be controlled?

Strengthen OMB

- President has ultimate ~~control~~ ^{authority} OMB his agent
- OMB is instrument in all other areas of government
- Trade-offs must be made ^{among di F Fevant agencies} ~~with other areas~~
- Allocation and reprogramming controls needed

Strengthen DCI

- Authority given in '71 Directive has not been used
- DCI's staff would have to be expanded
- ~~Increase DCI DOD conflict~~ ^{Increases authority of DCI vis-a-vis Sec. Def.}

Consolidate national programs (CIA, CCP, NRP) under single manager

- Single authority for intel ^{intelligence} resource trade-offs
- Removes DOD programs from peace-time DOD control

III. 2.

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III.

ISSUE 9
3. Intelligence Collection

Should intelligence collection agencies (CIA, NSA, NRO, etc) be consolidated?

Minor consolidation (all ^{SIGINT}~~sigint~~ in NSA; all ^{HUMINT}~~humint~~ in CIA)

- Minimal impact on reducing competition, duplication
- Affects about \$70 mil. of resources
- Little bureaucratic dispute

Major consolidation (CIA, CCP and NRP in one agency)

- Major bureaucratic upheaval
- Reduce ^g duplication, costs
- Increases ^g trade-offs ^{among collection effort} ~~between sources, methods~~ ^{techniques}
- Separate ^g consumers and possibly analysts from collectors
- Unless in DOD, major problem for military users

No consolidation

- Each agency has particular expertise
- No real problems solved by consolidation
- Coordination improvable without consolidation

III. *ISSUE* 4. Intelligence Production

Should intelligence analysis and production be realigned?

Create independent analytical organization

- Spin-off CIA analysis from CIA
- Independent of collection, operational biases
- No taint from clandestine services
- Provides policy-makers with more neutral assessments and estimates

Eliminate CIA production and upgrade existing departmental analytical capabilities

- Key estimates still coordinated
- Greater responsiveness to departmental needs
- ~~Increases competition with the "Central" intelligence agency~~
- Increase difficulties of DCI to coordinate all except key products such as National Estimates

Build-up existing departmental and central capabilities

- Production is 10% of intelligence budget
- Expansion need not be costly

III. 4.

ISSUE 9. Covert Action

Should covert action (and clandestine activity?) be separated from CIA?

Transfer to State

- Endangers State's overt status
- Contrary to diplomatic practice

Transfer to Defense

- Raises public apprehension over accountability *and danger of escalation.*
- Paramilitary operations *properly at DOD, not same as covert*

Create separate agency

- Removes covert actions from *intelligence functions* *and* *clandestine collection* *division* *intelligence funding*
- Isolates covert activity *From Agency supervision*

Leave with CIA

- Status quo is acceptable
- *Improve cover systems, esp. diplomatic*

III. ⁹

ISSUE 6. Major Reorganization Options

Which, if any, major reorganization is appropriate?

Create new intelligence agency with ^{line} control of CIAP, CCP and NRP (NSC/OMB I)

- National programs best managed centrally
- Central funding and line control
- Collection separated from all production except national
- **Requires new legislation**

Create Director General with national resource control (NSC/OMB II)

- Would not have line control ~~except for CIAP~~
- No vested interest in any element
- Separates DGI from CIA
- DGI could have NIO's (Option [#] II) or all CIA national intelligence production (Option [#] IIA)

- **Requires new legislation**

Create Director of Foreign Intelligence to coordinate (NSC/OMB III)

- Would have neither line [#] or resource control
- DFI would be truly independent
- DFI could never adequately control DOD resources
- Coordination difficult without power base
- Production is either left with CIA (Option [#] III) or split off to State and Defense (Option [#] IIIA)

- **Requires new legislation**

Expand DCI Community control (NSC/OMB IV)

- Create second deputy to run CIA
- Structure Executive Committees for SIGINT, NRP
- Allows improvement without legislation

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AS NOW USED FOR

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IV. ISSUE I. Revision of Classification System

Should the classification system be revised?

