

MEMORANDUM

32633

DO NOT DESTROY

THE WHITE HOUSE
WASHINGTON

September 17, 1971

MEMORANDUM FOR:	GENERAL HUGHES
FROM:	GENERAL HAIG <i>10</i>
SUBJECT:	Francis Gary Powers

This does not look like the sort of problem the NSC ought to handle. I suggest the letter to the President be sent to Defense for action with a copy to CIA.

Attachment.

MEMO	✓
BO	✓
SEP 21 1971	
OTHER	✓
TO	

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 15, 1971

MEMORANDUM FOR: General Haig
FROM: General Hughes 
SUBJECT: Francis Gary Powers

The attached letter to the President outlines Gary Powers' efforts to receive a full Air Force retirement.

The Department of Defense has a problem with this matter and has asked for assistance. In essence, the Air Force feels that the action should be theirs. But Defense feels that CIA should handle it. The CIA does not agree.

Defense informs me that there is evidence that Powers is beginning to strive for publicity for his book. In this connection, I understand that he is currently receiving welfare payments in California. If this is true, there is the obvious problem with the U2 spector being revived at a most inappropriate time. In view of the involvement of the CIA and Defense, it appears to me to be a matter for the NSC to handle.

I'd like to talk to you about it.

Attachment

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EDS
ARDS
ON
YANZ
STAUB
S J. KENNEDY
LD G. OROSZ
MICHAEL FLANAGAN

August 31, 1971

The President
The White House
Washington, D. C.

Mr. President:

This office has been contacted by a valued client, Francis Gary Powers, with reference to certain military retirement benefits which have recently been denied to him. This letter is an attempt to set forth facts we feel are sufficient to entitle Mr. Powers to the military retirement which has been accorded to his contemporaries without dispute.

Since you were Vice President of the United States at the time Mr. Powers' U-2 airplane was shot down over Russia, I am sure you are well aware of many of the facts which I am about to relate.

In May of 1956, Mr. Powers resigned from the United States Air Force to join the Central Intelligence Agency as a pilot in connection with U-2 spy flights. Mr. Powers had been in the Air Force since 1950. At the time Mr. Powers became employed with the Agency, he and all other C.I.A. pilots signed a contract with the Air Force that upon completion of their duties as employees of the Agency, they would be permitted to return to the Air Force with credit given for all time spent in the Agency, including a credit towards military retirement.

As you know, on May 1, 1960, Mr. Powers was shot down over the Soviet Union after nearly four years of service in the C.I.A.. During the next twenty-one months following Mr. Powers' capture, he remained a Russian prisoner. Since Mr. Powers has returned from the Soviet Union, he has received commendations from both the United States Senate and the Central Intelligence Agency, as well as the Intelligence Star for his conduct with the C.I.A.. All indications from government sources with knowledge of the facts involved confirm that Mr. Powers performed his obligations both courageously and in the best interests of national security.

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The President
August 31, 1971
Page Two

Upon being informed that the government did not intend to honor its contract with Mr. Powers so far as crediting his time in the C.I.A. against the time required for his retirement, he elected to accept a job secured for him by the C.I.A. as a test pilot in private industry. During at least some portion of his service with Lockheed Aircraft Corporation, he was paid by funds specifically supplied through the Central Intelligence Agency for that purpose.

When Mr. Powers returned from Russia, he was offered \$150,000 by a national publishing company to sell exclusive rights to his story on the U-2 incident. At this time, he contacted the Central Intelligence Agency to obtain a reaction from them as to whether or not he should accept this offer. He was told that he should not since it would not be in his nor in the United States' best interests. He complied with this request despite the enormous financial loss to himself and his family.

Recently, when Mr. Powers published his book entitled Operation Overflight, he submitted the entire manuscript to the C.I.A. for review, and made each of the changes which they requested. Mr. Powers was recently informed that three individuals who participated in the U-2 intelligence flights with Mr. Powers and who had comparable time in service prior to entering the C.I.A., have been granted full retirement from military service despite the fact that none of the three individuals involved returned to the Air Force after leaving in 1956. The three individuals referred to have been working under the cover of private industry since returning to the United States. It is believed that these individuals were paid by the Central Intelligence Agency up to the time they were granted their Air Force retirement.

The point of this entire letter is that I am unable to understand why Mr. Powers, who has made such a tremendous sacrifice for his country, is being denied those benefits on retirement that are being accorded to others under similar circumstances. Mr. Powers has played by all of the rules. He has lived, since 1960, with the personal tragedy of the U-2 incident. He has foregone substantial economic reward at the request of the government. Why, then, has the government refused to honor its commitment to Mr. Powers and failed to accord him the same benefits as are accorded to his contemporaries, many of whom have paid far less of a price?

In addition, since the publication of his book, Operation Overflight, Mr. Powers has found it extremely difficult to obtain

The President
August 31, 1971
Page Three

employment in private industry where government influence appears to have been asserted against him.

Since Mr. Powers' layoff from Lockheed Aircraft Corporation, Lockheed has rehired three former C.I.A. U-2 pilots to perform in the same capacity as Mr. Powers prior to the layoff. None of these individuals had worked for Lockheed previously. Mr. Powers was never given an opportunity to be rehired for any of these positions. It appears on the surface that Mr. Powers is being punished for some reason, and I am at a loss to figure out why.

I sincerely request that this matter be investigated. I seek your advice in an attempt to avoid further injury to this man.

Mr. Powers is a loyal American who has made enormous sacrifices for his country. I refuse to believe that his country is so entirely ungrateful.

Very truly yours,

EDWARDS, EDWARDS & ASHTON


Jerry K. Staub

JKS:mr

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

32633

September 17, 1971

MEMORANDUM FOR: GENERAL HAIG

FROM: TOM LATIMER

SUBJECT: General Hughes' Memo on
Francis Gary Powers

Attached is a memo to you from General Hughes (Tab B) stating that Defense does not want the action on a letter to the President from Powers' attorney (Tab C) requesting retirement pay from the Air Force for his client. Defense believes CIA should handle the letter while the Air Force feels the action should be theirs. General Hughes thinks the NSC ought to handle the case and wants to talk to you about it.

The NSC hardly seems the appropriate body to adjudicate retirement claims, even by Francis Gary Powers. CIA and the Air Force ought to be able to work out between them what is an equitable settlement in this case.

A memo from you to General Hughes is at Tab A suggesting that the letter be sent to Defense for action with a copy to CIA.

RECOMMENDATION

That you sign the memo at Tab A.

Attachments.