

OGC 79-03669

19 April 1979

MEMORANDUM FOR: Deputy Director of Security

FROM: John K. Greaney
Associate General Counsel

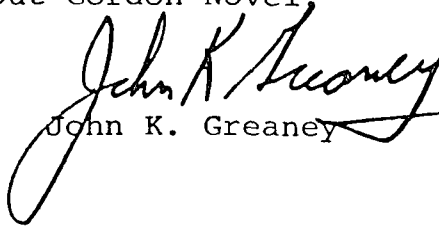
SUBJECT: Gordon Novel's Letter to Howard J. Osborn

1. On 6 April 1979 you sent me a letter which Howard J. Osborn received from Gordon Novel. In my opinion this letter contains a threat of blackmail on Novel's part and I suggest you send the letter to the FBI recommending they investigate for possible criminal prosecution the circumstances surrounding the writing of this letter.

2. Gordon Novel was arrested in February 1976 and charged with conspiracy to firebomb the Federation of Churches Building at 330 St. Charles Avenue, New Orleans, Louisiana, during the 1976 Mardi Gras festival. Novel was tried in the Orleans Parish Court in November 1976 and the trial resulted in a hung jury. Subsequently, a second trial was scheduled in New Orleans in January 1977 and Novel fled to Georgia. While in a fugitive status, he filed a complaint in the U. S. District Court in Atlanta on 13 April 1977 entitled Novel v. Louisiana Expo, Inc., et al. In that civil suit two of the defendants listed were Howard J. Osborn, former Director of Security, CIA, and Peter Houck, formerly assigned to DCD's New Orleans Office and currently assigned to DCD elsewhere.

3. On 29 November 1977 the District Court in Atlanta transferred the civil case to the U. S. District Court in New Orleans. On 8 February 1978 the Department of Justice authorized the U. S. Attorney for the Eastern District of Louisiana to represent Messrs. Osborn and Houck. Gordon Novel was tried and convicted on the firebomb charge on 30 January 1979 and is presently serving a sentence in New Orleans. The U. S. Attorney filed a motion to dismiss the civil suit which included affidavits from Messrs. Osborn and Houck. The judge has ruled on that motion and dismissed the lawsuit.

4. For the FBI's information, the Assistant U. S. Attorney handling the civil litigation in New Orleans is Marc J. Yellin, (504) 589-3557, and he could furnish the Bureau additional information about Gordon Novel.


John K. Greaney

OGC:JKG:sin

1 - OGC Subj: Litigation, Civil - Novel, Gordon (cf)
1 - JKG signer (original ltr fr Novel to Osborn returned ✓)
1 - Chrono w/memo to Security)

PRECEDENCE

DJKF

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STAFF

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CITE DCD/LOS ANGELES 17086

TO: PRIORITY DIRECTOR INFO DCD/HEADQUARTERS.

JOHN GREANEY FROM PETER HOUCK

LCDATA

REF: DIRECTOR 389773

1. PARA 2 BELOW CONTAINS AN ANOTATED AND COMPLETED AFFIDAVIT WHICH YOU MAY PREPARE FOR MY SIGNATURE. UPON RECEIPT OF THE TYPED AFFIDAVIT AND A COPY OF GORDON NOVEL'S COMPLAINT, I WILL FORWARD THE SIGNED AFFIDAVIT TO THE US ATTORNEY'S OFFICE IN NEW ORLEANS.

2. AFFIDAVIT FOLLOWS:

I, PETER HOUCK, BEING DULY SWORN, DEPOSE AND SAY:

1. I AM EMPLOYED BY THE CENTRAL INTELLIGENCE AGENCY (CIA) AND HAVE BEEN SINCE AUGUST 1967. I WAS ASSIGNED TO THE DOMESTIC COLLECTION DIVISION OFFICE OF THE CIA IN NEW ORLEANS, LOUISIANA FROM JUNE 1971 TO JUNE 1977. IN THAT CAPACITY I COLLECTED INFORMATION FROM PERSONS WHO VOLUNTEERED THEIR SERVICES TO THE UNITED STATES GOVERNMENT.

