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Chapter 4

Responses to White House Pressures for Improved Intelligence

DCI Colby concentrated much of his effort during the first year and a half of his tenure on fashioning a cohesive set of responses to President Nixon's 5 November 1971 order that the DCI take a more leading Community role in improving US national intelligence. To the end of his tenure, Colby repeatedly cited Nixon's directive as the principal order guiding the many administrative changes he introduced: "We can look at American intelligence as having arrived—having fulfilled the major goals of the Presidential memorandum of 1971 and moving toward making intelligence more a part of America," he stated in 1975 as he was leaving office.

The managerial initiatives Colby introduced in 1973-74, which he termed the "DCI's Family of National Intelligence Guidance Documents," were many and varied, Community-wide and intra-CIA. Some of these measures brought substantial and lasting improvement, others proved unrealistic. From the outset, even before DCI Schlesinger's departure, Colby—at the time CIA's Executive Director and Executive Secretary of the Agency's Management Committee—focused his efforts on responding to White House desires for strengthening US intelligence. In June 1973, as DCI-designate, Colby commissioned a CIA study group to review and recommend changes that would enable the DCI to speak more effectively to top policymakers, in the process better coordinating the Intelligence Community and rationalizing its production of current intelligence for national purposes.²

On 7 September, just three days after he was sworn in as Director, Colby sent President Nixon a long, ambitious—and, as events were to prove, overly optimistic—set of proposed DCI objectives in direct response

From Colby remarks upon the occasion of his being presented the National Intelligence Distinguished Service Medal, as recorded in the minutes of USIB-M-7, 15 January 1976. William Colby, Executive Secretary, CIA Management Committee, Memorandum for Management Committee, "Support to the DCI on National Intelligence," 11 June 1973, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Secret).

to the President's November 1971 directive.³ These proposals concerned analytic product, producer consumer relations, personnel procedures, the USIB committee system, budget procedures, resource allocation, research and development, duplication of intelligence effort, division of labor, services of common concern, intelligence requirements, intelligence support of US military needs, and intelligence priorities.⁴

After receiving quick approval from Henry Kissinger and his intelligence aide, Andrew Marshall, Colby set many of his new administrative initiatives in motion. In a mid-1974 report to the Office of Management and Budget (OMB), he assured OMB that he was assuming responsible and authoritative leadership of the Intelligence Community as a whole, actively reviewing the quality, scope, and timeliness of the intelligence product, and working toward a more efficient use of Community resources. The goal, he told OMB, was to provide the best possible intelligence to prime consumers.⁵

Confident in his reform aims, Colby proceeded to shake up a number of procedures that had remained unchanged for years, initiating more new processes than any other DCI had done since the formative years of CIA and the Intelligence Community in the late 1940s and early 1950s. By the spring of 1975, Colby's innovations, worked out in concert with the NSC staff and OMB, had become the Director's "family" of national intelligence guidance documents. Designed to drive resource allocation and the intelligence decision making process, they included Perspectives for Intelligence, 1975-80, Objectives for the Intelligence Community for FY 1975, Key Intelligence Questions, and US Foreign Intelligence Priorities (DCID 1/2). This family of DCI-Community responses was splendid in concept, the surprising product of a career operations man who had determined that analytical intelligence support of the President was the DCI's "primary responsibility." In Colby's view, these guidance endeavors all fit together neatly, supporting his analytical and managerial responsibilities and better allocating resources among the various components of the Intelligence Community⁶ Here Colby deserves high marks for recognizing the existence of numerous previously intractable problems, for sensitizing US intelligence to these needs, and for initiating specific measures to rationalize the management of the Community's budget, collection effort, and production of intelligence.

[&]quot;See earlier discussion in chapter 2 of Nixon's 1971 directive, p. 17
"William Colby, DCI, Memorandum for the President, "Objectives for the Intelligence Community," USIB-D-22-1/6, 7 September 1973.
"William Colby, DCI, Report to OMB, "Interim Report on FY 1974 Objectives for the Intelligence Community," 18 July 1974, as cited in Attachment to USIB/IRAC-D-22.1/22, 22 July 1974, CIA History Staff records, job 90B00336R, box 1, folder 14, CIA Archives and Records Center (Secret).
"William Colby, DCI, Memorandum for the Record, "The DCI's Family of National Intelligence Guidance Documents," 28 April 1975, CIA History Staff records, job 90B00336R, box 2, folder 16, CIA Archives and Records Center (Secret).

The National Intelligence Officer (NIO) System

Colby's most significant specific innovation was his establishment (following DCI Schlesinger's initiative) of the National Intelligence Officer (NIO) system. Although the manner in which he brought about this change betrayed in certain respects his lack of close familiarity with the analytic side of CIA, Colby's concept of the NIOs did reflect a broad general appreciation of US policymakers' needs for substantially improved intelligence support.

The genesis of this change lay in the intense dissatisfaction that the President, Henry Kissinger, and other senior members of the Nixon administration had long had with the DCI's Office of National Estimates (ONE).7 These White House criticisms pertained both to substance and presentation. Kissinger argued that the key National Intelligence Estimates (NIEs)—especially those assessing the threat from Soviet strategic weapons-would be far more helpful to policymakers if the estimators went beyond "mere assertions" and incorporated into the Estimates the evidence, methodology, and rationale behind their judgments. Indeed, even before Schlesinger's 1971 critical study of US intelligence and President Nixon's subsequent directive, Kissinger had signaled his desire for change in the NIEs. Over the objections of ONE, DCI Helms took the responsibility for drafting some of the most important estimates (the NIE 11-3 and 11-8 series on Soviet strategic weapons) out of the hands of ONE and gave it to CIA's DI and DS&T.8 According to John Huizenga (Director of ONE in early 1973), this shift of responsibility also had roots in earlier efforts of DDI R. Jack Smith to place ONE back under the Directorate of Intelligence.9 Smith (a former member of the Board of National Estimates who had been DDI from early 1966 until May 1971) had indeed met with Kissinger and conveyed the latter's dissatisfaction with the NIE 11-3 and 11-8 series to DCI Helms.

We have seen in chapter 2 that in 1970 there was high-level White House interest in moving out some of CIA's estimators. In addition, sensitive information in CIA files shows trouble at that time within ONE, as

William Colby, DCI, Memorandum for the DDCI and CIA's Office Directors, "Agency Organization," 5 November 1973, CIA History Staff records, job 90B00336R, box 1, folder 12, CIA Archives and Records Center (Secret).

Richard Lehman, interview by Harold P. Ford, summary notes, Washington, DC, 7 January 1987 (hereafter cited as Lehman interview by Ford, 7 January 1987) (Secret), Howard Stoertz, interview by Harold P. Ford, summary notes, Washington, DC, 7 January 1987 (hereafter cited as Stoertz interview by Ford, 7 January 1987) (Secret), John Huizenga, interview by Harold P. Ford, summary notes, Washington, DC, 9 January 1987 (hereafter cited as Huizenga interview by Ford, 9 January 1987) (Secret), Diary Note of Executive Director—Comptroller L. K. "Red" White, 4 May 1970, CIA History Staff records, job 90B00336R, box 1, CIA Archives and Records Center (Secret).

Huizenga interview by Ford, 9 January 1987; the author's personal experience and knowledge.

well as DCI Helms's considerable concern about that office's effectiveness. For example, in October 1970, the CIA's Executive Director-Comptroller (Col. L. K. "Red" White) wrote, "Morale [in ONE] is very low. Good people are looking for other jobs; the rivalry with D/DI is severe and unhealthy; they think that the objective of D/DI . . . is either to eliminate ONE completely or to leave the Board powerless by removing the staff." Similarly, George Carver later commented on earlier dissatisfaction with ONE's poor performance: "There was a lot more scar tissue from the past than senior ONE Officers admitted." Thus, three years before DCI Schlesinger and Colby instituted the new NIO system, ONE had begun contributing to its own demise.

Before becoming DCI, Colby recognized that DCI Schlesinger shared Nixon's and Kissinger's critical views of the NIEs. Indeed, Schlesinger held that, although CIA's academic repute had originally been "superb" under the distinguished Harvard professor, William L. Langer, as the years had passed, the Agency's analysts and estimative officers had "turned more inward, they reached out less and less to the universities. . . . The result was that they had become remote from those with whom they should have been in reasonably good communication." In Schlesinger's view, CIA had itself grown more irrelevant over the years, a trend aggravated by having moved out of town to Langley, Virginia, where its officers could no longer daily rub shoulders with policymakers; CIA had become "a cloister," and its analytic examinations had grown more and more abstract. Part of this situation he attributed to DCI Helms, who in Schlesinger's opinion had not been much interested in the analytic side of the House, and who in fact had once told him that "it was a lot of crap." "13

In preparing his 1971 critique of US intelligence, Schlesinger had been well impressed by the kind of relevant intelligence support that two particular CIA services did contribute to top policymakers. These were the DCI's Special Assistant for Vietnam Affairs (SAVA), headed by George A. Carver, and the intelligence product on Soviet strategic weapons progress provided by CIA's Directorate of Science and Technology (DS&T), headed

[&]quot;Carver interview by Ford, 2 December 1987.
"Carver interview by Ford, 2 December 1987.
"James Schlesinger, interview by J. Kenneth McDonald and Kacording, interview by J. Kenneth McDonald and Laper recording, Washington, DC, 11 January 1982 (hereafter cited as Schlesinger interview by McDonald and J. January 1982) (Secondary 1

by Carl Duckett. According to George Carver, Schlesinger held both of these endeavors to be "welcome exceptions to the CIA norm" and accordingly wanted many more such exceptions to be created.14

Colby prized the SAVA system. He compared it favorably with other arrangements where he had often been faced by a whole "roomful of China experts" when he would have much preferred dealing with one senior officer in whom the area's responsibilities had been concentrated. Colby held that Dick Helms's appointment of Peer de Silva (SAVA's first chief, in 1965) was the model that he followed when he set up the NIO system, to do the same thing for all the other areas of the world as Helms had done for Vietnam, because he found it very helpful and useful.15

In the event, it was Schlesinger who initiated the NIO system, and Colby who brought it to fruition. As George Carver later observed: "It was Bill Colby's concern with the importance of the estimative process," a concern shared and often discussed with his predecessor, "that led Jim Schlesinger to initiate and Bill to complete" this major restructuring.16

At the outset of his DCI tenure, Schlesinger named a few GS-15level officers as proto-NIOs. They were to some degree to serve as George Carver had been doing since 1966 with respect to Vietnam affairs. These new officers included (Soviet affairs, from the RAND Corporation) (Middle East affairs, from CIA), (strategic nuclear weapons questions, from the Atomic Energy Commission), and (part-time) (at-large issues, from the Massachusetts Institute of Technology). The status of these proto-NIOs was not fixed. They simply pitched in, informally, to help the DCI in the work of their respective precincts. At the same time, Schlesinger commissioned Colby to develop this new scheme more fully.

According to George Carver, Colby shared Schlesinger's view that the analytic side of the house was "all screwed up," 17 and even before becoming DCI, Colby set out to perfect the nascent NIO scheme. In memorandums of 7 and 9 February 1973, Colby proposed sweeping new responsibilities for what he initially called the "referents" (NIOs), at the same time expanding their number and raising their status to GS supergrade. In his planning, he consulted closely with George Carver, who played a central role in shaping the new system. Colby also sought the views of at the time CIA's liaison officer in Kissinger's

¹⁶Carver interview by Ford, 12 February 1987.

George Carver, letter to VAdm. Vincent P. de Poix, USN, D/DIA, 14 March 1974, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center

Colby interview by Ford, 3 February 1987; Colby, Honorable Men, p. 352.

NSC staff.¹⁸ Colby, Carver, and agreed that the NIO arrangement should be a DCI mechanism capable of supporting the NSC staff in all its areas of concern and endeavor. They also agreed that the NIOs' responsibilities should include CIA operational activity, the CIA's Operations Center, the Clandestine Service Duty Officers, CIA's officers detailed to the White House Situation Room, the Agency's *President's Daily Brief*, and the DO's Intelligence Watch.¹⁹ They agreed that ONE would disappear in the process, to be superseded by a dozen or so senior "referents," some geographical, some functional. By the time the new organization came into being on 1 October 1973, the titles of these new officers had been changed to "National Intelligence Officers." This vision of Colby's amounted to major surgery, not just modification of existing structures and procedures.

In establishing this new system, Colby kept certain key purposes in mind. Foremost was that of responding to President Nixon's November 1971 charge to the DCI to take a more leading role in improving US national intelligence. Colby maintained that this was "the basic reason" why he had established the new NIO system. To do this, he sought to improve the way National Intelligence Estimates were produced, bringing the Intelligence Community more fully into the estimative process and stressing clarity of view (including dissents) rather than consensus, so that policymakers could better appreciate the identity and nature of substantive disagreements within the Intelligence Community. In particular, he sought to maintain close, continuing contact with specialists throughout the intelligence and policymaking communities.²⁰

Colby saw this latter function, of considerably enhanced contact between producers and consumers of intelligence, as the most significant aspect of the changes brought about by the new NIO system. Traditionally, he held, analysts had been kept "carefully insulated from the enthusiasms of the collectors and the preferences of the policymakers," a philosophy that had produced a self-defeating "academic campus away from the center of power." What he desired instead was for the NIOs to become

National Security Council, Memorandums for William Colby, Executive			
Director-Comptroller, "NSC Support Staff," 8, 10, and 12 February 1973, CIA History Staff			
records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Secretary)			
Only recommendations played a substantial role in helping Colby formulate his			
thoughts on the new NIO system ater became a senior intelligence aide in the office			
of the Secretary of Defense, and then was for many years Staff Director of the House			
Permanent Select Committee on Intelligence. During 1973 then attached to			
the Intelligence Community Staff, also helped perfect the new NIO concept; years later he			
became Acting Chairman of the National Intelligence Council interview by			
Ford, 10 June 1991).			
"According to Richard Lehman, these desires of Colby represented "a ballooning of the NIC			
concept" (Richard Lehman, interview by Harold P. Ford, summary notes, Washington, DC			
22 October 1986 [hereafter cited as Lehman interview by Ford, 22 October 1986] [Secret]).			
²⁰ Colby, presentation to the Defense Subcommittee, House Appropriations Committee			
20 February 1975, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archive			
and Records Center (Secret).			
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"integrated intelligence officers." They would not operate in what he called "a sterile world of paper," but in "a world of grimy human beings with different cultures, languages, and predilections."21

As his proposal for an NIO system took shape during the course of 1973, Colby sought to expand the NIOs' responsibilities still further. He wanted his new "referents" to guide intelligence collection tasking for the Community; to prepare not only formal Estimates, but also special briefings for the DCI and top consumers (NSC, Congress, and so forth); and to identify customer needs and national policy problems on which national intelligence might offer assistance.

Almost uniformly, however, other elements of the intelligence bureaucracy-including offices within the CIA itself-fought Colby's farreaching NIO initiative. Each affected entity tended to defend its own prerogatives and to champion the least possible change. For example, the Deputy Director for Intelligence, Edward Proctor, argued that his officers' talents would make an NIO for Economics unnecessary.22 Similarly, Charles Briggs, Director of CIA's Office of Planning, Programming and Budgeting, expressed concern over the enormity of the responsibilities proposed for the individual NIOs and the "uncertain nature" of the structure and procedures Colby envisioned.23 Directorate of Operations officers objected strenuously to Colby's proposal to give the NIOs responsibility for all CIA support to the White House. Operational security would suffer, they argued, and the new system would needlessly introduce a new level of bureaucratic machinery into what had been a smoothly working relationship between the White House and the CIA's Clandestine Service. As expressed by Thomas Karamessines, then CIA's DDO: "A great variety and a very considerable volume of the President's more sensitive business has

²¹William Colby, as quoted in Ray Godson, ed., Intelligence Requirements for the 1980's:

Analysis and Estimates (Washington, DC: Transaction Books, 1980), p. 167.

Edward W. Proctor, Deputy Director for Intelligence, Memorandum for William Colby, Executive Secretary, CIA Management Committee, "DCI Staff for National Security Council Support (DCI/NSCS)," 5 March 1973, CIA History Staff records, job 90B00336R, box 2, folder 16, CIA Archives and Records Center (Server). These DDI objections did not charm George Carver, who held that Proctor's views "gutted" Colby's original proposal. In Carver's view, "Ed is proposing a clerical office of document loggers, request routers, product transmitters and tickler file maintainers" (George Carver, Memorandum for James Schlesinger, DCI, "Considerations Relevant to the Contemplated New NSC Support Structure," 20 March 1973, CIA History Staff records, job 90B00336R, box 1, CIA Archives and Records Center) (Secret Sensitive)

Charles Briggs, Director, Planning, Programming and Budgeting, Memorandum for the Deputy Director for Management and Services, "Comments on Proposed National Intelligence Office," 11 July 1973, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Secret).

been conducted in these [DO] channels and, as far as I have been able to ascertain, this has been done to the complete satisfaction of Dr. Kissinger, General Haig and the staff there."²⁴

During these months of mid-1973, Colby kept ONE's officers in the dark, uninformed that their Office was soon to disappear. When they finally did get wind of what was under way, they understandably voiced stronger objections than did any other CIA office. John Huizenga, Director of ONE and Chairman of its Board, wrote Colby in June 1973 that individual NIOs could not do as good a job as ONE's Board of National Estimates in ensuring that all views within the Community received a fair and objective hearing and in adjudicating those views for the DCI. Huizenga strongly believed that, without a highly skilled in-house estimates staff, the quality of drafting would decline. In his view, a new DCI would be ill advised to disassemble proven units at the outset of his tenure, before he had a chance to discover their real strengths and weaknesses, as well as his own needs. Huizenga concluded:

My personal philosophy about organizations is that structures matter less than the people in them, and that the quality of performance owes far more to the style and impact of leadership than to any particular set of organizational arrangements. I would judge from my conversations with Schlesinger that he agrees with this.²⁵

²⁴Thomas Karamessines, Deputy Director for Operations, Memorandum for James Schlesinger, DCI, "Proposed Headquarters Notice on the Office of Deputy to the Director for the National Security Council," 21 February 1973, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Securi).
²³John Huizenga, Chairman, Board of National Estimates, Memorandum for William Colby, Executive Secretary, CIA Management Committee, "Thoughts on ONE's Role Summed Up," 20 June 1973, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Confidencial). Before retiring from the Agency on 30 June 1973, Huizenga had passed on these general comments to Colby; although aware that an NIO system was being contemplated, Huizenga was unaware that by this time Colby's new system was fairly advanced and fully on track.

me in, and listened to my arguments. . . . He was noncommittal, however, and when our conversation was over I had no idea what impact I had made on him, if any."²⁶

Such opposition from within CIA weighed little, since Colby's NIO proposal had received positive responses from Henry Kissinger. The latter's assistant for intelligence matters, Andrew Marshall, wrote Colby in July 1973 that he thought the NIO scheme "a very good idea," and urged Colby to take care to pick NIOs who were primarily managers, rather than area or production experts, because there would be a tendency for many intelligence officers "to gravitate to production." Marshall held that the most useful contribution the new NIOs could make would be aggressive management. They could use their senior position to improve the coordination of collection and analytic efforts, as well as to link producers to senior consumers.27 George Carver disagreed, telling Colby that the NIOs should not be "managers" only, but would have to combine such talents with keen analytic knowledge.28 Subsequent practice has validated both views: that is, Marshall's insistence that the NIOs be good managers, and Carver's certainty that a good NIO would have to have substantive depth as well as managerial skill.