Yes, Revision is necessary

- Current system is subject to much criticism
- Criteria for categories are vague
- Extensive over-classification claimed
- Downgrading exemptions often invoked
- Compartmentation not authorized by Executive Order
- Policy makers and analysts denied access
- ~~lack~~ ^(Congressional Enactment) of needed criminal ^{sanctions} protection impeded by claimed overclassification

No, Revision is not necessary

- System is not the problem
- Executive Order issued only recently, March, 1972
- Issues difficult to solve
- NSC study now underway

IV. I.

IV. *Q* ISSUE 2. Statutory Classification System

Should ^{the} classification system be revised by statute, w/ Executive Order

Statute

- Statutory ^{criminal} protection more likely ^{with} to statutory ^{classification} system

- Congress is liable to act

- Legislation is ^{difficult} ~~subject~~ to amendment and ~~impressive enactment~~

- Could be limited to Congressional handling ^{of classified information}

Executive Order

- Historical route

- Executive knows categories requiring protection

- President can act with comprehensive precision ^{and amend when necessary}

- ^{create} secrecy.

IV.

ISSUE 3. Degree of Protection

Should legislation protect sources and methods? All classified information?

Who? Civil sanction only?

Sources and Methods?

- Not inherently more damaging to disclose
- DCI now required by statute to protect
- DCI ~~has~~ ^{now} no powers to protect

All classified information?

- Present protection inadequate
- Only certain ~~transmissions~~ ⁹ and types protected
- Successful prosecution difficult
- Secrecy oath ^{now limited civil protection.} provides ~~some sanction of limited protection.~~
- Issue is controversial, esp. S.1 criminal sanctions

All persons?

- Extension beyond government employees controversial
- Raises 1st Amendment questions

Civil Sanctions Only?

- CIA ~~draft~~ ^{draft} sources bill ~~includes~~ ^{includes} civil and criminal ~~sanctions~~
- Injunction alone ^{is} insufficient
- Criminal sanction does not raise "prior restraint" issue
- Neither sanction effective with respect to Congress

New Senate "Committee on Intelligence Activities" (BY ~~Resolution~~ ^{Statute})

- General oversight function
- Limit of six years for 9 Member staff and intelligence activities
- Legislative jurisdiction over CIA, DIA, NSA, ^{INTEL. COOPERATION} other DOD, Justice, State and Treasury
- Authorization jurisdiction over CIA, DIA, NSA, national DOD and FBI
- ~~Periodic reports to Senate~~ *Committee shall be "fully and currently informed with respect to all intelligence activities."*
- ~~Committee rules for protection of secrets~~ *to formulate rules to disclosure of classified info*
- ~~Committee consult with President, vote and refer to Senate for disclosure~~ *re public disclosure, but ultimate determination is in Senate by vote.*
- ~~Duty of agency heads to inform on all activities~~
- "Especially sensitive" activities disallowed unless reported in advance
- Annual authorizations for appropriations
- GAO access to all files

~~Sense of Congress Resolution deploring abuses~~

Budgetary arrangement "recommendations" (possible legislation)

Possible
Recommendations on reorganization, including

- DCIs Role
- Location of human intelligence collection
- Role of DCI and Sec/Def on Technical collection
- Production of National Estimates
- Future of Covert Action and Prohibition on Activities
- Congressional involvement in approval of covert actions

V.l.

~~(Chairman's Document to Member, Dec. 1971)~~

Fiscal Procedures

- ^{Public} Disclose ~~to public~~ total spending
- Bring intelligence agencies, ~~especially CIA~~ under fiscal controls applying to other agencies
- Compel CIA to justify programs and budget before authorization and appropriation
- GAO would review and audit

Congressional Oversight

similar to SSC)

- Establish permanent standing "Committee on Foreign Intelligence" *with legislative authority*
- ~~Would have legislative authority~~
- ~~Membership limited~~ ^{members} to 3 consecutive terms to ensure fresh approach
- DCI and President required to report
- Jurisdiction over domestic intelligence programs deferred
- Leave open possible joint committee
- Amend Hughes Amendment to require prior reporting on covert actions, all clandestine activities and new programs

Limiting Secrecy

- Provide procedure for Congressional release of information ~~on~~ its own judgment
- Find ^{decision} with Speaker, Majority and Minority leaders, acting for House
- Amend House orders to require adherence, impose sanctions
- Establish new independent Commission to adjudicate requests for declassification ~~from public~~
- Establish 5-year limit to classification unless Commission decides otherwise

JUSTICE (cont)

5. Should changes be sought in the mail statutes to clarify their application to openings conducted for foreign intelligence purposes?

