1 June 1973

MEMORANDUM FOR: Mr. William E. Colby

SUBJECT:

Special Activities

- l. Following our recent conversation, I have searched my memory and Mr. McCone's files for examples of activities which to hostile observers or to someone without complete knowledge and with a special kind of motivation could be interpreted as examples of activities exceeding CIA's charter.
- 2. First, as we discussed, on 7 March 1962, DCI McCone, under pressure from Attorney General Robert F. Kennedy, agreed to tap the telephones of columnists Robert S. Allen and Paul Scott in an effort to identify their sources for classified information which was appearing in their columns. Because the primary source appeared to be in the Department of Defense, McCone ordered me personally to brief General Joe Carroll, Director of DIA, orally, which I did. I understand more complete information on this operation is available from the Director of Security. I, personally, managed to avoid gaining any knowledge of what precise actions were taken, what information was gained, what was done with it, and when the operation was terminated.

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4. Although certain activities never got beyond the planning stage, there are, I believe, three examples of such planning which could be subject to misinterpretation. One involved chemical warfare operations

A second involved

a paramilitary strike against

Outside the United States Government, General Eisenhower was briefed on such planning. A third, which assumes a new significance today, involved a proposal by Angleton and Helms for a greatly increased intelligence collection effort against foreign installations in this country. This planning also involved a scheme for selected

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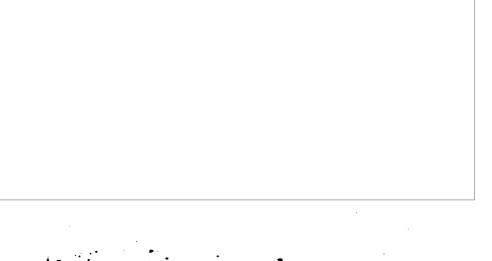
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exposure of KGB activities and counteractions against the Soviet intelligence service. The reasons are still unclear to me as to why the FBI chose to brief the PFIAB to the effect that CIA was planning (b)(3)

to greatly increase the Agency representation in the Moscow Embassy, and generally to use KGB-type tactics, also extensively and indiscriminately. This led to a heated exchange between DCI McCone and Mr. Belmont of the FBI, one such meeting taking place in the presence of the Attorney General. It is clear that the FBI was opposed to any such proposal then, as now, and the plan never went forward. (b)(3)

5. During the period when Des FitzGerald was in charge of the Cuban Task Force, DCI McCone's office learned, quite by accident, that FitzGerald had secured the cooperation of several prominent US business firms in denying economic items to Cuba. There was no question (b)(1) but that the businessmen were glad to cooperate, but know- (b)(3) ledge of this operation had to be rather widespread.



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There are three examples of using Agency funds which I know to be controversial. One was the expenditure of money under Project MOSES in securing the release of Cuban Brigade prisoners. Details of this operation are best known to Larry Houston, Mike Miskorsky, George MacManus, and James Smith. as you well know, when Lou Conein received his summons to report to the Joint General Staff Headquarters on l November 1963 a large amount of cash went with him. My impression is that the accounting for this and its use has never been very frank or complete. Third, at one of the early Special Group meetings attended by McCone he took strong exception to proposals to spend Agency funds to improve the economic viability of West Berlin, and for an investment program in Mali. general position was that such expenditures were not within the Agency's charter, and that he would allow such spending only on the direct personal request of

the Secretary of State or the Secretary of Defense, or

the White House.

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10. Under the heading of old business, I know that any one who has worked in the Director's office has worried about the fact that conversations within the offices and over the telephones were transcribed. During McCone's

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tenure, there were microphones in his regular office, his inner office, his dining room, his office in East Building, and his study at his residence on White Haven Street. I do not know who would be willing to raise such an issue, but knowledge of such operations tends to spread, and certainly the Agency is vulnerable on this score.

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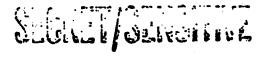


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