By July of 1973, Colby's NIO initiative was ready for USIB examination. Colby presented his NIO proposals to the principals on 2 August, inviting them to give their written comments (he did not seek their approval, only their advice). He subsequently received their general agreement, though replete with numerous polite suggestions that the NIOs' responsibilities should be narrower than Colby was recommending. Behind these members' acquiescence, however, lay considerable—and understandable—hesitance. This was particularly so in the case of Ray Cline, then head of State's INR who had been CIA's DDI, and before that for many years a senior member of ONE. Even though he gave Colby INR's formal approval, Cline had serious doubts about the proposed new system. He privately shared some of these cautions with Colby, telling him that he thought the NIO scheme a "dumb idea." Cline explained that ONE represented an estimative apparatus carefully constructed over the years that had gained bureaucratic clout and talent. By tossing it out, the DCI

Committee, "Further Reflections," 15 August 1973.

interview by Harold P. Ford, summary notes, Washington, DC, 15 February 1987 (nereatter cited as interview by Ford, 15 February 1987) (Confidential).

adds that another objection he had at the time to the NIO system was its explicit use of George Carver's SAVA as a model. Various ONE and DI officers at the time believed that SAVA was prone to telling senior policymakers what SAVA thought they wanted to hear.

"Andrew Marshall, National Security Council, Memorandum for William Colby, Executive Secretary, CIA Management Committee, "Follow-up on Discussion of 20 July 1973," 27 July 1973, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Secret).

"George Carver, Memorandum for William Colby, Executive Secretary, CIA Management

Segret

William E. Colby

would both lose that investment and run the risk of staffing the new system with second-rate people; instead, Colby should "keep something like the existing ONE system but reform it in a major way and bring fresh new blood in." 29

News of the coming demise of ONE began leaking to the media in June and caused some concern that the new NIO system would undermine the objectivity of the National Intelligence Estimates. A Washington Post news item reported in August that:

Within the agency's old-boy network . . . the rumored abolition of the Office of National Estimates is regarded as a serious blow to the independence and integrity of the intelligence-estimating process. . . . Colby is now the man in the middle. ³⁰

Throughout those weeks Colby, the man in the middle, kept the NSC staff au courant with the NIO proposal's progress. In response, Andrew Marshall informed Colby on 5 September that "all reactions" at the NSC staff were favorable. Having received this informal White House approval, Colby, now DCI, announced on 3 October the formal implementation of the NIO system. He spelled out the NIOs' responsibilities, named George Carver chairman of the NIOs, and indicated that this system would replace the Board and Office of National Estimates as well as the Special Assistant for Vietnam Affairs (SAVA). ³²

On 26 October, Colby appointed his first NIOs, all CIA officers:				
	(USSR and Eastern E	urope)	(Western Europe),	
	(Southeast A	isia),	(Middle East and	
	Islamic World)	(Latin America), and	James Critchfield	
(Energy Matters). Colby assured USIB that candidates from e			from elsewhere in	
the government and from private life were also currently under consider				
tion and would be welcomed as NIOs. He also informed USIB			med USIB that on	
	1 November 1973 the Office of N	lational Estimates the	Board of National	

²⁹Cline interview by Ford, 31 March 1988. Cline recalls that Kissinger and Schlesinger "felt that the ONE people had been in place too long and in any event didn't really understand the real world. Henry and Jim had a point, but they were greatly overstating it. The problem was, none of the three principal officers involved in creating the NIO system—neither Schlesinger, Kissinger, nor Colby—really understood these problems too well" (*ibid*). Cline, then head of INR, knew the estimates business well: in addition to having twice been a CIA Chief of Station, he had served as ONE's first Staff Chief, had played a major role in recruiting its original staff, had held senior positions in ONE for some years, and then had been CIA's DDI.

¹⁰The Washington Post, 28 August 1973.

[&]quot;Andrew Marshall, National Security Council, Memorandum for William Colby, DCI, "NSC Reaction to the Plan for National Intelligence Officers," 5 September 1973, CIA History Staff records, job 90B00336R, box 1, CIA Archives and Records Center (Secret).

"William Colby, DCI, Memorandum for USIB Principals, "National Intelligence Officers,"

³ October 1973, attachment 3 to USIB-M-651, CIA History Staff records, job 90B00336R, box 1, folder 6, CIA Archives and Records Center (Secret).

Estimates, and SAVA would be abolished, their responsibilities to be assumed by the new D/DCI/NIO, George Carver, "until other alternate arrangements are made." ¹³³

When finally organized in October, the NIO system remarkably resembled the scheme Colby had originally proposed. In announcing the new system, Colby indicated that the NIOs' "primary function" would be their contact with opposite number officers in the policymaking and intelligence communities: the NIOs were to have "extensive informal direct contacts" with senior officers in the Community and elsewhere, covering functional as well as geographic areas. Further, instead of heading USIB's existing committees (Guided Missiles Astronautics Intelligence Committee [GMAIC], Joint Atomic Energy Intelligence Committee [JAEIC], and others), the NIOs would be responsible for identifying customer needs, evaluating product and program effectiveness, and clearing up uncertainties requiring collection guidance, intelligence production, and national policy problems. Significantly, in informing USIB and CIA of his new system, Colby carefully ignored the touchy question of the degree to which the NIOs would have responsibility over clandestine operational matters.³⁴

In reality, the NIOs' responsibilities were not those accorded by Colby's official announcement, but those subsequently worked out in actual practice. In any case, most of the functions that Colby had originally proposed to include in the new NIOs' reponsibilities—such as the Operations Room, the President's Daily Brief, or the DO's intelligence watch—were never transferred to the NIOs. The changes that occasioned the greatest difficulty were those calling for NIO activity in areas previously the monopoly of CIA operations officers. In practice, NIO responsibilities with respect to the DO world came to differ in each case, depending on the individual NIO's interests, style, and reputation in the DO. Some NIOs wanted or had little contact with clandestine issues. Others tried to barge in and were held at arm's length. Still other NIOs worked fairly harmoniously with their DO colleagues. For better than two years, George Carver and certain of his NIOs gained a much larger role than ONE officers had ever had in vetting proposed DDO Covert Activities (CAs). As late as October 1975, Colby asked for individual certification of each DO/foreign operation "not solely intended for obtaining necessary intelligence."35

William Colby, DCI, Memorandum for the USIB, 26 October 1973, USIB-D-13.4/11 (Second).

William Colby, DCI, Memorandum for William Nelson, Deputy Director for Operations, "Authorization To Undertake Foreign Operations Which Are Not Solely Intended for Obtaining Necessary Intelligence," 23 October 1975, CIA History Staff records, job 90B00336R, box 2, folder 16, CIA Archives and Records Center (Secret), George Carver, Memorandum for all NIOs, "Review Responsibilities," 24 October 1975, CIA History Staff records, job 90B00336R, box 2, folder 16, CIA Archives and Records Center (Secret).

After Colby's tenure as DCI, however, NIO activities concerning covert operations and other DO endeavors generally tended to atrophy. In addition, the responsibilities for guiding collection and evaluating the effectiveness of the intelligence product and program gradually passed to the Intelligence Community Staff. With few exceptions, the NIOs' overall responsibilities narrowed in the years that followed, essentially limiting them to contact with senior policymaking consumers and the production of coordinated national intelligence.

In all, Colby's NIO system proved a positive, significant accomplishment. It ended the long existence of the Board of National Estimates. Although the Board had for many years made good marks for professional, dispassionate inquiry, it had declined in vigor, acuity, and influence. The concerns voiced at the outset of the new NIO system, that ONE's passing might corrupt subsequent US national intelligence, have, with only a few exceptions, proved unfounded. The NIO system founded by DCIs Schlesinger and Colby has remained very much alive and well, further strengthened in 1980 by its reorganization as the National Intelligence Council (NIC). The old ONE can be said to have had certain advantages over the NIC, but, overall, the NIO system has the potential for providing more responsive and relevant national intelligence services than could the ONE system.

It must be added that Colby could have been less abrupt in the way that he wrapped up the old ONE. Keeping these officers in the dark, he presented them with a *fait accompli*, and then rather ungracefully moved them out. Colby used the same abrupt style a year later when he fired CIA's counterintelligence chief, James Angleton.

Key Intelligence Questions (KIQs)

Apart from establishing the NIOs, the management initiative Colby pushed hardest to introduce was a process known as Key Intelligence Questions (KIQs), a scheme to improve the existing—and inefficient—intelligence requirements system. This idea was uniquely Colby's, a fuller development of a system for collection and evaluation that he had fashioned while Director of the Civilian Operations Revolutionary Development Staff (CORDS) in Vietnam. In a general sense, Colby believed that instituting the KIQs would tend to enlarge the DCI's influence over the Intelligence Community, which in fact had always been limited, especially with respect to the Department of Defense and military intelligence. In specific terms, Colby felt that the KIQs system would replace an enormous paper exercise, the existing requirements process, with a simpler set of questions about the key problems on which the Intelligence

Community should concentrate. The KIQs system would divide responsibilities for the needed resources among the various intelligence agencies. And, most significantly, the KIQs system would place the *consumers* rather than the *producers* of intelligence in the position of defining the key items to be collected.

At the time, Maj. Gen. Daniel Graham, Colby's deputy for the Intelligence Community, succinctly characterized Colby's KIQs system as an effort to break through the usual catalogue-type requirements and involve key customers by requiring them to state precisely their near-term needs. According to Graham, this system was not an attempt to identify all major intelligence concerns or to take the place of NIEs or other normal Community production efforts. Rather, "the KIQ list will be dynamic with questions added and deleted as user interest dictates . . . we intend to hold the number of KIQs to a practicable level."36 George Carver cautioned, however, that the KIQs would never be useful as a management tool if they tried to enumerate everything a senior analyst or even senior official at the policy level would like to know about any given subject or area. Instead, they would have to distill the questions of paramount importance. The KIQs, said Carver, "must be phrased with some precision in language. . . . 'The Arab-Israeli Situation,' for example, is not a KIQ. . . . 'Identification of Arab Terrorist Plans To Attack US Citizens or Property' can function as a KIQ."37

Colby began his KIQs effort even before becoming DCI, and, by mid-September 1973, three weeks after assuming office, he had gained Andrew Marshall's approval at the White House. On 25 September, President Nixon wrote Colby, "I am particularly pleased that your objectives clearly comprise a program to accomplish the long-term goals I outlined in my directive of November 1971. . . . I approve of this [KIQ] augmentation." After checking the idea and details with USIB, Colby on 4 January 1974 issued the first formal set of KIQs—some 30 broadly stated items.

No sooner had Colby set the bureaucratic wheels in motion to perfect this new scheme, however, than he ran into widespread resistance especially from the DDO, CIA's Comptroller (John Iams), the DIA, and Assistant Secretary of Defense Albert C. Hall. Their major criticisms

Center (Secret). "President Nixon, letter to William Colby, DCI, 25 September 1973, as cited in Attachment, USIB-D-22.1/7, CIA History Staff records, job 90B00336R, box 2, folder 16, CIA Archives and Records Center (Unclassified).

¹⁶Maj. Gen. Daniel Graham, Deputy to the DCI for the Intelligence Community, Memorandum for William Colby, DCI, "Talking Paper: KIQs," 30 October 1973, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center. "George Carver, Deputy to the DCI for National Intelligence, Memorandum for Maj. Gen. Jack Thomas, IC Staff, "NIO Comments on Key Intelligence Questions," 7 December 1973, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Secret).

were that the KIQs were too broad to be useful, would circumvent the established USIB Collection Committees, and would become vast paper exercises. In addition, for US military offices, the KIQs would be much less relevant and precise than their existing requirements systems. Undaunted by these criticisms, Colby pushed his KIQs idea, unchanged, into operation.³⁹

The warnings Colby received proved prophetic. The KIQs' lot was not a happy one. By the time Colby left office in early 1976, his KIQs system was virtually dead. In May of that year, George Carver told the IC Staff that the KIQs simply had not worked: "We have made an honest try . . . but the KIQs are simply not adequate in concept or content to be of much real value in illuminating resource allocation options or decisions. Colby wanted us to square the circle. We have, in effect, shown what mathematicians have long known, namely, that the circle cannot be squared." Later in 1976, Richard Lehman, having succeeded Carver as chairman of the NIOs, ensured the KIQs' demise. The last set of KIQs was published in October 1976, and the system was scrapped soon thereafter.

There are many reasons why Colby's KIQs system failed. There had been several attempts over the years to simplify the many inherent problems in intelligence requirements, especially the tendency for collectors to drive the requirements and the general inability of senior policymaking consumers to give meaningful collection guidance. But like these previous efforts, the KIQs system, too, ended up as a paper chase. No one was really enthusiastic about this new scheme except Colby. To succeed, the KIQs system needed the enthusiastic support of the Department of Defense, by far the largest player in allocating intelligence resources. This never developed.

Once the KIQs effort was launched, moreover, those working to perfect it were largely intelligence officers; few policymakers became involved. There was much foot-dragging within CIA, and Colby's key

39 John D. Iams, Comptroller, Memorandum for Director, Management, Planning and Resource Review Group, IC Staff, "KIQ Evaluation Process (KEP)," 18 March 1974, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Confidential), William E. Nelson, Deputy Director for Operations, Memorandum for William Colby, DCI, "The KIQ/KEP Process," 15 September 1974, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Secret); William Clements, Deputy Secretary of Defense, Letter to William Colby, DCI, 20 April 1974, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Secret); "Discussion of Key Intelligence Questions Evaluation Process (KEP)," at USIB Meeting of 14 March 1974: USIB-M-663, CIA History Staff records, job 90B00336R, box 1, CIA Archives and Records Center (Secret)."

"George Carver, Deputy to the DCI for National Intelligence, Memorandum for Clarence W.

"George Carver, Deputy to the DCI for National Intelligence, Memorandum for Clarence W. Baier, "27 April 1976 Draft Study Entitled 'The Intelligence Community's Performance Against the Key Intelligence Questions for FY 1975," 27 May 1976, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Secret). "Lehman interview by Ford, 22 October 1986.

players in the scheme, the NIOs, were skeptical and subordinated their KIQs efforts to what they considered to be other, more significant NIO responsibilities. In the White House, Henry Kissinger chose not to become heavily engaged, while at the apex of national intelligence and policymaking, President Nixon's attention in 1973-74 was increasingly diverted by matters of infinitely greater policy and political consequence. To have any significant impact, the KIQs system needed the sustained interest of the Community's best senior officers. Instead, responsibilities down the line for execution often ended up with junior or sometimes journeyman officers. The result therefore came to resemble the bureaucratic make-work Colby had sought to avoid in the first place. As the White House's Andrew Marshall later concluded, "I just never saw those things having a lot of effect, and so I remain pretty skeptical about what the KIQs accomplished."

Management by Objectives

A companion major project that Colby pushed vigorously was Management by Objectives (MBOs). This management tool predated DCI Colby's tenure, but he enthusiastically pushed it once he became Director. Roy Ash, a forceful businessman President Nixon brought in to head the Office of Personnel Management (OPM), had initiated the MBO scheme throughout the government in 1972, but DCIs Helms and Schlesinger had done little with it. Colby, however, long given to management details, quickly set out to weave MBOs into his family of administrative tools. By the time he was sworn in as DCI, Colby's MBO approach included several efforts: Perspectives (a DCI analytic look at the future world environment likely to confront US intelligence and policymaking), Colby's Objectives for the Intelligence Community for FY 1975, and the KIQs, as well as proposed new budget procedures for the Intelligence Community.⁴³

Like his experience with the KIQs, Colby's enthusiasm for Management by Objectives met immediate, widespread opposition. Even before he became DCI, his announced intent to take this approach was

⁴²Andrew Marshall, interview by Harold P. Ford, summary notes, Washington, DC, 22 December 1986 (hereafter cited as Marshall interview by Ford, 22 December 1986)

George Carver, Deputy to the DCI for National Intelligence, Memorandum for Maj. Gen. Jack Thomas, IC Staff, "NIO Comments on Key Intelligence Questions," 7 December 1973, CIA History Staff records, job 90B00336R, box 1, folder 9, CIA Archives and Records Center (Secret/Secretion).