*Sermon
V-U*

ADDITIONAL ISSUES SUGGESTED BY

THE JUSTICE DEPARTMENT

1. What limitations should be placed on information that may be gathered, and the methods that may be employed, abroad with respect to intelligence activities directed against U. S. citizens and permanent resident aliens?

2. What limitations beyond those already in the draft Executive Order should be placed on the distribution of foreign intelligence information and the uses to which it may be put?

3. Should a judicial warrant procedure be sought for foreign intelligence electronic surveillance including NSA interceptions (a) through legislation, or (b) through attempts to develop a common law warrant?

4. What should be the Executive Branch position on the desirability of legislative proposals establishing detailed substantive and procedural requirements for foreign intelligence activities?

*Additional Items Suggested by
Dept. of Def.*

*Should Research and development programs
other than those which directly support
clandestine collection be transferred from
the CIA to Defense Director of Defense Research
and Engineering.*

CENTRAL INTELLIGENCE AGENCY

CHARTER: Statute, National Security Act of 1947, 50 U.S.C. 403
(supplemented by NSC Intelligence Directives and other
NSC Documents)

BASIC CHARTER PROVISIONS:

Functions: For the purpose of coordinating the intelligence
activities of the several Government departments and agencies, to:

- Advise the NSC on intelligence matters
- Correlate, evaluate, and disseminate intelligence
relating to the national security
- Protect intelligence sources and methods (assigned to DCI)
- Perform services of common concern to intelligence
agencies and other functions related to intelligence,
as directed by NSC.
- Clandestine collection abroad of foreign intelligence and
domestic overt collection of foreign intelligence. (assigned by
NSCID)
- Conduct covert action abroad (assigned by NSDM 40).

Prohibitions:

- Shall have no police, subpoena, law-enforcement powers,
or internal-security functions

MAJOR SHORTCOMINGS:

- Statute does not limit responsibility to foreign intelligence
- Statute does not assign collection responsibility
- DCI has responsibility for protection of sources and methods,
but no authority
- Charter does not prohibit "spying" on Americans

NATIONAL RECONNAISSANCE OFFICE

CHARTER: 1965 DOD/CIA Agreement and
DOD Directive TS 5105.23

BASIC CHARTER PROVISIONS:

- Operate consolidated national program for overhead reconnaissance program, including R&D.
- Managed jointly by DOD and CIA through Executive Committee; disagreements settled by SecDef.
- Assign operational responsibility for manned overflight missions to DOD units.
- Establish security procedures for NRP.
- Prepare a comprehensive budget for all aspects of NRP.

Prohibitions

- Approval of 40 Committee required for manned flights.

CHARTER SHORTCOMINGS:

- No real charter.
- Absence of Congressional or Presidential guidance.
- No real restrictions on operations other than manned flights.

NATIONAL SECURITY AGENCY

CHARTER: NSC Intelligence Directive No. 6

(supplemented by two Defense Department

Directives and supplementing a 1952

Presidential directive)

BASIC CHARTER PROVISIONS:

Functions

- . Collect SIGINT in accordance with DCI requirements and priorities
- . Process SIGINT
- . Provide U.S. communications security
- . Instruct and assign other SIGINT elements
- . Consolidate SIGINT performance
- . Conduct SIGINT research and development
- . Prescribe SIGINT security regulations

Prohibitions

- . No production and dissemination of finished intelligence
- . No interference with FBI internal security responsibilities

CHARTER SHORTCOMINGS:

- . No statutory framework
- . No prohibitions on spying on Americans
- . Vague description of duties

DEFENSE INTELLIGENCE AGENCY

CHARTER: Department of Defense
Directive 5105.21

BASIC CHARTER PROVISIONS:

Functions

- Review and supervise Defense intelligence functions
- Assign collection requirements
- Produce Defense intelligence
- Provide intelligence staff support to JCS

Prohibitions

- None

CHARTER SHORTCOMINGS:

- No statutory or presidential guidance
- Lacks any restrictions on activities
- Fails to define operational units

FBI

CHARTER: Statute: 28 U.S.C. 533
(Supplemented by Justice regulation,
28 C.F.R. ̄.85)

BASIC CHARTER PROVISION:

Functions

- Statute: Attorney General may appoint officials to conduct investigations
- Regulation: FBI charged with investigating espionage, sabotage, subversive activities