2. IN THE PERFORMANCE OF MY OFFICIAL DUTIES IN NEW ORLEANS, LOUISIANA, I WAS CONTACTED BY GORDON NOVEL ON APPROXIMATELY 31 OCTOBER 1975 WITH A PROPOSAL THAT MR. NOVEL WAS SEEKING CIA SUPPORT FOR A "PROJECT MORNINGSTAR." IN THE COURSE OF THIS AND SUBSEQUENT CONVERSATIONS, I RECEIVED A DESCRIPTION OF PROJECT MORNINGSTAR AND SUBMITTED THIS PROPOSAL TO MY HEADQUARTERS TO DETERMINE IF THERE WAS ANY INTEREST ON BEHALF OF THE CIA IN ASSISTING MR. NOVEL WITH HIS PROJECT. MY HEADQUARTERS ADVISED ME THAT CIA HAD NO INTEREST IN PROJECT MORNINGSTAR AND I SO ADVISED MR. NOVEL.

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PAGE 002
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3. MR. NOVEL WAS PROSECUTED IN ORLEANS PARISH DISTRICT COURT IN OCTOBER 1976. ON OCTOBER 28, 1976 I APPEARED AS A REBUTTAL WITNESS FOR THE PROSECUTION AND TESTIFIED TO THE LIMITED CONTACT I HAD WITH MR. NOVEL ON PROJECT MORNINGSTAR AS EXPLAINED IN PARAGRAPH 2.

4. SINCE MY ONLY OTHER CONTACTS WITH MR. NOVEL HAVE BEEN VIA NUMEROUS TELEPHONE CALLS FROM MR. NOVEL AND ON PERSONAL MEETING AT WHICH I ASKED MR. NOVEL NOT TO CALL ME ANYMORE, I HAVE RECEIVED NO SUBSTANTIVE INFORMATION FROM HIM. I DEPARTED NEW ORLEANS IN JUNE 1977 BECAUSE OF REASSIGNMENT TO ANOTHER CITY.

5. I HAVE NEVER BEEN SERVED WITH A COMPLAINT OR SUMMONS IN THE ABOVE-CAPTIONED CASE. I HAVE NEVER ENGAGED IN A COMBINATION OR CONSPIRACY WITH ANY OTHER DEFENDANTS IN THIS CASE OR WITH ANYONE ELSE TO PERFORM ANY OF THE ALLEGED ACTS IN THE COURSE OF MY OFFICIAL DUTIES AND IN ACCORDANCE WITH MY RESPONSIBILITIES. I HAVE NEVER ACTED WITH MALICIOUS INTENT AGAINST MR. NOVEL. I HAVE NEVER ATTEMPTED TO DEPRIVE MR. NOVEL OF ANY OF HIS CONSTITUTIONAL RIGHTS OR TO CAUSE HIM ANY OTHER INJURY.

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END OF MESSAGE

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DIRECTOR 389773

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STAFF 021607Z DIRECTOR 389773

TO: IMMEDIATE DCD/LOS ANGELES INFO DCD/HEADQUARTERS.

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FOR PETER HOUCK FROM JOHN GREANEY

1. THE US ATTORNEY NEW ORLEANS HAS REQUESTED AN AFFIDAVIT FROM YOU TO SUPPORT A MOTION TO DISMISS THE CIVIL SUIT GORDON NOVEL FILED IN ATLANTA, GEORGIA IN APRIL 1977. THESE PAPERS ARE TO BE FILED ON 12 MARCH.

2. PLEASE REVIEW THE DRAFT AFFIDAVIT IN PARA 3 AND INSERT THE APPROPRIATE DATES AND YOUR FULL NAME. THEN SEND YOUR RESPONSE VIA CABLE TO HQS ON MONDAY 5 MARCH. WE WILL THEN TYPE THE AFFIDAVIT IN FINAL FORM AND MAIL IT TO YOU FOR SIGNING. YOU WILL THEN HAVE TO MAIL IT TO NEW ORLEANS.

3. AFFIDAVIT FOLLOWS:

I, PETER HOUCK, BEING DULY SWORN, DEPOSE AND SAY:

1. I AM EMPLOYED BY THE CENTRAL INTELLIGENCE AGENCY (CIA) AND HAVE BEEN SINCE (DATE). I WAS ASSIGNED TO THE DOMESTIC COLLECTION DIVISION OFFICE OF THE CIA IN NEW ORLEANS, LOUISIANA FROM (DATE) TO (DATE). IN THAT CAPACITY I COLLECTED INFORMATION FROM PERSONS WHO VOLUNTEERED THEIR SERVICES TO THE UNITED STATES GOVERNMENT.

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6. [REDACTED]
ORIG: DGC (GREANEY X1835); [REDACTED]
AUTH: [REDACTED] REL: OGC
(GREANEY X1835).

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END OF MESSAGE

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