Center (Secret/Secretive).

"John Barnet, Jr., Planning Staff/OPPB, Memorandum for the Record, "Comments on Proposed IC Staff Operating Plan for CY 1973," 9 May 1973, CIA History Staff records, job 90B00336R, box 1, folder 13, CIA Archives and Records Center (Administrative Internal Use Output

sharply questioned by CIA's budget staff, which warned it would be slow and cumbersome, likely to result in "a massive, unwieldy, and constantly intrusive bureaucratic system." Once again, such skeptics proved prescient. The MBOs played only a modest role in the operations and intelligence Directorates. In the DS&T, they were merged with preexisting management tools. The MBOs enjoyed more use within the administrative Directorate (DM&S, later DA), where MBO-type procedures played a continuing role for a decade following Colby's tour as DCI. Overall, however, the MBOs never came to exert a significant role in US intelligence at large, chiefly because each of the Intelligence Community's components already had its own management systems and procedures that better fit its distinctive needs.

In a retrospective study in 1976, the CIA's Inspector General (IG), Donald F. Chamberlain, concluded that, even though the MBO system had in certain respects brought greater management precision, Colby's heavy schedule had precluded the deep personal DCI involvement manadatory for such a program's success. In Chamberlain's view, this had resulted in a lower level of interest in the system than might otherwise have been the case. Observing that there was still much uncertainty about what MBO meant and what use MBO techniques should enjoy, Chamberlain concluded that there had developed "a widespread view" in the Agency that MBOs were just another redundant management chore, not to be taken seriously.

Office of Political Research

Centrally concerned to improve intelligence analysis, Colby established an Office of Political Research (OPR) on 1 September, just a few days before being formally sworn in as DCI. The impetus for such an effort came largely from Kissinger's NSC Staff, which wanted greater in-depth analytical intelligence support for top-level decisionmakers. There was also some pressure to find useful occupation for the staff of the just-abolished ONE. At its outset, OPR was made up of 20 professionals drawn from the ONE Staff, 12 from the DDI's former Special Research Staff, and a handful of officers recruited elsewhere. 46 OPR's charter directed it to prepare studies going beyond current intelligence, which would give senior consumers a fuller understanding of many of the complex problems affecting

"Donald Chamberlain, Inspector General, Memorandum for George Bush, DCI, "Management by Objectives in the Central Intelligence Agency," 9 March 1976, CIA History Staff records, job 90B00336R, box 1, folder 13, CIA Archives and Records Center (Secret): "As OPR's Director, Colby named Ramsey Forbush, who on 1 July 1973 had succeeded John Huizenga as Acting Director of ONE. OPR's Deputy Chief was the author of this study, who had headed the DDI's Special Research Staff (SRS), a small group that prepared in-depth studies concerning the USSR, China, Sino-Soviet relations, and Vietnam.

US security. Subject areas that OPR examined in some depth during Colby's DCI tenure included the USSR, China, the Law of the Sea, political aspects of world resource problems, and special political science methodologies. Colby gave OPR good marks and good feedback. Not too long after his tenure as DCI ended, however, the unit was disbanded as part of a broader, if ill-fated, bureaucratic reorganization of the Directorate of Intelligence in 1976-77.

Intelligence Community Postmortems

In a further effort to improve the intelligence product, Colby ordered postmortems prepared on certain past performances of the Intelligence Community. At his direction, sparked particularly by the Middle East warning failures of October 1973, the of the Intelligence Community Staff prepared seven postmortems over a three-year period. These concerned the 1973 Arab-Israeli war; the anti-Allende coup in Chile in 1973; India's 1974 explosion of a nuclear device; Israel's West Bank campaign in October 1973; the Cyprus crisis of 1974; prior estimates of Egyptian military capabilities; and the Mayaguez incident in 1976. As the first postmortems ever made at the Community-wide level, they were candid and well regarded by recipients at the White House and elsewhere.

New Analytic Methodologies

Colby also pushed the use of new analytic methodologies. Prodded especially by the White House's Andrew Marshall, who strongly held that the Intelligence Community was missing a lot of bets by not making more use of methodologies and practices then popular in academia and the think tank world, Colby expanded previous Agency efforts along this line. He established several small offices, particularly within the IC Staff and CIA's Office of Research and Development (ORD/DS&T), devoted entirely to methodological experimentation. Much of this effort pertained to net assessments, another of Andrew Marshall's responsibilities at the NSC, and involved considerable Agency contact with DOD's Advanced Research Projects Agency (ARPA). Certain constructive insights resulted from some of ORD's studies of economic resources. Progress proved less marked in the field of political analysis, where, in spite of Marshall's enthusiasm, it was inherently more difficult to make cohesive analytical bricks out of often strawless data. There was also little progress in the field of net assessments, where DOD offices consistently held intelligence people at

arm's length regarding US inputs. Colby also encouraged more competitive analysis and encouraged the airing of unorthodox interpretations and devil's advocate evaluations, especially where they took the form of challenges by younger officers. Although Colby resisted pressures from the President's Foreign Intelligence Advisory Board (PFIAB) for A Team-B Team types of competitive analysis, he eventually agreed to a trial, an exercise he bequeathed to his successor as DCI, George Bush.⁴⁷

National Intelligence Survey

While experimenting with the new, Colby felt free to terminate the old, such as the National Intelligence Survey (NIS) program. Pressures had been growing under DCIs Helms and Schlesinger to end the NIS program, a Community-wide endeavor that, in various formats since World War II, had been preparing basic, encyclopedic intelligence on many of the world's countries. Pressures for killing this program arose chiefly from its relative lack of budgetary priority compared with higher attention assigned world crises and from widely shared dismay in the Intelligence Community at the substantial time and paperwork the NIS program demanded. DCI Schlesinger recommended killing the program, and, by the time Colby became DCI, CIA was contributing about 75 percent of the NIS effort. It is ironic that the death of this admirable program came just at a time when numerous changes in procedures and presentation had significantly improved the NIS.

FOCUS Program

With an eye to improving the Intelligence Community's intelligence product, Colby initiated the FOCUS Program. This scheme entailed selecting target countries for which the DCI, the NIOs, Community representatives, and the USIB's Human Services Committee (HSC) would evaluate the US Mission's intelligence reporting. The program sought to develop an assessment mechanism whereby the DCI could give Chiefs of Mission his frank views on the total Mission reporting. This FOCUS Program survived for the better part of a decade. During its lifetime the NIOs chaired periodic meetings of representatives from all the USIB agencies, and the HSC amassed a long list of examined and reexamined countries. The FOCUS effort lost steam after Colby's tenure, however, partly because

[&]quot;See discussion in chapter 12 of the A Team-B Team episode.
"David Hartman (ICS/HSC), Enclosure to Memorandum for Members of HSC's Executive Steering Group, "Clarification of the FOCUS Approach," 19 December 1974, CIA History Staff records, job 90B00336R, box 1, CIA Archives and Records Center (Secret).

of the time and effort consumed, but largely because the State Department took a dim view of a DCI's intrusion into the purposes and priorities of US Missions abroad.⁴⁹

Changes in DO Procedures

In addition to concern for improving the intelligence product, Colby changed many procedures within the Directorate of Operations. He cut down the size and responsibilities of many DO Staffs, better integrated the DO into the rest of the Agency, and allotted an added percentage of funds for operational costs, at the expense of housekeeping services. Colby also improved Operating Directives (ODs) throughout the DO by giving more emphasis to the Agency's larger goals and less to the specific concerns of given divisions or stations. He reorganized the DO's Near East Division to bring CIA's operating structure into closer line with the State Department's organizational structure and transferred to the DO's NE Division certain of

Colby also streamlined some of the Agency's paramilitary structures and sharply cut back CIA's air proprietaries.

Administrative and Organizational Changes

Colby also initiated a number of administrative and organizational, as well as analytical and operational, changes throughout the CIA. He improved the DCI's Management Committee. To this group, which DCI Schlesinger had established, Colby added an ad hoc committee of the number-two officers in each of CIA's Directorates, commissioning them to propose solutions to complex special problems. He also set up a new Office of Comptroller, abolishing the rather unwieldy existing Office of Planning, Programming and Budgeting. Aware that the Agency's Equal Employment Opportunity (EEO) performance was then one of the poorest in the US Government, Colby prodded CIA to improve its EEO record. Although he set up an EEO group to articulate new standards and procedures for improving the status of the Agency's female and minority officers, these efforts brought only modest advances. Colby also improved reference and recordkeeping services by greater integration of records data into CIA's central computer system and by eliminating some of the duplication in existing records and reference services.

⁴⁹One notable example: following a FOCUS recommendation that the US Mission in Tokyo should do considerably more political reporting on political and social trends in Japanese society, State's Inspector General sharply rejected this finding, maintaining that the Tokyo Mission should not be distracted from its principal purpose, representing US interests in Japan.

³⁶See detailed discussion in chapter 6 of the strengths and weaknesses of CIA's counterintelligence effort.

Agency-Wide Operations Center

Focusing on CIA-wide coordination, Colby changed the Operations Center of the DI's OCI into an Agency-wide Operations Center. At Colby's order, each Directorate now maintained a permanent duty officer there. New voice and electronic facilities were installed, facilitating communication and cooperation with operation centers elsewhere in the Intelligence Community. This endeavor has had positive and lasting results, and (with numerous post-Colby improvements) has remained in effect ever since.

Intelligence Community's Warning Capabilities and "Alert Memos"

Concerned to heighten intelligence's input to policymakers at senior levels, Colby improved the Intelligence Community's warning capabilities. Kissinger held that strategic warning was less a military than a political problem. Colby agreed and called upon the Intelligence Community to alert the White House to world dangers at an early stage.⁵¹ In revitalizing the USIB's Watch Committee, Colby recommended instituting a Special Assistant to the DCI for Warning. This new improvement took a long time to work its way through the USIB bureaucracy but was finally consummated in DCID 1/5 of 18 May 1976, shortly after DCI Colby left office.

Colby also established special new "Alert Memos." Written under the initiative and supervision of the National Intelligence Officers, these memos alerted senior policymakers to special crises brewing. Practice has varied since that time, depending on how each DCI has wished to balance the warning function and the cry-wolf hazard.

National Intelligence Bulletin and Daily Information Summaries

Colby transformed the Current Intelligence Bulletin (CIB) into the National Intelligence Bulletin (NIB). This changed a CIA current intelligence product into a Community effort.⁵² Colby also made provision for the NIB to indicate other agencies' dissenting opinions. These successful innovations have remained basically unchanged ever since.⁵³

⁵¹Marshall interview by Ford, 22 December 1986.

³²The production staff of the NIB now included non-CIA members, with a DIA officer serving as deputy editor. Non-CIA analysts now produced some, though a minority, of the NIB's articles, and in all cases the NIB's items were coordinated throughout the Community on a daily basis.

⁵³One parallel innovation of Colby's fell flat: producing a current intelligence daily in newspaper format. Colby had cherished this idea since his CIA duty in Sweden in the early 1950's (Colby, *Honorable Men*, p. 102). The author of this study was among the officers who told Colby in 1973 that his newspaper format idea was not a good one. In any event, this experiment did not outlive Colby's tenure as Director.

Also, Colby improved the daily information summaries prepared for NSC by the White House Situation Room (WHSR). Traditionally, the WHSR's small staff had produced such reports from its own substantial take of raw information and finished intelligence, supplemented occasionally by contributions from NSC staff members. Under Colby, CIA's Office of Current Intelligence (OCI) began regularly to contribute relevant items to the WHSR's daily summary.

Retrospect on Colby's Managerial Initiatives

The degree of success of Colby's managerial initiatives varied substantially. Certain of his changes, especially the NIO system, brought substantial and lasting improvements, while some of his other initiatives met considerable bureaucratic resistance, and some ended up generating more paper than progress. Andrew Marshall, a key player in White House–DCI efforts to improve US intelligence, gives Colby credit for responding more positively than had DCI Richard Helms to Presidential pressures for change, but concludes that Colby's managerial initiatives had only a "marginal" overall effect and resulted in only a few dramatic long-term improvements. That assessment is overly harsh. Colby did recognize the need for substantial managerial improvements and energetically went about trying to effect such changes. Although he hurt his own cause in some respects, ingrained bureaucratic drag throughout the Intelligence Community was the chief culprit in frustrating his managerial initiatives.

¹⁴Marshall interview by Ford, 22 December 1986.

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Chapter 5

Congressional Issues, 1973-1974

If we don't do the job now [create a more vigorous Congressional oversight] under the present structure . . . then something quite different may be established, for the mood of the Congress is undergoing a change.

Congress and public opinion is in a more challenging mood, not only on defense matters, but on intelligence. . . . There are more Congressmen and more Senators who want to get into the act. . . . [and] there seems to be some public concern, fed by Watergate, that a so-called "CIA mentality" has taken hold in the Executive.

Representative Lucien N. Nedzi14 November 19731

Congressional uneasiness over allegations of past CIA wrongdoing did not suddenly arise with Seymour Hersh's late December 1974 accusations of CIA wrongdoing in The New York Times, which we discuss in chapter 7.2 Nor did Congressional anxieties begin with the 1975-76 investigations of US intelligence by the Rockefeller Commission, the Senate's Church committee, and the House's Pike committee. Even DCI Colby's disclosures of CIA's "family jewels" excesses did not mark the beginning of concern on Capitol Hill with possible CIA wrongdoing. Rather, Congressional uneasiness about CIA long predated Colby's advent as DCI. Over the years members of both Houses had introduced numerous bills seeking fuller Congressional oversight of intelligence—though these efforts had usually been killed in committee. But, by the time Colby became DCI, Congress was busily prying into alleged CIA involvement in Watergate and contemplating greater controls on CIA covert activities. The possibility of systematic Congressional oversight of intelligence had at last become a reality.

Representative Lucien Nedzi (D-MI) Chairman, House Armed Services Committee Special Subcommittee on Intelligence, remarks to CIA Senior Seminar class, "Oversight or Overlook: Congress and the U.S. Intelligence Agencies," 14 November 1973, as reprinted in Studies in Intelligence, Vol. 18 (Summer 1974):17 (Confidential).

Seymour Hersh, The New York Times, 22 December 1974.

As of mid-1973, numerous senior Congressional figures—including John Stennis (D-MS), chairman of the Senate Armed Services Subcommittee on Intelligence, Lucien Nedzi (D-MI), chairman of the House Armed Services Special Subcommittee on Intelligence, and John McClellan (D-AR), chairman of the Senate Appropriations Subcommittee on Defense's Subcommittee on Intelligence Operations—were calling for special investigations of alleged CIA wrongdoing. Of these, McClellan was especially interested in the authority given CIA by the NSC's secret Intelligence Directives (NSCIDs), while Nedzi wished a full review of CIA's charter.³

Colby himself was able to do little to alleviate Congress's concerns. From the outset, his relationship with Congress was far more distant than the one DCI Helms had enjoyed, and, during his confirmation hearings, Colby met some hostility because of his prior association with the PHOENIX program in Vietnam. As a result of questions raised about CIA during the various Watergate hearings and during Colby's confirmation, considerable Congressional pressure developed to tighten up the Agency's statutory provisions, "Even among members of our subcommittees," as George Cary (CIA's Acting Legislative Counsel) observed.5 Quickly taking note of such Congressional sentiment and after discussing this issue with the White House's Andrew Marshall, Colby in August 1973, shortly before becoming DCI, sent Dr. Kissinger a six-page study explaining the concerns of Congress and recommending certain courses of executive action to meet them. These Congressional anxieties concerned alleged CIA involvement in domestic activities (CIA and Watergate), possible CIA circumvention of the will of Congress (CIA activities in Laos and Vietnam), possible Presidential usurpation of constitutional powers (Chile), and the question of possible disclosure of intelligence budget figures.⁶

³Congressman Nedzi's subcommittee held hearings on 11, 16, 17, 21, 24, and 31 May 1973; 4, 7, 13, 22, and 29 June; 9, 13, 17, 18, 19, and 20 July; 25 and 26 February 1974; 7 March; 17 June; and 2 July 1974. These many inquiries focused on various allegations of Agency misconduct concerning Watergate. Of these 22 separate hearings, Colby attended three: two as DDO, on Il and 16 May 1973, and one as DCI on 25 February 1974. The 25 February 1974 session centered on allegations that, shortly after the original Watergate break-in, a CIA consultant, Lee Pennington, Jr., had broken into James McCord's home in order to destroy documents that allegedly established a link between McCord and the CIA. ⁴Colby, DCI Nomination Hearings, 1973.

George Cary, Acting Legislative Counsel, Memorandum for the Record, "White House Meeting with the Legislative Interdepartmental Group," 31 August 1973, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center Conf. 1, 1979. William Colby, DCI-designate, Memorandum for Henry A. Kissinger, Assistant to the President for National Security Affairs, "Congressional Pressure To Curtail or Modify CIA's Statutory Authority To Perform Functions Directed by the National Security Council," 28 August 1973, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Security).

In the weeks that followed, Colby met with several heads of the Congressional oversight subcommittees. On 27 September, Colby met with Senator McClellan to give him information on the NSCIDs. Colby explained that there were eight such NSCIDs, that none of them dealt with domestic affairs (then the focus of Congressional concern), and that as DCI he had begun to prepare a draft statement on these charters. He further explained that no existing laws or NSCIDs required the CIA to keep Congress briefed on its activities. This meeting with McClellan prompted Colby to pull together the eight existing NSCIDs into an omnibus NSCID, a version of which could be released to the public, and to fashion a new NSCID No. 9, which for the first time would deal with US intelligence's domestic activities.