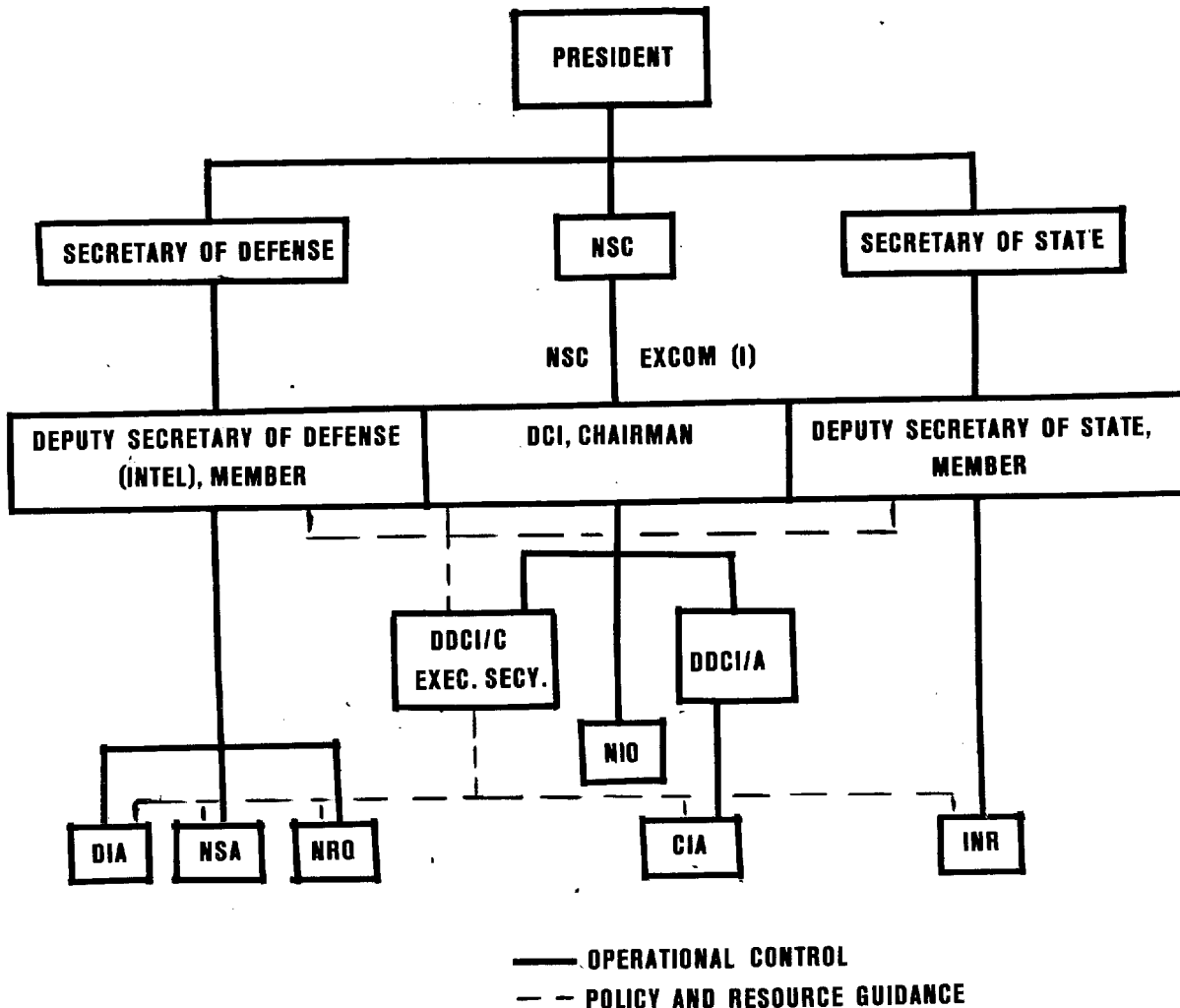
Prohibitions

- None

CHARTER SHORTCOMINGS:

- None really exists
- No limitations on activities

OPTION IV MODIFIED



"Collective Management" of the Community

- Establish a Executive Committee for Intelligence under the NSC, (DCI as Chairman, and Deputy Secretaries of State and Defense as members) to manage the Community and provide policy and resource guidance for national programs.
- Separate more fully DCI's Community and Agency roles, with a deputy for each.
- DCI remains responsible for national intelligence production.
- No change in operational control of national programs.