As these initiatives went forward, Colby's relationships with the Congress centered on three principal sets of issues: Senator Howard Baker's certainty of CIA involvement in Watergate, Congress's passage of the Hughes-Ryan amendment, and Colby's attempts to fashion a new omnibus NSCID.

Senator Howard Baker, Watergate, and CIA

Of the numerous Watergate-related initiatives that the House and the Senate undertook in 1973-74, the charges that Senator Howard Baker (R-TN) leveled against CIA made the greatest demands on the new DCI's time and attention. For months Colby and Agency officers furnished Baker with stacks of documents and met on numerous occasions with his rump group, the minority staff of the special Watergate committee chaired by Senator Sam Ervin (D-NC). Throughout this process, Baker and his staff were convinced that CIA had been considerably more involved in Watergate-related activities and coverup than had yet been brought to light.

In November 1973, Senator Baker began hitting CIA with questions about Watergate, many going back to 1972. Indicative of Baker's frame of mind were remarks he made on ABC/TV's "Issues and Answers" in December 1973. When asked if he knew of any more Watergate "bombshells" still unknown to the public, Baker replied, "There are animals crashing around in the forest. I can hear them, but I can't see them."

^{&#}x27;George Cary, Deputy Legislative Counsel, Memorandum for the Record, "Briefing of the Intelligence Operations Subcommittee of the Senate Appropriations Committee on 27 September 1973," 27 September 1973, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Socret).

These issues are treated later in this chapter. Neither the omnibus NSCID nor NSCID No. 9 was ever completed.

The Washington Post, 31 December 1973.

Following many meetings with officers from CIA's Legislative Counsel, Baker met personally with Colby on 25 January and 1 February 1974. On those occasions Baker showed particular interest in Howard Hunt's past relationship with DCI Helms, in Hunt's reasons for leaving the CIA, and in the degree to which top CIA management was aware of all the activities of its employees. Baker also expressed interest in whether CIA had in any way assisted the so-called Water-



Senator Howard Baker

gate Plumbers, the White House-directed group assigned to plug "leaks." At his 1 February meeting with Colby, the Senator voiced suspicions that his own residence was under surveillance. According to the account of CIA's Associate Legislative Counsel, Baker "felt that only three people—Admiral [Thomas] Moorer [Chairman of the Joint Chiefs], Secretary Schlesinger and Mr. Colby—might somehow be involved." President Nixon had said publicly in May 1973 that, soon after the Watergate break-in, he "had been advised" that there was a possibility of CIA involvement and that an investigation "could lead to the uncovering of covert CIA operations totally unrelated to the Watergate break-in." Now, a year later, Senator Baker included Nixon's remarks in his formal report.

Following the meetings between Colby and Baker, CIA officers testified for six days before closed sessions of Senator Baker's rump committee. In these hearings, Senator Baker and his colleagues raised the same questions they had previously discussed at length with CIA officers. At the last of these hearings, with Ambassador Richard Helms (recalled from

Associate Legislative Counsel, Memorandum for the Record, Meeting with Senator Baker, 26 January 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center Section Deputy Legislative Counsel, Memorandum for the Record, "Meeting with Senator Howard H. Baker, Vice Chairman, Senate Select Committee on Presidential Campaign Activities," 1 February 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Secret Secrets)

Memorandum for the Record, "Meeting With Senator Baker," 1 February 1974.

The Washington Post, 23 May 1973.

Baker's report is discussed later in this chapter.

[&]quot;On 4, 5, 6, 7, and 21 February, and 8 March.

Tehran) as the star witness, Senator Stuart Symington (D-MO) came strongly to CIA's defense. According to Symington "bearded Baker on his motivation, suggesting a personal vendetta against Helms."15

Indeed, Senator Baker's campaign of charges against the CIA encountered considerable skepticism from a broad range of observers. As early as January 1974, Special Prosecutor Leon Jaworski told a senior CIA officer that he had "no idea of the reason behind Senator Baker's obsession with CIA and Watergate."16 In March, the The Washington Post commented that Baker

has at turns been coy and reserved in discussing his investigation, suggesting on the one hand in vague public statements that information yet to be revealed may dwarf what is already known about the Watergate affair, but then refusing to elaborate on those statements. . . . In addition to bringing Nedzi to the defense of the CIA, Baker's probe has clearly annoyed other senior Democrats in Congress.1

Similarly, in April, Senator John McClellan told Colby that he was not sure that Baker's investigation had been conducted with proper authority.18 In June, Congressman Nedzi told George Cary, CIA's Legislative Counsel, that he was puzzled by the inability of the Senate committee chairmen to reason with Baker.19 Two days later, Sam Dash, chief counsel of Senator Ervin's Watergate committee, told Cary that he "personally questioned Baker's motives." Even President Ford, the head of Baker's own party, later confided that Baker might have been "bluffing" at the time in order to relieve some of the pressure on then President Nixon.21 Some of the harshest views of Baker's charges, however, were made by the CIA's usually mild-mannered Scott Breckinridge (of the Inspector General's office). He later recalled telling

Deputy Legislative Counsel, Memorandum for the Record, "Select committee Testimony-Ambassador Helms," 15 March 1974, CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center (Confidential A ¹⁶Minutes, DCI's Morning Meeting, 8 January 1974, CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center (Secret). ¹⁷The Washington Post, 25 March 1974.

¹⁸George Cary, Legislative Counsel, Memorandum for the Record, "DCI Informal Discussion with the Intelligence Operations Subcommittee of Senate Appropriations-10 April 1974, 11 April 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Secret).

"OLC Journal, 24 June 1974, CIA History Staff records, job 90B00336R, box 2, folder 19,

CIA Archives and Records Center (Confidential).

²⁰George Cary, Legislative Counsel, Memorandum for the Record, "Conversation with Sam Dash, Chief Counsel, Select committee on Presidential Campaign Activities, re Select committee Action on the Baker Report," 26 June 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Confidential).

²¹President Gerald Ford, remarks to David A. Peterson, President's Daily Brief CIA officer (Peterson, Memorandum for the Record, "President's Inquiry About Senator Baker and CIA," 29 March 1975, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center Security

Baker's staff in mid-1974 that the report they were developing on Baker's allegations was dishonest, that it was being done for reasons of politics, and that Baker was "the President's representative on Senator Ervin's [Watergate] committee to do Nixon's bidding . . . the President wanted to get CIA in the middle of this thing [Watergate]."²²

A prime source of skepticism about Baker's charges was his close association throughout with Watergate figure Charles W. Colson. In March 1974, columnist Jack Anderson asserted that Baker, "the Senate Watergate matinee idol," was "dealing behind the scenes with embattled ex-White House aide Charles W. Colson in a joint effort to implicate the Central Intelligence Agency in the Watergate break-in and cover-up."23 Baker denied this. Responding to a 21 March letter of inquiry from Senator Daniel Inouye (D-HI) on this score, Baker stated that he had only talked to Colson "one time at my request to ask him to confirm or deny certain materials" in the Baker subcommittee's possession.²⁴ On 17 June, some two weeks before Baker released a formal report of his findings, Colson (by this time convicted and on his way to prison) told Congressman Nedzi's intelligence subcommittee that he had learned of CIA's alleged complicity in Watergate from "a Member of the US Senate, when he sat me down in his living room in his home and said 'Chuck, you were set up by the CIA and I can prove it.""25

On 23 June 1974, prefacing his remarks by stating that he had now become "a witness for Christ," Colson told the Nedzi subcommittee that in January 1974 President Nixon had confided to him that he was on the verge of dismissing Colby as DCI because of suspicions that the Agency was deeply implicated in Watergate, but had been dissuaded by Secretary of State Kissinger and White House aide Alexander Haig. Colson testified that President Nixon was nonetheless "convinced" that the Agency had been involved in Watergate "up to their eyeballs." CIA, charged Colson, had planned the break-ins at Watergate and the office of Daniel Ellsberg's psychiatrist to discredit the President's inner circle of advisers, and then had "engaged in one helluva good coverup of their own." Colson then added this significant note: that he had read one of the key documents relating to Baker's investigation "last December at the home of Senator Howard Baker (R-TN), vice chairman of the Senate Watergate Committee."

²² Scott Breckinridge, interview by	tape recording, Washington, DC, 7 January 1988
(hereafter cited as Breckinridge interview by	January 1988) (Secret)
The Washington Post, 19 March 1974.	
²⁴ The Washington Post, 27 March 1974.	· .

²⁶The Washington Post, 24 June 1974.

²⁵US Congress, House, Committee on Armed Services, Hearings Before the Special Subcommittee on Intelligence, *Inquiry Into the Alleged Involvement of the Central Intelligence Agency in the Watergate and Ellsberg Matters*, 94th Congress, 1st session, May, June, July 1973 and February, March, June, July 1974 (hereafter cited as Watergate Hearings, 1973 and 1974), p. 1,062.

Colby responded formally to Baker's charges on 28 June. The DCI expressed his concern over the tenor of the Senator's draft report and over the fact that Baker's text reflected few if any of the comments that CIA had given Baker. Colby told the Senator that his draft report implied that the Agency and its officers "had prior knowledge of and were wittingly involved in the break-ins and the coverup." In Colby's view, this was simply untrue.27 Despite Colby's efforts to set the record straight by providing Baker voluminous CIA comments and corrections, the Senator issued his report, virtually unchanged, on 2 July 1974. It leveled two principal charges: that CIA had had more extensive contacts with the Watergate burglars than had been previously acknowledged and that the Agency had failed to divulge all that it knew to Federal investigators.²⁸

Once again, however, Baker's charges evoked widepread skepticism. Newsweek deemed the report "longer on nods, winks and innuendoes" than on facts.29 The Washington Post, no patsy for the CIA, definitely took Baker to task:

Senator Baker began his investigation by saying that the matter put him in mind of "animals crashing around in the forest-you can hear them but you can't see them." Well, you can hear them still. But you still can't see them. All you can see is Mr. Baker crashing after them Mr. Baker, we conclude, has done a difficult job unsatisfactorily. He has neither resolved the issue he undertook to investigate nor removed doubts about his own approach to it. Perhaps it was an effort worth making anyway. But, considering the way the effort was made, we're not even sure there is that much to be said for it.30

In addition, columnists Rowland Evans and Robert Novak later described Baker's report as having "insinuated much and proved nothing."31

Fortunately for Colby and the CIA, time had run out on Senator Baker. By the time his report appeared, the Watergate crisis had peaked, and just a month later President Nixon resigned in disgrace. Senator Baker's charges were soon forgotten. To Baker's credit, he did recant two years later, stating publicly that the Senate's Church committee examination of the record had not substantiated charges that the CIA had been involved in the "range of events and circumstances known as Watergate."32

²⁷William Colby, Director of Central Intelligence, Letter to Senator Howard Baker, 28 June 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Unclassified).

The Washington Post, 3 July 1974.

²⁹Newsweek, 15 July 1974.

The Washington Post, 11 July 1974. The Washington Post, 27 March 1975.

Remarks by Senator Howard Baker, US Congress, Senate Select Committee to Study Governmental Operations with Respect to Intelligence Activities (Church committee), Final Report, Intelligence Activities and the Rights of Americans, Book II, April 1976 (hereafter cited as Church committee, Book II), p. 387.

Overall, the importance of Senator Baker's investigation did not lie in his failure to substantiate his suspicions of CIA, or in the questionable company he had kept in the process. Rather, his charges were simply the most extreme and persistent of the many Congressional attempts of the time to probe CIA and US intelligence. Senator Baker's charges helped fuel smouldering suspicions that broke into open flame at the end of 1974, when journalist Seymour Hersh alleged that the CIA had been guilty of serious illegalities.33

Congress and Covert Activities: The Hughes-Ryan Amendment

No sooner had the Baker-Colson allegations against CIA fizzled out than Colby and the Agency had to stave off Congressional attacks from another quarter. These attacks sprang chiefly from new allegations that the CIA had participated in the Nixon administration's sub rosa operations against the leftwing government of Salvador Allende in Chile. The Congressional result of these concerns was the December 1974 enactment of the Hughes-Ryan amendment to the Foreign Assistance Act.

The principal detonator touching off the Hughes-Ryan amendment was Congressman Michael Harrington's allegation, less than a week after Colby was sworn in as DCI, that CIA had been involved in the overthrow and death of Chile an President Allende. At Harrington's urging, the House Foreign Affairs Subcommittee on Inter-American Affairs on 11 October held a hearing on these issues. At this hearing, Colby told the subcommittee that meaningful testimony would require a closed executive session. This, however, did not occur until April 1974, when Colby appeared before the House Armed Services Special Subcommittee on Intelligence, chaired by Congressman Nedzi. There Director Colby "had no problem" in fielding questions on what the Agency's 1970 Track I covert operations in Chile had been. He did not, however, reveal the existence of the supersecret Track II operations that Nixon on 15 September 1970 had ordered CIA to take.34 Now, immediately following this April 1974 closed session, Colby took Chairman Nedzi aside and privately informed him of the origins and nature of Track II.35

News of Colby's secret testimony on Track I to the Nedzi subcommittee soon leaked to the press and raised a storm. Congressman Harrington, who was responsible for this leak, maintained that Colby had told the subcommittee that CIA's aim had been to "destabilize" the Allende candidacy and

³³ These questions are discussed in chapter 7.

³⁴Track I operations consisted of a number of covert activities fully authorized by the 40 Committee, that sensitive interagency body of senior officials established to examine proposed covert operations. By contrast, as we explain in chapter 8, Track II's efforts, directed by President Nixon without the knowledge of the 40 Committee, State, or Defense, comprised even more sensitive activities to prevent Allende from becoming President of Chile. ³⁵Colby, *Honorable Men*, pp. 303-304, 380-381.

presidency. Colby denied using this term and has written that, after his testimony was leaked, he tried to set the record straight, but to no avail. 36 The term "destabilization" stuck. In the weeks that followed, according to Colby, "various tidbits" on earlier CIA operations in Chile that certain CIA officers leaked to the press further fed Congressional anxieties. Colby believes that these insider leaks resulted from the "family jewels" investigations Schlesinger and Colby had earlier initiated within CIA.37

Now, in mid-1974, Congress quickly reacted to the press leaks that CIA had conducted covert activities (Track I) in Chile. In September and October, various restrictive bills were introduced in both Houses of Congress, the most extreme of which was an amendment initiated by Senator James Abourezk (D-SD) to prohibit the government from conducting any covert options. It was voted down, 68 to 17.

Adding to CIA's woes, Victor Marchetti, a former CIA officer, now leveled similar attacks on the Agency in The CIA and the Cult of Intelligence, a book he coauthored. CIA officials had sought for months to sanitize the book, by judicial action, with mixed results. In its final form, it appeared with gaps (and boldface type) indicating those portions CIA had successfully (and unsuccessfully) sought to delete by court order.38 Coinciding with this flap, the staff of the Senate Foreign Relations Committee recommended bringing contempt charges against former DCI Helms for having misled the committee on Chilean questions during the 1973 hearings for confirmation as Ambassador to Iran. 39 Unfortunately, the new President, Gerald Ford, also chose this moment to call further attention to the Agency's plight. Although denying any CIA involvement in the coup that had overthrown Allende and led to his death, President Ford declared that the general concept of conducting covert activities was justified and that the Agency's earlier secret operations had been in the "best interests" of the Chilean people. 40 One last unexpected blow was a 29 October Harris Poll, which reported that fully 60 percent of the American people believed that the CIA should not have tried to destabilize the government of Chile, while only 18 percent believed CIA's alleged action justified.41

The most significant Congressional response to the furor over covert operations was an amendment that Senator Harold Hughes (D-IA) introduced to the Foreign Assistance Act, then under Congressional

³⁶Colby, Honorable Men, pp. 381-382.

[&]quot;Colby interview by Ford, 3 February 1987. Schlesinger and Colby had directed employees to let them know of any past instances of CIA misconduct or borderline activities. The resulting list was the "family jewels." These questions are discussed in chapter 9.

Notice of Marchetti and John D. Marks, The CIA and the Cult of Intelligence (New York:

Knopf, 1974). See especially authors' prefaces.

These questions are discussed in chapter 8. ⁴⁰The Washington Post, 17 September 1974.

⁴¹The Washington Post, 30 October 1974.

scrutiny. This amendment obliged the President, before authorizing any "covert action," to "make a finding that each such operation is vital to the defense of the United States . . . [and] transmit a report of his finding, together with a report of the nature and scope of each such operation, to the committees of the Congress having jurisdiction to review and monitor the intelligence activities of our Government." This became known as the Hughes-Ryan amendment since Representative Leo Ryan (D-CA) was the sponsor in the House of Representatives.

Although Senator Hughes accepted a few changes in the language of his draft amendment from Colby, the White House, and Members of Congress, the final text of the Foreign Assistance Act of 30 December 1974 retained virtually intact the above-listed requirements leveled on the President. Those requirements have remained basic law since that time, although not always honored by the White House.⁴³

Senator Hughes's amendment was not enthusiastically welcomed by the existing oversight barons on Capitol Hill. For example, the chief counsel of Senator Stennis's subcommittee, Edward Braswell, had earlier told that Stennis wanted to strip CIA's Deputy Legislative Counsel, the Foreign Assistance bill of the Hughes-Ryan amendment, but that he and other senior Senators "couldn't hold off the younger Senators much longer, and leakage of information concerning some of the covert actions now under way could blow the lid off." In response, told Braswell that the Agency's problems with the amendment concerned its constitutionality, the disclosure of secret operations, and the definition of "covert activities," as well as the wisdom of admitting in statute law that the US Government covertly interferes in the affairs of foreign states. Anticipating certain unilateral WhiteHouse initiatives a decade later, prophetically observed: "Necessity being the mother of invention, if the Agency's capability to perform effectively is impaired, the Executive may be forced to turn to less conventional instrumentalities which are in no way subject to Congressional oversight."44

Although Colby, in concert with Secretary of State Henry Kissinger, other administration figures, and Members of Congress, had tried vigorously to get the Hughes-Ryan sponsors to modify the amendment's language, Congress had accepted only minor changes. Moreover, Colby failed to persuade President Ford to include a strong public statement stressing the "absolute necessity" for Congress to protect the covert operations

⁴²Amendment 1948 to Foreign Assistance Act of 1974, S 3324, Congressional Record, 2 October 1974, S 18062.

Oversight Act of 1980, which was incorporated into the National Security Act of 1947.

Deputy Legislative Counsel, Memorandum for the Record, "Meeting with Ed Braswell, Chief Counsel, Senate Armed Services Committee, regarding the Hughes Amendment," 4 October 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Eyes Octy).

information it would receive under the new legislation. In his remarks signing the new act into law on 30 December 1974, Ford ignored DCI Colby's suggestion.⁴⁵

The Hughes-Ryan episode illustrated the growing difficulties DCI Colby and the CIA faced in dealing with Capitol Hill. Increasingly, Congress questioned CIA actions and the idea that certain Presidential and Agency activities were not subject to constitutional checks and balances. Passage of the Hughes-Ryan amendment meant that, after years of languor, Congress had at last become willing to take on responsibility for meaningful oversight of US intelligence and had admitted for the first time that the United States Government conducted covert political operations abroad, and intended to so continue.

Constructing an Omnibus NSCID

One of Colby's primary responses to these Congressional challenges was his determined effort to construct an omnibus NSCID that would pull together and clarify CIA authority. Even before becoming DCI, Colby began to push CIA and his Intelligence Community Staff to prepare such an omnibus NSCID, which would both replace the existing set of eight classified NSCIDs and be suitable for release as an unclassified document. His first draft of late October 1973 spelled out in general terms proposed intelligence responsibilities for the full gamut of players, including the NSC, the DCI, and the Intelligence Community. Secretary of State Kissinger approved the concept almost a year later, on 23 August 1974. With the notable exception of the DIA, the USIB approved a draft of this NSCID on 5 December 1974.

"William Colby, DCI, Letter to President Ford, 18 December 1974, CIA History Staff records, job 90B00336R, box 2, folder 19, CIA Archives and Records Center (Unclassified). The final act mandated that "No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the United States Senate and the Committee on Foreign Affairs of the United States House of Representatives." Sec. 662 of Public Law 93-559, 93rd Congress, S 3394, 30 December 1974.

"Subjects covered included the Intelligence Resources Advisory Committee (IRAC), the production of national intelligence, foreign intelligence collection, management of national technical means of verification, signals intelligence, US clandestine activities abroad, the monitoring of foreign broadcasts, domestic collection activities, a national photographic interpretation center, management of refugees and defectors, and the use of national intelligence resources in active theaters of war (John Martin [AD/DCI/IC], Memorandum for William Colby, DCI, "Unclassified Omnibus NSCID," 19 December 1974), CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center (Unclassified).

The Department of Defense stoutly resisted the omnibus NSCID idea. DOD's position became fully clear on 19 December 1974, when DIA submitted to USIB a new paragraph—of 18 pages—on "The Department of Defense." Four months later, in April 1975, DOD administered the coup de grace to the entire effort when Deputy Secretary of Defense William Clements sent Colby this "Dear Bill" communication:

I understand you are planning to have the USIB consider the draft Omnibus NSCID at your 9 April [1975] meeting, with an eye toward finalizing this document. In view of the many ongoing actions external to the Intelligence Community which impact on this general area, it appears inappropriate and indeed could be harmful to proceed further with the Omnibus NSCID at this time. I believe, therefore, that it is best to delay consideration of this matter until the nature and scope of these other actions can be more clearly defined and assessed.⁴⁴

And so died Colby's effort to clarify CIA's authority. The omnibus NSCID was long stalled, then killed, by one of US intelligence's fundamental, ongoing problems: the reluctance of the Department of Defense, the manager of the nation's largest intelligence resources, to allow the Central Intelligence Agency to produce military intelligence. Colby's inability to convince Defense otherwise meant the end of the omnibus NSCID, especially since by that time other firestorms—the White House's Rockefeller Commission, the Senate's Church committee and the House of Representatives' Nedzi-Pike committee—were overtaking the CIA. As we shall discuss in chapters 9 to 11, these investigations' revelations so escalated the need to clarify CIA's authority that an omnibus NSCID could not have sufficed in any event. Either new Congressional legislation or an Executive order had become necessary. In the end, President Ford beat Congress to the punch.

(Unclassified).

 ⁴RAdm. D. P. Harvey (Defense Intelligence Agency), Memorandum for the D/DCI/IC, "Proposed 'Omnibus' NSCID," 19 December 1974, CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center (Unclassified).
 ⁴William Clements, Deputy Secretary of Defense, Letter to William Colby, DCI, 4 April 1975, CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center

Part II

Colby's Black December, 1974

At Christmas time, December 1974, a little more than a year after he had become DCI, the roof fell in on Colby and his good intentions. Colby's long feud with James Angleton, the Agency's counterintelligence (CI) chief, reached its zenith just as a sudden blazoned *The New York Times* article by Seymour Hersh accused CIA of having been "massively" involved in domestic intelligence operations contrary to law. At the same time, Colby made a fateful decision to bring certain past CIA misdeeds to the attention of the Justice Department. It was this initiative that tended to confirm existing suspicions—in the Congress and in the press—that former DCI Helms had perjured himself in early 1973 when he told the Congress that, in the 1970 Chilean elections, CIA had neither passed money to Salvador Allende's opponents nor tried to overthrow the Government of Chile. Unfortunately, Colby's handling of these issues damaged both his influence as DCI and his gamble that a more open style would produce more respect for the Agency throughout the country.

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Chapter 6

Firing James Angleton

I remember really getting upset when I heard [Angleton] was back in Washington. One time, when he stood on a street corner, a car drove by with Allen Dulles and the Secretary of State in it, and they picked him up and had a talk with him in the car. I said, "Jesus Christ! Is this a serious intelligence agency?" Having this guy with his strong opinions directly at the policy level without any analysis, any comparison with the other factors going on. It just violates my sense of what intelligence is all about.

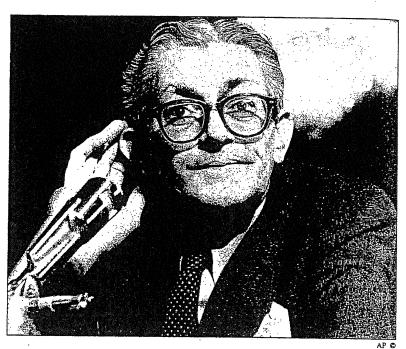
William E. Colby

Colby and Angleton had clashed for years on many issues, although the root cause of their antagonism was their strongly opposing views of accountability and secrecy. Colby strongly believed that the rule of law applied to all parts of the US Government, including intelligence, and that counterintelligence must be fully accountable to the DCI. Angleton, however, strongly believed that CIA must remain autonomous within the government, that it was not obliged to report its secrets to Congress or other offices, and that his own domain, counterintelligence, was so sensitive that it must remain an autonomous service within CIA.

From the time Colby became DCI, indeed from the time he became Executive Director-Comptroller of CIA in 1972, one of the principal goals he set for himself was to reform the unique empire that James Angleton, Chief of CIA's Counterintelligence Staff, had created for himself over a 20-year period. The showdown between Colby and Angleton, which resulted in Angleton's departure from the Agency at the end of December 1974, proved to be one of the most difficult, bitter, and far-reaching problems Colby had to deal with during his tenure as DCI.

That there would be a showdown of some kind was virtually inevitable. As James Schlesinger later observed, Colby and Angleton "had bad blood going back many years, and Bill obviously was intent on getting rid of Angleton." DO officer agrees: "The

Colby interview by	15 March 1988.
James Schlesinger, intervier	w by J. Kenneth McDonald, tape recording, Washington, DC,
	d as Schlesinger interview by McDonald, 16 April 1982)
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James J. Angleton

incompatibility of the two men would unquestionably have surfaced much earlier had Colby not gone out to Vietnam duty in 1968," he wrote. "As Chief of the Soviet Bloc (SB) Division . . . [Colby] could have helped DCI Helms break 'the malign spell' that Angleton's influence had cast over the operations of the SB Division." In any event, direct confrontation between Colby and Angleton began in early 1973, the moment Colby became DCI Schlesinger's right-hand man.

In one corner stood Colby, convinced that the times called for a more open CIA and convinced as well that Angleton's supersecret style had become incompatible with the reforms he believed essential. In the other corner stood an entrenched boyar of wholly opposite view, so consumed

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	Soon after Angleton's
Coperation Corr at the end of 1974, his successor as Chief, CI,	commis-
sioned a number of special studies to clarify CIA's CI record and smo	ation. The most com-
plete such study was prepared by byer a period of several period	veral vears
interview by Harold P. Fora, summary notes, Washington, I	OC, 31 January 1991
Interview by Ford, 31 January 19911 [Second	That study is on file
in Cla's Counterinteringence Staff. has made several chapters of	that study available to
this author, and handwritten notes on those chapters may be found	in CIA History Staff
records, job 90B00336R, box 2, folder 22, CIA Archives and Records	Center (Seame
*Colby, Honorable Men. p. 334.	contor grantor).

with the need for secrecy that he even refrained from holding staff meetings within his own CI Staff, lest one of his officers learn of CI operations that were not his own responsibility.⁵

Angleton had fashioned a brilliant record, beginning with OSS counterintelligence (CI) duty in Italy during World War II, where he had been chief of counterintelligence/counterespionage operations. Those operations had enjoyed considerable autonomy within OSS; CI officers relied on OSS Theater Headquarters only for administration and services. That experience formed Angleton's strongly held conviction that counterintelligence was rightly a world of its own. Furthermore, Angleton and his OSS colleagues believed that paramilitary operations (such as those in which Colby participated) were somewhat extraneous, not really part of intelligence activities. According to Ray Cline, Angleton considered Colby to be "just a paratrooper."

Angleton's certainties grew, along with his autonomous powers, as he became one of CIA's most influential officers. Commissioned in 1953 by then DCI Allen Dulles with unique responsibilities for CI, operations, Angleton's empire rapidly expanded.8 By 1973, the wellintentioned reformer, Colby, was pitted against the well-entrenched legend-variously called the Gray Ghost, the Grand Inquisitor, the Poet, or Mother. Angleton was the master of ambiguity, the epitome of supersecret CI operations, the CIA officer who had acquired the text of Nikita Khrushchev's 1956 secret speech, the DO official held by many observers to be the finest counterintelligence officer the United States had yet produced. Of the many characterizations of him that exist, some fictional, some not, one of the most evocative is that by former DO officer David A. Phillips: "I watched Angleton as he shuffled down the hall, 6 feet tall, his shoulders stooped as if supporting an enormous incubus of secrets . . . extremely thin, he was once described as 'A man who looks like his ectoplasm has run out.""9

That the ultimate showdown between Angleton and Colby took the particular form it did was perhaps inevitable, given their sharply differing personalities and philosophies. The earliest moves in their showdown date from early 1973, when James Schlesinger became DCI and entrusted Colby

⁵Raymond Rocca (Angleton's CI deputy, 1968-74), interview by Harold P. Ford, summary notes, Washington, DC, 12 August 1987 (hereafter cited as Rocca interview by Ford, 12 August 1987 (Secret)

¹² August 1987) (Secret) "History Project, Strategic Services Unit, Office of the Assistant Secretary of War, The Overseas Targets: The Report of the OSS, 1947, (originally Top Secret; later, declassified) (New York: Walker Publishing Co., 1976), vol. II, p. 92.

Cline interview by Ford, 31 March 1988.
See discussion of pp. 83-85.

Phillips, The Night watch, p. 239.

with special executive responsibilities. Colby then discovered what he considered to be "bizarre" activities on the part of Angleton and his CI Staff. Deeply concerned that CI Staff was involved in illegal domestic intelligence operations, Colby recommended that Angleton be fired. Despite Schlesinger's "intense suspicion" of CIA's oldtime DO officers, however, he did not buy Colby's "repeated urgings" to move Angleton out. Instead, Schlesinger began sharply diminishing Angleton's authority but permitted him to remain as CIA's counterintelligence chief.

Several factors prevented Angleton's firing at this time. First, a special DO group that DCI Schlesinger had commissioned recommended that Angleton's authority be whittled down, not radically ended." In this group's report, veteran CIA operations officer Cord Meyer recommended a number of changes within CI, some of which Colby later made when he became DCI. According to a later CIA history of Angleton's CI Staff by heading this group was "an unpleasant task for Meyer who was a devoted follower of Angleton and was intelligent enough to perceive he was being asked to sharpen the axe which would in due course lop off, if not his friend's head, at least a number of his extremities." In the spring of 1973, DCI-designate Colby went along with the Meyer group's recommendations that Angleton continue to head CIA's CI Staff and direct CIA's although Colby insisted that CIA's be actively and aggressively coordinated with the chief of CIA's DO/NE Division. He further insisted that Angleton's CI activities be subjected to the CIA's Annual Program Review of manpower requirements and coordinated with the DO's Division Chiefs and Chiefs of Station. In addition, Colby (who at the time was also the DDO) urged Schlesinger to make Angleton and his CI operations for the first time directly responsible to CIA's Deputy Director for Operations and asked the DCI to reduce Angleton's CI Staff from Schlesinger, however, felt that the sharp personnel cuts he had just

Schlesinger, however, felt that the sharp personnel cuts he had just made in the CIA had created so much trauma that removing Angleton should be postponed. Moreover, Schlesinger had developed a certain respect for Angleton: "I'm fond of Jim," he later told an interviewer. "I think he's got a good mind, if somewhat convoluted and involuted; however, he probably had been in the counterintelligence business too

study, p. 1,035.

Cord Meyer, Memorandum for William Colby, Deputy Director for Operations, "Review of DDO Staff Structure," 16 April 1973, CIA History Staff records, job 90B00336R, box 2, folder 22, CIA Archives and Records Center (Secret).

study, p. 1,039.

LWIIIIam Colby, Deputy Director for Operations, Memorandum for the Director, Management Committee, "Revision of DD/O Staff Structure," 28 April 1973, CIA History Staff records, job 90B00336R, box 2, folder 22, CIA Archives and Records Center (Secret).

long, and it had become too compartmented, too airtight." According to however, Schlesinger was "an abject coward" concerning Angleton, wholly unwilling to fire his celebrated CI chief. 15

Not surprisingly, Angleton counterattacked, strongly defending his position and sharply criticizing Meyer's recommendations. Angleton argued that whittling back the CI chief's authority would have a retrogressive effect on CIA's counterintelligence capabilities. He felt that non-CI officers in the DO lacked a "basic understanding" of counterintelligence and that spreading CI responsibilities throughout the DO would destroy the concept of national counterintelligence. Lacking a focal point within DO for doing national counterintelligence, the whole function would atrophy."

Confronted by Angleton's arguments and Schlesinger's reluctance to act, Colby himself came to feel that he must move slowly and carefully, lest Angleton take his case to Congress or to the press. Colby now believes this was a mistake: "I should have fired Angleton earlier," he later told an interviewer. "It would have been much cleaner."

By the time Colby became Director, Angleton had established a privileged status that had remained essentially unchanged for over two decades. Unlike Colby, he had enjoyed extremely close personal relationships with DCIs Allen Dulles and Richard Helms. According to Angleton, Dulles discussed sensitive issues with him, including even questions involving assignment of non-CI senior CIA officials. "My relationship with Mr. Dulles," he later recalled, "was such that, as head of CI, at least two or three times a week I would drive him home, at his request, and talk with him." Angleton's autonomy and close personal relationships with the Director continued under Richard Helms, who gave Angleton what many contemporaries termed a long leash. Although Helms entertained some misgivings about certain CI operations and practices, he usually allowed Angleton to go more or less his own way.

By 1973, Angleton had thus amassed a special influence unique within the Agency, extending far beyond his formal responsibilities as CI chief. By then, as characterized by British counterintelligence officer Peter he had attained the zenith of his power. He had become successful "beyond all expectations" and had virtually achieved a veto influence over "all operations and personnel within the Agency." He controlled the

Schlesinger interview by McDonald, 16 April 1982.
interview by Harold P. Ford, summary notes, Washington, DC,
Sensitive 1987 (hereafter cited as interview by Ford, 3 November 1987) (Secret
James Angleton, Chief, Counterintelligence Staff, Memorandum for William Colby, Deputy Director for Operations, 22 April 1973. His critique is quoted in its entirety in the
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James Angleton, interview by tape recording, Washington, DC, 27 July 1984 (hereafter cited as Angleton interview by 27 July 1984) (Secret:
thereafter cited as Angleton interview by 27 July 1984) (Secretical Control of the Control of th

account. According to Wright, Angleton ensured that all important commuwent through him personally, bypassing and even succeeded in establishing his own counterinterrigence cipher independent of CIA communications, which he claimed were insecure, "although we all believed that the real reason was empirebuilding."19

The advent of Colby in 1973 definitely heralded a sharp decline in Angleton's fortunes. Whereas Helms had achieved a good grasp of counterintelligence, Colby had not. By 1974, moreover, many of Angleton's old senior CIA colleagues had left. Allen Dulles was gone. So, too, were Richard Helms, Thomas Karamessines, Tracy Barnes, Bronson Tweedy, and many other oldtime members of CIA's initial establishment, Where Angleton had once had ready, close access to Dulles and Helms, his position was now reduced to one of professional, bureaucratic status. The shock of Angleton's changed status vis-a-vis the DCI would have been considerable, even if his and Colby's outlooks had been much more similar. They were not, however, and the new DCI was both hostile toward existing CI autonomy, operations, and practices and determined to restructure them along his own lines, whether or not Angleton acquiesced.20

As far back as the 1950s, Colby and Angleton had clashed over Italian operations. At that time, James Angleton's focus had been primarily on counterintelligence operations; Colby's, on covert political operations. Angleton, with long experience in Italy, resented the latter-day Colby and his totally different operational emphases. Angleton saw his task as that of fighting world Communism. Colby felt that CIA efforts should be for, not just against, something. Angleton wanted the United States to keep placing its bets on Italy's Christian Democrats (CDU); Colby believed that the CDU was in need of substantial reforms if Communist influence in Italy were to be kept in check. Colby championed something like an "opening to the left," in the belief that a stronger Italian Socialist Party could neutralize some of the pro-Communist sentiment in the country; Angleton was convinced that the Socialists were simply a front for the Italian Communists.

Colby and Angleton thereafter had sharp differences over counterintelligence operations in Vietnam. The study states that, in 1965, Angleton proposed that a long-needed, special CI section be added to the Saigon Station. After first gaining approval in principle from Clark Clifford (then Chairman of the President's Foreign Intelligence Advisory Board), Angleton got the approval of DCI Helms and then DO/FE Division chief Colby to send a veteran DO

¹⁹Peter Wright, Spy Catcher: The Candid Autobiography of a Senior Intelligence Officer (New York: Viking, 1987), pp. 306-307. maintains that, just before Colby became DCI, Angleton came to have ready

access to DCI Schlesinger, that the latter had a better grasp of CI matters than did Colby; and that Angleton mistakenly anticipated he would have even more access to the new DCI, Colby interview by Harold P. Ford, summary notes, Washington, DC. October 1987 [nereafter cited as

interview by Ford, 7 October, 1987] [Secret].

officer to Saigon to look into adding a substantiany emiranced Ci		
function there. an into a buzz saw. The chief of the Military Assistance		
Command, Vietnam (MACV), J-2, Brig. Gen. Joseph McChristian, refused to		
cooperate even with the idea because, in the words of the study, "He had		
not been presented with any convincing reason why it would be applicable to		
Vietnam." Furthermore, DIA's chief, Lt. Gen. Joseph Carroll, held that the		
proposal indicated that the CIA was seeking to take over the entire counterintel-		
ligence effort in Vietnam and, in so doing, was biting off more than it could		
chew. CIA's Saigon Station chief, Gordon Jorgensen, held that the added CI unit		
would threaten his authority as COS and reported negatively on the project to		
his boss, FE Division chief Colby. The latter thereupon reneged on his original		
approval and argued strongly against the proposal, telling DO chief		
Karamessines that Angleton's scheme would be "impracticable in the Saigon		
setting" and that unilateral CI operations should be "restricted to those cases		
which cannot be handled with adequate security and greater ease through [South		
Vietnamese] liaison." ²¹ In the end, Angleton's PFIAB-approved initiative died		
on the vine.		
Three years later, in 1968, when Colby had become the Director of		
CODDC in Material Application and affect of the Codd in Material and affect of the Cod		
CORDS in Vietnam, Angleton again urged a much more substantial and effec-		
tive counterintelligence/counterespionage (CI/CE) effort there. Once again,		
however, Colby (now Ambassador Colby) demurred. According to Angleton's		
Chief of Operations, the attempt to strengthen the CI effort in Vietnam		
encountered considerable opposition from C/FE Nelson, Saigon Station, and		
C/CORDS Colby. Saigon Station's one CI officer, became so dis-		
gusted with this foot-dragging that he resigned from the CIA. Successive		
Chiefs of Station in Saigon resisted any strengthening of the CI effort there		
until Thomas Polgar took over as COS in 1974. By that time, however, events		
in Vietnam had deteriorated too far to ameliorate the CI situation. ²²		
Colby and Angleton also had sharp differences over		
By the time Colby became DCI, Angleton had for two decades en-		
Joyed a monopoly over these operations. Allen Dulles had given Angleton		
this strictly compartmented account because of Angleton's very close ties	_	
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study, pp. 1,006-1,007. CIA did send out more CI strength to Vietnam in 1966: For two years thereafter, until the PHOENIX program got under way, CI responsibili-		
ties continued to rest largely with the US military's MACV, whose CI capabilities and perfor-		
mance were at best modest, and with the GVN, which later proved to have been heavily		
penetrated by enemy agents.		
William Colby, Chief, Far East Division, Memorandum for Desmond FitzGerald, Deputy Director for Plans, "Disagreement on Methodology," 6 January 1966, as cited in study,		
pp. 1,012-1,013.		

William E. Colby nterviews by Ford, 7 October 1987.

Secret

Once DCI Colby proceeded to cut back Angleton's empire, he also suspended project HTLINGUAL, a domestic mail intercept program Angleton had long directed. CIA and the FBI had tried to scrap this program on several occasions, but Angleton had always held them off. In Colby's view, HTLINGUAL was illegal and had never produced much "beyond vague generalities." Church committee staffer Loch K. Johnson agrees. Questioning Angleton about that project, Johnson later wrote, was like "trying to find a new planet through an earth-bound telescope: it took constant probing, a sensitivity for nuance, and a willingness to endure vast oceans of silence. Angleton might begin an important story, then let it trail out like a vanishing comet and disappear into a black hole of ambiguity."

Colby also transferred CI's operational approval, special operations, technical control, police group, and international Communism functions to the DO. He divested CI of its previous monopoly on liaison with the FBI,

replaced the previous Clandestine Instruction that had remained unchanged for nearly two decades.³¹

Finally, Colby removed project MHCHAOS from Angleton's authority and soon thereafter canceled it. This was an extremely sensitive CIA project, carried out under President Lyndon Johnson's orders, that for years during the Vietnam war had collected data on antiwar Americans and later on international terrorists. Acting in concert with similar FBI and NSA programs and continuing under the orders of President Richard Nixon, operation CHAOS accumulated some 13,000 files, including more than 7,200 on American citizens.³²

Colby, Honorable Men, p. 387.
Angleton interview by 1 March 1985
"Colby interview by 15 March 1988
Colby, Honorable tren pp 334-335
Loch Johnson, A Season of Inquiry: The Senate Intelligence Investigation (Lexington, KY
omiteially of Kentiicky Press 1985) n 87
Colby, Honorable Men, p. 335; study, p. 1,042; DO officer), inter
view by Harold P. Ford, summary notes, Washington, DC, / August 1987 (hereafter cited a
interview by Ford, 7 August 1987) (Secret).
Church committee, Book II, pp. 100-101; Colby, Honorable Men, pp. 316-317.

Within CIA, Angleton's CI Staff held responsibility for CHAOS, with of his officers working on it by 1973. Throughout, the program enjoyed top priority and top secrecy. Angleton saw to it that CHAOS was not subject to the normal processes of review and financial accounting and that it was set up with special, private channels of communication to CIA's stations abroad. Within the CI Staff, this program was run fairly autonomously by Richard Ober, brought in to be one of Angleton's section heads. CIA veterans do not give Ober particularly high marks. According to Ray Rocca, Angleton's deputy, Ober was an ADP expert without much knowledge of CI; moreover, he was not given much help by CI officers on operational matters. According to Rocca, "We were completely out of our depth, being manipulated by . . . political officers and their sponsors."33 Angleton's deputy for operations, agrees that Ober ran his own show completely; "He went around Jim Angleton and me, and reported directly to the DCI. "34 A later chief of the CI Staff, David Blee, is even less charitable-Ober was "a nincompoop who went way beyond his charter."35 There had always been many doubts within CIA about the domesticspying program's legality. According to even Angleton shared some of these doubts: "The record suggests," writes "that Angleton regarded the whole affair as something deserving the ten-foot pole treatment."36 Colby himself viewed CHAOS with "distinct horror" and, according to "good sense" to kill it.37 It should be noted that Colby did so in March 1974, some nine months before Seymour Hersh accused the CIA of conducting "massive" illegal domestic operations, and a year before the Rockefeller, Church, and Pike bodies began their investigations of alleged CIA misconduct. Why did Colby finally fire Angleton? The reasons are many, dating back to the mid-1950s, although until 1973 the differences between Angleton and Colby related mostly to professional, not personal, issues. Their confrontation became personal, however, once Colby began the attempt to remove Angleton, or at least to sharply cut back his authority. After Colby sacked him, Angleton's frustrations turned to lasting fury. Former British counterintelligence officer Peter Wright writes that when he saw the ex-CI chief shortly after he had been fired, Angleton was "raging" because his and his senior staff's departure meant "two hundred years of counterintelligence [experience] thrown away."38

"Rocca interview by Ford, 19 August 1987.
Interview by Ford, 7 October 1987 (Secret).
David Blee, interview by Harold P. Ford, summary notes, Washington, DC, 6 August 1987 (hereafter cited as Blee interview by Ford, 6 August 1987) (Confidential).

study, p. 1,045.
study, p. 1,048.
Wright, Spy Catcher p. 377.

As we have seen, however, the core problem throughout was Colby's and Angleton's nearly opposite interpretations of what CIA's mission, priorities, and place should be in American society. Colby agreed with most of the sharp criticisms of Angleton's CI operations that for many years had circulated within CIA. First and foremost, Colby agreed that CI Staff's overriding concerns about Soviet defectors' legitimacy had reached such a state that CIA operations against Soviet officials had become paralyzed, and valuable insights from such sources discounted. According to Colby, the DO's intelligence-gathering operations had sharply declined because of CI's consuming suspicions about possible penetrations and KGB operations. We seemed to be putting more emphasis on the KGB as CIA's adversary than on the Soviet Union as the United States' adversary," Colby later observed.

Colby felt that Angleton's paranoia was not only stultifying positive DO operations, but was also seriously damaging the recruiting of Soviet officers and hurting CIA's intelligence take. He recalls that as of 1973-1974 there were some pr so CIA officers all wound up in checking against penetrations: "Because of this we had virtually no positive ops going against our primary targets, the USSR and Soviet officers. I determined that this balance would have to change."

Colby was particularly critical of CI Staff's insistence upon carrying out its operations abroad without the knowledge of the DO area Divisions or of their Chiefs of Station. Nor could Colby accept Angleton's contention that the Sino-Soviet split was a fraud, a view the CI chief had largely derived from the testimony of an earlier Soviet defector, Anatoliy Golitsyn—one defector in whom Angleton happened to believe. Colby held that CI's views on these issues directly harmed CIA and Intelligence Community analysts' efforts to convince their superiors and US policymakers that the Sino-Soviet estrangement was genuine and that this split constituted an opportunity the United States could exploit. 42

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David Blee, a later chief of CI, holds that Angleton's suspicions cost some Soviet defectors
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their lives (Blee interview by Ford, 6 August 1987)
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interview by rord, 3 November 1987).

Colby interview by Ford, 3 February 1987.

Personal experience, Harold P. Ford. The argument that the Sino-Soviet split was a deliberate fraud was still being pushed by members of Angleton's CI Staff officers as late as 1971—nearly two years, that is, after the bloodletting that had occurred between Chinese and Soviet troops along the Ussuri River frontier.

William E. Colby
The CIA had previously studied that allegation exhaustively and had given a clean
bill of health, but Angleton never accepted that verdict. Upon learning of Angleton's lingering suspicions, Colby conducted his own investigation of and judged him to be innocent of the charges. This episode caused Colby to resolve "that I just had to get a better handle on our counterintellingers".
In August-September 1974, at about the same time as he was learning other surprises about Angleton, Colby was given a study by CI officer
that charged that Angleton himself was a Soviet spy. enjoyed some credence, even though known to be a disaffected CI officer, because he had earlier correctly warned that a West German official, Heinz Felfe, was a Soviet agent. Some of the first CIA officers who read allegations against Angleton believed them sufficiently well based to merit further examination. Colby at once put together a blue-ribbon CIA panel under the direction of veteran officer Bronson Tweedy to check out charges. With some
assistance from the the Tweedy group
nterview by Ford, 3 November 1987. Colby on this issue. Ray Rocca holds that Angleton never made such a charge against this allegation is "a wholesale canard, although I don't know this for a fact because nave never talked with Angleton about this issue." (Rocca interview by Ford, 19 August 987).
Whatever the case, joins Rocca in claiming that Angleton never discussed this interview by Ford, 7 October 1987). disagrees, concluding that angleton had come up with this thesis about vears nefore; that Angleton had elinitely made these accusations and that DCI Helms and DCI Vernon Walters had investigated these anegations, determined they did not hold water, and so informed adds, however, that no one told Colby about these sensi-
ngleton had placed a very dark cloud over he was understandably



thesis that Golitsyn was a Soviet agent who had been dispatched years before to be Angleton's case officer and to question the bona fides of subsequent Soviet defectors. Tweedy and his colleagues concluded that there was absolutely no case against Angleton. Given this reassurance, Colby did not consider Angleton a Soviet mole. He did, however, interpret this episode as sharply reflecting the bizarre atmosphere that Angleton's suspicious approach to issues had created in CIA's CI world.⁴⁶

Moreover, whereas DCIs Dulles, Helms, and Schlesinger had been content to let Angleton work on his own, Colby felt strongly that the Director of Central Intelligence had a right to know what his subordinate officers' operations were—and in detail. Angleton's empire was the only precinct in CIA where Colby had no such knowledge. He felt that CI Staff had become too much cut off from the other offices of the Directorate of Operations, to say nothing of the rest of CIA and the Intelligence Community. Furthermore, by 1974, CI Staff's reputation had slipped badly, and the Staff was experiencing difficulty in recruiting able young officers.

Colby thus had many well-documented reasons for wanting to fire Angleton, or at least rein him in, but the clash between these two powerful officers stemmed primarily from fundamental differences in their personalities and philosophies. In contrast to Colby's more open outlook, Angleton's was one of suspicion to the point of paranoia. For him, world crises were not coincidental, accidental, or the working out of complex historical forces, but the product of deliberate evil designed by "them." Even some of Angleton's own CI colleagues chided him for this attitude: "Jim, your trouble is, you think like a Russian."

Brilliant, versatile, someone who definitely marched to a drum of his own, Angleton had by 1973 become locked into an approach solidified by 30 years' focus on counterintelligence. In his view, the CI responsibility was a wholly unique endeavor: the search for hostile spies was explicitly sanctified by law, as most other aspects of intelligence were not. Autonomy for CI was not just a convenience; it was mandatory. Counterintelligence matters could not be tossed into a collective bureaucratic pot and administered together with other—wholly dissimilar—CIA efforts. In Angleton's view, Soviet defectors were to be looked upon with extreme skepticism, since, except for Golitsyn and a few others, most were plants supplying disinformation. Nor should the KGB's ability to place moles

interview by Ford, 3 November 1987, gations that Angleton was a Soviet agent did e December 1974, that it would be better if a state of the state of	mer teto and rainforce Calbul-	ef that the alle- certainty, as of view by Ford
31 January 1991).	Angleton left CIA	view by Ford

within the CIA be underestimated. Angleton also held that liaison could not be trusted. All foreign liaison officers should be regarded not only as sources of intelligence but also as targets of offensive counterespionage operations. ⁴⁷ In Angleton's view, these extraordinary security needs justified CI's		
compartmentation within CIA. He instituted such practice even within the CI Staff itself; he would not brief Ray Rocca on operational matters, for example, even though Rocca had been Angleton's right-hand CI man since World War II. During the period 1973-75, operational issues remained solely the preserve of Angleton and his operations chief,		
Paradoxically, however, Rocca recalls that Angleton, the apostle of secrecy and compartmentation, from time to time forgot himself when talking to journalists and blurted out sensitive information. ⁴⁸		
Colby maintains that, overall, he simply didn't know what his CI Chief was doing. Angleton's close colleagues Rocca and consider these charges "outrageous." According to them, the CI Staff was prepared to brief the new DCI Colby on their world, but Colby never took them up on their invitation. flatly refutes this testimony, maintaining that Colby had a very difficult time finding out what the CI Staff was up to and, in particular, what it had accomplished. The true situation may well have been somewhere in between—Angleton and his colleagues characteristically holding back information from DCI Colby, while Colby was swiftly making changes based on certain of his own a priori certainties.		
4'Rocca interview by Ford, 19 August 1987; interview by Ford, 7 October 1987. 4'Rocca interview by Ford, 19 August 1987; seymour M. Hersh, "The Angleton Story," The New York Times Magazine, 25 June 1978, p. 13. The debates on defection and moles largely predate Colby's tenure as DCI. They are examined in some detail in other studies produced by CIA's History Staff and in a fair amount of open literature.		
Interview by Ford, 3 November 1987. Rocca interview by Ford, 12 August 1987: Interview by Ford, 3 November 1987. At the time Ford, 3 November 1987; Angleton interview by I March 1985.		

Indeed, by the time Colby became DCI, Angleton's physical and emotional condition had begun to deteriorate because of illness (eventually emphysema and an ulcer) and increasingly heavy drinking. Colby's moves to cut back Angleton's responsibilities further aggravated these conditions, as numerous witnesses testify. British counterintelligence officer Peter Wright holds that in 1974 Angleton "looked worse than ever, consumed by the dark, foreboding role he was committed to playing. He viewed himself as a kind of Cassandra preaching doom and decline for the West." Patience with Angleton was by this time rapidly wearing thin in London, says Wright. "Maurice Oldfield [later chief of MI6] had an ill-concealed hostility to all his ideas and theories, and even inside MI5 he had begun to make enemies." Robert Gambino, a later CIA Chief of Security, states that Angleton was

getting to the point where he had some difficulty separating reality from fiction. I had personal information and personal experience with Angleton during his latter days—he was slipping off the edge. I don't want to suggest that he was, you know, that he was having serious mental problems or anything like that. Let me just say, I think it was time for him to go.⁵⁴

For his part, Colby explains that a need "to proceed slowly and carefully" was a chief reason it took him so long to move Angleton out.⁵⁵

Colby finally dismissed Angleton on 23 December, but not before the entire affair had become intertwined with Seymour Hersh's charges of "massive" CIA illegalities. This Hersh-Angleton-Colby episode began on 17 December when Colby, just back from his eye-opening trip to the Middle East, called Angleton into his office, offered him a new assignment (which would have put him on the shelf), and asked him to think over for a few days whether he wanted to take that position or retire.

The next day, 18 December, journalist Hersh told Colby that he had to see him because he had a story about CIA illegalities that was "bigger than My-Lai" (for which Hersh had received a Pulitzer Prize). Colby agreed, and Hersh visited Colby at CIA Headquarters on 20 December. Here he told the DCI that he had evidence that the CIA for some time had been engaged in "massive" operations against the antiwar movement involving wiretaps, break-ins, mail intercepts, and surveillance of Americans. Colby replied that Hersh's story was badly flawed, that there never had been any "massive" illegalities, and that the few delinquencies that had occurred had been corrected "long before this." 56

Wright, Spy Catcher, p. 346.	
Robert Gambino, interview by	tape recording, Washington, DC, 29 December 1987
(nereafter cited as Gambino intervi	ew hy 29 December 1987) (Secretary
William Colby, interviews by Harold	P. Ford, summary notes, Washington, DC, 3 February 1987
and a August 1988 (Secrett Colliv	adds further details that he has asked the author not to
menude in this study	
Colby, Honorable Men, p. 391.	•

Later that same day, 20 December, Colby again called in Angleton, this time telling him that the decision to remove him was firm. Colby also informed Angleton of Hersh's pending article, and assured him that, whatever that article might say, "no one in the world would believe his leaving his job was not the result of the article. But both Jim and I would know it was not, which was the important part to me." ⁵⁷

Meanwhile, interpreting Colby's remarks as confirmation of the alleged illegalities, Hersh published his article in *The New York Times* on 22 December under a four-column headline, "Huge C.I.A. Operations Reported in U.S. Against Antiwar Forces, Other Dissidents in Nixon Years." The next day, 23 December, Colby announced Angleton's resignation. One week later, 30 December, Angleton retired from the CIA, followed closely by Ray Rocca, and three of his chief lieutenants.

After Angleton retired, Colby at once instituted a number of major changes in CIA counterintelligence. He diffused responsibility for CI among a number of DO entities and significantly slimmed down both the CI budget and the CI table of organization. He also canceled all counterespionage operations (that is, all offensive CI operations against attempted hostile penetrations), and moved responsibility for

into DO's NE Division.⁵⁹ Although he kept a CI Staff in being, Colby left it with only a Research and Analysis office and an Operations office, cutting the size of each roughly in half.⁶⁰

Opinions vary widely about the significance and wisdom of Colby's CI changes. Many observers hold that Colby's reorganization of CIA counterintelligence put an end to many of the ills that had developed during Angleton's long stewardship and did so without inflicting damaging change. Colby understandably holds this view, as to varying degrees do and David Blee, Angleton's successors as chiefs of CI.

Other officers less personally involved, such as and a later DCI, Stansfield Turner, also agree. 61

Other observers, however, fault Colby for seriously damaging CIA's counterintelligence capabilities. Understandably, these include Angleton and his lieutenants, who charge that Colby made his counterintelligence

sions immediately following Angleton's departure.

interview by Ford, 3 November 1987. Admiral Turner holds that an unjustified myth later grew up over the years that Colby had gutted US counterintelligence and that this charge lived on in what Turner calls the "excesses" of President-elect Reagan's intelligence transition team, 1980-81 (Stansfield Turner, Secrecy and Democracy: The CIA in Transition [New York: Houghton-Mifflin, 1985], p. 161).

⁵⁷Colby, Honorable Men, p. 396. This seems an incredible statement on Colby's part.

⁵⁸Excerpts from this historic article, detailing Hersh's charges against the CIA, are given at appendix C. The tangled relationship between Colby and Hersh is discussed in chapter 7.

⁵⁹Colby's philosophy was that each case officer should be his own CI officer, with the DO's Soviet Division offering the necessary guidance and backup for all.

⁶⁰Colby had started certain of these changes in 1973 but significantly expanded his CI revi-

changes precipitously, without attempting to learn more of what was going on in the CI Staff. They also allege that Colby haphazardly brought in officers who had little or no experience in CI matters. These officers, they charge, relegated CI activities to a "lowly third" position, opening the door for non-CI officers to come "at the CI body like piranhas." Rocca and contend that Colby's changes ended effective CI coordination and targeting with the FBI. They also maintain that Colby's changes removed CI review of other DO Divisions' operational proposals and, by cutting out counterespionage operations, confined remaining CI responsibilities to essentially passive activities.6 Similarly, former British counterintelligence officer Peter Wright criticizes Colby for both the manner in which he fired Angleton and the CI changes he instituted. Colby's most extreme critic on these scores, author Edward Jay Epstein, charges that he created "a travesty" by bringing in as the new chief of Counterintelligence/ (CI) a CIA officer who had championed the credentials of

Soviet defector Nosenko. Colby had then hired Nosenko (whom Angleton had long believed was a KGB plant) as a consultant to the post-Angleton CI Staff. Epstein concludes that, with Nosenko thus accredited and the counterintelligence staff purged, "the CIA had truly been turned inside out."

There is no question that many ills had festered and grown in the dark, overcompartmented world of James Angleton's two-decade monopoly over CI. Problems were legion. The criticisms of his CI Staff made by knowledgeable executives such as Colby, Blee, and others have considerable justification. Angleton's pervading suspicions of Nosenko and other Soviet defectors had indeed stultified positive DO operations against Soviet targets and in the process deprived the Intelligence Community of many needed intelligence insights into Soviet affairs. By 1973, CI affairs in CIA were unquestionably in disarray, and CI Chief Angleton was in poor personal shape. Colby was wholly justified in holding that major CI changes, long overdue, should be made.

Nevertheless, the manner in which Colby effected these changes, and the CI processes he substituted for Angleton's, are subject to question. Here Colby's style was as secretive and solitary in its own way as Angleton's. On many issues Colby was dead certain that he simply "knew" the truth, whether the issue was "nation building" in Vietnam, publishing a current intelligence digest in newspaper form, or killing the Office of National Estimates. As we have seen, Colby had no doubts about

⁶² Rocca interviews by Ford, 12 and 19 August 1987	7; interview by Ford, 7 October
1987.	

⁶³Edward J. Epstein, Legend: The Secret World of Lee Harvey Oswald (New York: McGraw-Hill, 1978), p. 274. Rocca's view of Epstein: "a very keen and cunning author, one whom I admire" (Rocca interview by Ford, 19 August 1987).

reining in Angleton's wide discretionary powers and bringing needed new light into the CI world. In acting upon his certainties concerning CI, a field in which he had not had much detailed experience, Colby tended to spring his schemes full blown on Angleton and his CI lieutenants without consultation. Moreover, Colby seemed to entertain a certain casualness about CI: its importance, its purposes, and the priorities and resources it should command. He gave rather short shrift to entreaties for strengthening CI efforts in Vietnam, both as C/FE Division in 1965, and later as Chief of CORDS from 1968 to 1972, when he preferred to rely on Vietnamese liaison for such CI services. Colby's confidence in the Government of South Vietnam's (GVN) counterintelligence capabilities seems open to question, especially in view of the later revelations that the North Vietnamese and the Viet Cong had penetrated South Vietnamese society and government, even within South Vietnam's own security and intelligence services, far more thoroughly than had been appreciated at the time.

At the very least, Colby could have relieved Angleton of his duties in a more gentlemanly, compassionate manner than the style he chose. He could have let Angleton go in circumstances that did not suggest that he was being fired in response to Seymour Hersh's allegations. Colby did try to absolve Angleton from Hersh's charges. Indeed, Hersh reported that Colby had been considering Angleton's replacement "for a long time," that Angleton had told his associates that he was not leaving because he did anything wrong, and that Colby was "known to feel that the former C.I.A. counterintelligence chief was not guilty of any wrongdoing."64 Similarly, Colby himself has consistently maintained that the publication of Hersh's charges and Angleton's departure were simply coincidence. In 1978, Colby wrote that "my comments to Hersh and my testimony about CIA during 1975 had absolutely no connection with my professional differences of opinion with Mr. James Angleton over how counterintelligence should be conducted in the CIA."65 Nine years later, in an interview with Harold Ford, he said, "The timing of Angleton's going was bad, by coincidence. . . . It was not my intent at all that his leaving should appear to be related to the Hersh storm that had just broken over CIA."

Nonetheless, the prevailing impression—highlighted all the more during the various investigations of CIA during the period 1975-76—was that the two events, Angleton's departure and Hersh's charges against the Agency, were closely related and that Colby had indeed used Hersh's journalistic coup as a lever to help him solve his longstanding problem with James Angleton. This view is shared by a wide range of observers. 67 Even

[&]quot;Colby interview by Ford, 3 February 1987.
"Blee interview by Ford, 6 August 1987; interview by Ford, 3 November 1987; Cord Meyer, Facing Reality: From World Federatish to the ClA (New York: Harper and Row, 1980); John Ranelagh, The Agency: The Rise and Decline of the ClA (New York: Simon and Schuster, 1987); Robin W. Winks, Cloak and Gown: Scholars in the Secret Wars, 1939-1961 (New York: William Morrow & Co., 1987); Edward J. Epstein, "The War Within the CIA," Commentary (August 1978).



⁶⁴ Seymour Hersh, The New York Times, 24 December 1974.

⁶⁵ William Colby, letter to editor, Commentary (October 1978).

Colby contradicts himself on this issue, admitting that there was a certain connection between the publication of Hersh's allegations and his own decision to bring his long war of attrition against Angleton to a close. Colby concedes that he knew that Hersh was going to publish some kind of charges against CIA, whether he consented to talk with Hersh or not. Colby was sure that a big fuss would be raised in the public and that a lot of it would center around Angleton, rightly or wrongly. In view of Angleton's condition at the time and of the many pressures at work within the DDO, Colby had decided that he simply did not want Angleton to be around. At the time, Colby appears to have concluded that Hersh's charges would discredit Angleton, whether or not he was still aboard CIA. In choosing the managerial course he did, however, Colby gave credence to the image of James Angleton as a miscreant, responsible for the alleged CIA misconduct that Hersh was charging. Yet it is also true that Colby had decided that Angleton must go, and had set the process in motion, before Hersh called.

In sum, the results of Colby's handling of CIA's counterintelligence imbroglio were mixed. Although Angleton's CI empire had developed many ills over the years that he headed CI, CIA had not become a sieve of penetrations, such as had been the experience of the British, West German, and French intelligence services. Despite their frailties, James Angleton and his CI colleagues deserved both better personal treatment from Director Colby than they received, and a time and manner of departure that did not tar them with Hersh's charges of CIA misconduct. Furthermore, the processes Colby substituted for the previous CI structure introduced a number of new problems. In correcting for Angleton's paranoia and overcentralizing of CI authority, Colby did strengthen the Soviet Division's ability to conduct positive operations against Bloc targets. But, by scattering CI responsibilities around the Directorate of Operations, at times to officers relatively inexperienced in CI matters, Colby introduced sizable new CI problems.

In all, by substituting a new set of CI problems for those that had been obtained under Angleton, Colby did not measurably advance US CI capabilities.

Sa Colby interview by Ford, 9 August 1988.

⁶⁹This does not mean, of course, that CIA would have been significantly penetrated had officers other than Angleton and his colleagues been running CIA's CI effort all those years.

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Chapter 7

Seymour Hersh's Charges Against the CIA

Hersh is one of these bright, arrogant reporters. He was at a seminar at the Naval War College, and one of the guys stood up and said, "Mr. Hersh, if it were wartime and you found out about a troop ship sailing out of New York, would you break that information?" He said, "You bet." That's Hersh. He just shocked the hell out of these fellow journalists with that. So that's the

David A. Phillips'

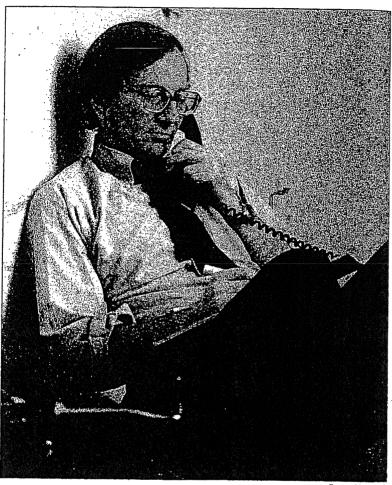
I like Sy in a way. He's an arrogant son-of-a-bitch. . . . He's one of those whimsical, skeptical iconoclastic fellows who's interested in a good story and has a shrewd nose for people and events and who's doing his thing.

Ray S. Cline²

Seymour Hersh's exposé of alleged "massive" CIA domestic improprieties appeared just as the long-gathering storm between Colby and Angleton broke open. Hersh's article facilitated Colby's task of firing Angleton, but, more important, it harmed Colby by stimulating major investigations of CIA and setting in train Colby's own dismissal.

Hersh's charges against the CIA did not suddenly drop from the clouds at the end of December 1974. Behind his indictment of the Agency lay months of journalistic effort. Suspicious at first that CIA had participated in illegal actions related to Watergate, Hersh's search expanded once he began to get scraps of information about CIA's "family jewels." Hersh's allegations were based largely on the "family jewels" compilation that DCI James Schlesinger had ordered in the wake of May 1973 Watergate revelations, and on past CIA activities Colby had largely closed down by the time The New York Times ran Hersh's explosive article.

Pay Climbs interview by	tape recording, Washington, DC, 9 June 1983) (Secret)	
hereafter cited as Clina	cording, Washington, DC, 5 January 19 anuary 1988) (Secret	988



Seymour Hersh

Gamma-Liaison @

As far back as November 1972, Hersh had told House intelligence subcommittee Chairman Lucien Nedzi that he had information that the CIA was engaged in "extensive domestic operations." In February 1973, DCI Schlesinger learned that Hersh was working on an article for *The New York Times* that was "apt to expose sensitive intelligence operations [the Glomar Explorer]." In March, Hersh asked for an interview with Schlesinger but was refused. In May, however, Schlesinger did order all CIA officers to

³The Glomar Explorer issue is discussed in chapter 12.

report whether CIA was now, or had been in the past, involved in any illegal activities. This was the first of several steps taken by Schlesinger and Colby to draw up what became the "family jewels" list.

Just why Schlesinger initiated this action is unclear. According to Ray Rocca, Angleton's deputy, Schlesinger was guilty of "the most absurd act in completely losing his head in the 'tell me everything' matter of what became known as the 'family jewels,' the Agency's skeletons." Rocca surmises that the idea of examining the record for examples of misconduct was something Schlesinger brought in with him from the White House people when he first became DCI: "Apparently Schlesinger hadn't been told about everything, so he felt he must take a look at all the possible skeletons." Ray Cline's explanation is that Schlesinger initiated the "family jewels" exercise "because he felt it should be done, and so he could cover his ass. He passed this exercise off to Bill. I've always seen this experience of Colby's as something of a Greek fate overcoming Bill, because, when he became DCI he couldn't get out from under, and because this caused him to run afoul of Dick Helms—who represented an entirely different world and a different time."

By late May 1973, in response to Schlesinger's order, CIA's Office of the Inspector General had compiled a list of "potential flap activities." That listing ran to a startling 693 pages of possible violations of or at least questionable activities in regard to the CIA's legislative charter. Items listed included: (1) the CHAOS operation against the domestic antiwar movement; (2) CIA connections with Watergate figures; (3) CIA surveillance and bugging of American journalists in the hope of locating the sources of leaks and sensitive materials; (4) an earlier mail intercept program; (5) drug experiments, including some that had involved the use of the hallucinogen LSD; (6) CIA joint operations with the Bureau of Narcotics and Dangerous Drugs and with local police departments; (7) data exchange with the FBI on Americans deemed to be threats to the security of the Agency; and (8) a survey of CIA's involvement in assassination attempts against Castro, the Congo's Lumumba, and the Dominican Republic's Trujillo.6 This "family jewels" list, later expanded, formed the primary basis both for Hersh's December 1974 charges against the CIA, and for Colby's subsequent revelations to the Rockefeller and Congressional investigative bodies.

In June 1973, DCI Schlesinger issued another similar order to all CIA officers, occasioned by new charges raised by Watergate figure Charles Colson that the CIA was responsible for Watergate. Colby's

Rocca interview b	y Ford, 12 August	1987.					
Cline interview by	Ford, 31 March 19	988.					
According to Colb	y's secretary,	(at the tim	ne		Helms ha	d not
told his DCI succes	sor, Schlesinger, th	at there we	re anv su	ch skele	etons in CIA	's closet!	
later told an intervi	ewer: "That's the fi	irst time I'v	e ever ex	pressec	that to any	one. It was	verv
closely held"		interview b			ape recordin	ng Washin	oton
DC. 3 March 1088			′ L		_p	-b,asiiiii	E.On,

recollection is that Schlesinger "was sore as hell. He said, 'I thought we were supposed to get everything from Watergate together. Goddamn it, let's find out where these time bombs are. Find out what they all are so we don't trip over land mines,' I guess he called them. So that is what launched the investigation."

Thereafter, in August 1973, following a flurry of Congressional concern, DCI-designate Colby issued a critically significant set of instructions for all Agency officers. Henceforth, no CIA officer was to "engage in assassination nor induce, assist or suggest to others" that any such activities be employed. Colby limited Operation MHCHAOS to the collection abroad of information on foreign activities related to domestic individuals and ordered the CIA not to participate in opening any US mail. Colby also prohibited drug testing on unwitting subjects. Colby later explained that, with that set of directives signed and issued, he felt he could take the oath to support and defend the Constitution of the United States "without any mental reservation or purpose of evasion."

That autumn, soon after becoming DCI, Colby learned that Seymour Hersh was making inquiries about past CIA operations and instructed all CIA deputies not to honor Hersh's requests for an interview. Early in 1974, however, Colby himself met with Hersh to request that he not leak information he had gained concerning the very sensitive Glomar Explorer operation. In response, Hersh assured Colby that he would not release any such data without first checking with him. 10

For some months after that, all was fairly quiet concerning Hersh's inquiries until that journalist telephoned Colby on 9 December 1974 to tell him that he was now embarked on a wholly different undertaking—a big news story on past illegal CIA operations within the United States. According to stenographic notes, Hersh told Colby, "I think if I crapped around long enough [on this] I could come up with a half-assed story. I understand there is nothing [earth-shaking]—that they were routine activities that were curtailed." Colby replied that he had instructed his CIA officers some months before to report any instances of such illegalities or questionable activities: "We sent out a memo to our people saying 'If you hear anything tell us.' We got a few blips." Later that same day, Colby informed House oversight Chairman Nedzi of this conversation and learned that Hersh had seen the Congressman that afternoon with the same story.

William Colby, interview by	tape recording, Washington, DC, 15 January 1988
(hereafter cited as Colby interview	15 January 1988) (Secret).
*Colby, Honorable Men, p. 349.	
Minutes of DCI's Morning Med	eting, 28 October 1973, CIA History Staff records, job
90B00336R, box 2, CIA Archives	and Records Center (Secret).
Colby, Honorable Men. pp. 389	and 416.
stenogr	aphic account of Colby-Hersh telephone conversation.
9 December 1974. All of her acc	ounts for this chapter may be found in CIA History Staff
records, job 90B00336R, box 2, fo	lder 23, CIA Archives and Records Center (Secret). Recall
that CIA's IG had amassed 693 na	ges of "hlips"



One week later, on 16 December, former DDO Karamessines told Colby that he, too, had heard from Hersh, who claimed that, according to sources of his within both Congress and the Agency, former DCI Helms and his CI chief, Angleton, had engaged in domestic operations in violation of the 4th Amendment. Karamessines told Colby that the story Hersh was writing would make Helms look very bad.¹²

The next day, 17 December, DDO William Nelson phoned to tell Colby that Hersh had found out about the "family jewels" and was about to charge that James Angleton had been responsible for CIA's illegal domestic operations. Colby told Nelson that Senator Symington had counseled him that, if he was going to do something about Angleton, he had better do it before rather than after Hersh's article appeared. Colby, however, did not follow Symington's advice.

On 18 December, Hersh began to turn the screws. "I figure I have about one-tenth of 1 percent of the story which you and I talked about," he warned in a phone note he left for Colby, "which is more than enough, I think, to cause a lot of discombobulation, which is not my purpose. I want to write it this weekend. I am willing to trade with you. I will trade you Jim Angleton for 14 files of my choice. I will be in my office at the Times in 30 minutes."

Colby, understandably perplexed, did not immediately return Hersh's call but did phone Congressman Nedzi to inform him of Hersh's message. This Colby-Nedzi conversation, transcribed by deserves noting in some detail:

- Nedzi: I talked with him [Hersh] a short time ago, and I guess that is about the message. Who is Jim Angleton?
- Colby: He is the head of our counterintelligence. He is kind of a legendary character. He has been around for 150 years or so. He is a very spooky guy. His reputation is one of total secrecy and no one knows what he is doing. We know what he is doing, but he is a little bit out of date in terms of seeing Soviets under every bush.
- Nedzi: What is he doing talking to Hersh?
- Colby: I do not think he is. Hersh called him and wanted to talk with him, but he said he would not talk with him.
- Nedzi: Sy showed me notes of what he said and claims he [Angleton] was drunk.
- Colby: You catch me twelve hours ahead of an unpleasant chore of talking to him about a substantial change of his [Angleton's] responsibilities. . . .
- Nedzi: There is a bit of a problem for you. What occurs here is all of a sudden a guy is telling things about—and he is going back to that meeting we had in which you briefed me on all the—he used the same term, incidentally, "jewels."

stenographic account,	16 December	1974.		
stenographic account,	17 December	1974.		
stenographic account,	18 December	1974.	Emphasis	added

Secret

William E. Colby

Colby: Hersh did?

Nedzi: Yes.

Colby: I wonder where he got that word. It was used by [only] a few people around here.

Nedzi: The problem that occurs to me right now is here is a guy who is trying to expose the Agency, and all of a sudden he gets sacked.

Colby: Yes. I think what I'll do is talk to Hersh... but brace myself for whatever he does write and be prepared to answer whatever comes out. Meanwhile, I have to proceed on the Angleton thing anyway. I frankly have been, I wanted to do it about six to eight months ago and was dissuaded out of human compassion because he is completely wrapped up in his work. 15

Later that same day, Hersh got through to Colby on the phone, telling him he was writing a story that would be coming out on Sunday, 22 December. Hersh requested a meeting before then and told Colby that the "most disturbing item" he had was the fact that Angleton had been "so indiscreet [on the phone]." At this, Colby took the fatal step and agreed to see Hersh on Friday morning, 20 December. "

In the meantime, several CIA officers, including David Blee (a successor of Angleton's as Chief of CIA's CI Staff), counseled Colby not to see Hersh. Nonetheless, at 0930 on Friday, 20 December, Colby greeted Hersh in the DCI's office. Why had Colby changed his mind about seeing Hersh? The principal reasons apparently were Angleton's indiscretions, Colby's desire to set the record straight and do as much damage control as he could, and his feeling that he "owed Hersh and *The New York Times* one because they had previously gotten hold of the Glomar Explorer thing but held off printing their story in response to my pleas." 18

At their fateful meeting, Hersh told Colby that several sources had revealed that the Agency had been engaged in a "massive" operation against the antiwar movement, including wiretaps, break-ins, mail intercepts, and surveillance of US citizens. Realizing that this story was a garble of the "family jewels" list that the CIA itself had compiled, Colby sought to correct and put in perspective Hersh's exaggerated account. Colby explained that an operation [MHCHAOS] had undertaken to discover whether the American antiwar movement was supported or manipulated by foreign powers, such matters properly falling under CIA's

stenographic account, 18 December 1974. Later that same day Colby called Angleton in once again and told him that he had decided to make some changes in the CIA's counterintelligence accounts and that he wanted Angleton to become merely a consultant on those matters. When the CI chief rejected this proposition outright, Colby asked him to think the matter over for a couple of days to "decide whether he would like to stay on in the way I described or whether he would choose to retire completely before the [31 December] deadline for the [retirement] benefits" (Colby, Honorable Men, pp. 387-388).

17 Blee interview by Ford, 6 August 1987.

18 Colby interview by Ford, 3 February 1987.



charter, but that this operation had been terminated. He also explained that the other CIA activities of which Hersh had learned-mail intercepts, wiretaps, and surveillance of American citizens—were in no way CIA operations against the Vietnam antiwar movement but were cases where the CIA had acted under its responsibility to protect intelligence sources and techniques against leaks. Colby admitted that "on some few occasions" the CIA had "overstepped the boundaries of its charter" in using such surveillance techniques within the United States. The important point, however, was that the Agency had conducted its own review of such activities in 1973 and had issued a series of directives making it clear that CIA henceforth must stay within the law. "So you see, Sy," Colby concluded, "you would be wrong if you went ahead with your story in the way you've laid it out. What you have are a few incidents of the Agency straying from the straight and narrow. There certainly was never anything like a 'massive illegal domestic intelligence operation.' What few mistakes we made in the past have long before this been corrected. And there is certainly nothing like that going on now."19

There the matter rested for the moment. Or so Colby thought. He clearly believed that he had pulled the teeth of the forthcoming article. Later that same day, for example, Colby phoned Senator Stennis to tell him that Hersh had "a lot of dibs and dabs . . . a whole lot of little things that are not related, but each one has a little smidgeon of truth to it . . . there are probably a couple of things in the old records that do not stand up too well, but that sort of thing has been stopped and is not going to be resumed." Years later, Colby's recollection of this episode is that "I met with him [Hersh] and told him that yes, there had been a few minor such incidents in the past, but that they had now been corrected, and so forth. Despite these efforts of mine, however, Hersh insisted in blowing up these matters out of all proportion."

Colby closed his fateful 20 December by firing Angleton. After first checking on Angleton's condition with CIA's chief medical officer, Dr. John Tietjen, Colby once again called in his CI Chief and told him that his earlier decision to remove him was firm, whatever the Hersh article might say.

Hersh's article duly appeared in *The New York Times* two days later, on Sunday, 22 December. Claiming dozens of sources among former CIA, FBI, and other officials, as well as "well-placed Government sources," his article went far beyond Colby's "dibs and dabs." The *Times* front-page headline read, "Huge C.I.A. Operation Reported in U.S. Against Antiwar Forces, Other Dissidents in Nixon Years. Files on Citizens. Helms Reportedly Got Surveillance Data in Charter Violation." The subheading

Stenographic account, 21 December 1974.
Colby interview by Ford, 3 February 1987.

indicted the CIA for violating its charter and conducting a massive, illegal operation against the antiwar movement and other dissident groups within the United States. Not least, the article singled out James Angleton as having directed the domestic operations in question.²²

Whatever Colby's good intentions, Hersh's article raised an immediate firestorm in Congress, the media, and the White House—the latter demanding that Colby brief President Ford at once on the accuracy of Hersh's charges. The President's dismay was wholly understandable. Incredibly, Colby had never briefed Kissinger or any other White House officer on CIA's list of "family jewels" or on Colby's interview with Hersh, let alone the fact that Hersh was about to let loose a political bomb. As Colby later admitted, "what I had totally overlooked—was the fact that neither President Nixon, nor Ford, nor Kissinger had ever been apprised of the family jewels list." 23

Colby's recollection is that, upon compiling the jewels list in 1973, he did brief the major figures in Congressional oversight—Congressmen Nedzi and F. Edward Hébert (D-LA), as well as Senators Stennis and Symington—but didn't think about briefing the White House. As Colby recalls:

The curious thing is, I never really thought about it, why didn't we brief the White House? Say, Kissinger? I think I didn't think of it because Schlesinger was still in charge, and he didn't think of it. I asked him about it one time and he said something to the effect that, "Oh hell, with that bunch of characters down there." So it was almost as though he had made a decision not to brief them. But, I never had a conversation with him about it. It just never arose; we never even focused on "Should we brief the White House or not" and come to an answer. Never answered the question, never even posed the question. In retrospect, it is curious that you don't think of such an obvious thing. If you are going to brief the two chairmen, at least you ought to do is to brief somebody in the White House that you trust.²⁴

Following the appearance of Hersh's article, Colby quickly whipped together a report for the President and personally hand-carried it to Kissinger on Tuesday, 24 December. Kissinger took the report to Ford, who was vacationing in Vail, Colorado.

Colby's report was remarkable on several scores. Bearing an overall classification of Secret Sensitive, the report consisted of nine classified appendixes, topped by an unclassified six-page, single-spaced covering letter, which gave the President the option of publishing part or all of Colby's defense publicly. The report's sensitive appendixes were copies of earlier

¹² The New York Times, 22 December 1974. E	xcerpts from this article are given at appendix c
²³ Colby, Honorable Men, p. 394.	3 77 15 . DC 15 March 1091
William Coloy, medical con-	tape recording, Washington, DC, 15 March 198
(hereafter cited as Colby interview by	15 March 1988) (Secret



documents setting forth or canceling certain of the various CIA domestic operations in question. In short, it was a documentation of the "family jewels." In his unclassified report, Colby went beyond Hersh's charges and told the President that the CIA had held files on 14 "past and present Members of Congress," had in certain specific cases conducted surveillance on American citizens, and had been involved in some operations connected with organized crime, drug testing and trafficking, and the preparation of secret dossiers on certain US citizens.²⁵

According to Colby's memoirs, it was in this "Vail Report" that he first raised the issue of CIA's involvement in assassination planning. This led Kissinger, after discussing the question with Colby on 24 December, to understand why the DCI had not been able to flatly deny Hersh's allegations.²⁶ Colby's more recent recollection, however, is that he did not include the assassination issue in his report because the questions at hand concerned domestic matters and because he wanted to talk personally with the President about the very sensitive question of assassination.²⁷ Colby recalls that he did brief the President on this subject on 3 January 1975. shortly after Mr. Ford returned from Vail.²⁸

Having submitted his report, Colby suffered nine days of "deafening silence" from the White House. He not illogically concluded that "the White House planned to 'distance' itself from the CIA and its troubles (as the CIA had distanced itself from the White House during Watergate), that it was going to draw the wagons around—and leave me isolated and exposed on the outside." Colby felt lonely, but "saw a certain logic in the Ford administration's determination not to take on almost 30 years of CIA's sins.",29

When the President finally discussed Hersh's allegations with Colby on 3 January, he told the DCI that he was considering putting together a blue-ribbon commission to conduct an investigation of CIA's domestic activities to answer The New York Times charges. This was the genesis of the Rockefeller Commission, whose formation the White House announced on 6 January. 30

Even though President Ford had by this time informed the public that CIA was not engaged in any illegal domestic activities, administration officials remained dismayed by the manner in which their DCI had helped create this flap. By neglecting to warn Kissinger and the President of CIA's

²⁵Colby's report may be found in CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center (Secret).

Colby, Honorable Men, pp. 394-395.

[&]quot;Colby interview by 15 March 1988.

Record of assassinations."

15 March 1988.

16 CIA's present file copy of Colby's Vail Report to President Ford includes no mention of assassinations.

list of "family jewels" or of Hersh's impending charges, Colby had blindsided the White House. Nor did Colby's report of 24 December help matters much: it bears clear signs of having been whipped together in great haste. Indeed, the following conversation took place the day after Hersh's article appeared, when a White House staffer phoned Colby to tell him that "Henry" wanted the DCI to submit a written report to the President:

Colby: All right, well, I will get one. I have a lot of backup, but I can state the general points. All right, fine, I will send one up to you tonight

Staffer: That will be fine, tomorrow morning will be fine.

Colby: I will dictate it tonight and have it up to you in the morning.31

Some defenders of James Angleton have placed a dark interpretation on Colby's preparation of this report. For example, one of Angleton's foremost champions, Edward Jay Epstein, has written:

That it was Colby himself who had engineered the leak [to Hersh] had also become clear in the meantime to members of the CIA's counterintelligence staff who had been forced to resign on account of it. hen Chief of Operations for Counterintelligence, discovered that Colby's report to the President had been prepared within a day of the story's appearance in the Times. Analyzing the research that had gone into the document, he concluded that Colby could not possibly have written it within such a brief period.³²

The reality is in fact much less sinister: Colby's Vail report consisted simply of file documents quickly pulled together and tacked on as appendixes to a hastily composed covering letter. That letter looks as if it were run up within an hour or so—with fateful consequences. Rather than firmly and concisely pointing up Hersh's errors, thus, minimizing his case against the CIA, Colby's report obfuscated the issue by restating a long list of past CIA misdeeds. In all, Colby's report made a fairly soggy case for the CIA: it tended to confirm Hersh's allegations, and further confused the matter by adding questionable past CIA activities that Hersh had not included in his article.

Colby's report did not calm the President or Kissinger, but rather provoked concern about what other skeletons CIA might have in its closets and about the DCI's managerial judgment. Indeed, in immediately setting up the Rockefeller Commission, President Ford stated that Colby's report had "raised enough questions" about CIA activities to warrant an investigation.³³

Colby's handling of the Hersh affair raises many questions. Why did Colby change his mind and agree to see Hersh? What did he expect to achieve? One reason appears to be that Angleton's indiscreet revelations to

³⁰The New York Times, 7 January 1975.
³ stenographic account, 23 December 1974.
³⁴ Edward Epstein, "The War Within the CIA," Commentary (August 1978): p. 36.

Hersh encouraged Colby to conclude that any charges Hersh might make against the CIA would ease his own problems of how and when to move Angleton out at last. Moreover, because Colby was indebted to Hersh for having kept his silence on the very sensitive Glomar Explorer operation and because Hersh essentially already had the "family jewels" story and was about to publish it, Colby apparently believed he could do some damage control and put his own spin on Hersh's story. In any event, Colby clearly believed the whole matter could be contained and would prove to be only a transient flap. Indeed, Angleton told Hersh that Colby had assured Angleton that *The New York Times* story would not affect Angleton's decision whether or not to resign, since the Hersh story would "all blow over in two or three days."

If this was truly Colby's assessment of the situation, then it is difficult to quarrel with DO officer Cord Meyer's conclusion that Colby was guilty of "atrociously bad judgment and appalling naivete." Clearly, Colby seriously underestimated the flap's impact on Congress, the White House, and the general public. Furthermore, by confirming Hersh's story without having alerted the President to the "family jewels," Colby preempted the White House's decisionmaking authority on an explosive political issue. Not least, the Hersh episode underlined how self-defeating Colby's openness would prove when those involved had already concluded that the Agency could do no right and would have no spin but their own placed on assessments of CIA conduct.

Unfortunately for Colby, the Angleton and Hersh affairs were not the only storms that broke around him that Black December. He now faced not only sharp White House displeasure, the prospect of a Presidential Rockefeller Commission, and looming Congressional investigations, but also the volatile issue of charges that former DCI Richard Helms had perjured himself in his Congressional testimony about Chile.

¹³Executive Order 11905, 4 January 1975, CIA History Staff records, job 90B00336R, box 2, CIA Archives and Records Center.

According to Hersh, Angleton claimed that Colby told him this at their 20 December meeting. Seymour Hersh, "The Angleton Story," The New York Times Magazine, 25 June 1978, p. 73. "Cord Meyer, Facing Reality: From World Federalism to the CIA (New York: Harper and Row, 1980), p. 207.

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