

I was sitting here writing it and I'm going to send it to Mr. Wallach and I think we can more cohesively tie a lot of these pieces and can really oversight the Central Intelligence Service and I make no apology for them at all and I don't know enough about it, but it's kind of the greatest thing. But thank God the U.S. Senate is here and that you are having a public hearing where it can be heard. And thank you for letting me be heard, despite what the rules require.

Thank you.

The CHAIRMAN. Thank you very, very much, Mr. Reilly.

Our next witnesses are Mr. Montague and Mr. Cotter. If you would come forward together and take the oath?

Would you raise your right hand? Do you solemnly swear that all of the testimony you will give in this proceeding will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MONTAGUE. I do.

Mr. COTTER. I do.

The CHAIRMAN. Mr. Schwarz, would you please start the questioning?

Mr. SCHWARZ. Mr. Montague, will you recount, just quickly, your career at the Post Office? I know you started and worked your way up to the Office of Chief Inspector. Would you say what you were doing in 1950, at the time you retired?

**TESTIMONY OF HENRY MONTAGUE, FORMER CHIEF INSPECTOR,  
POSTAL INSPECTION SERVICE, AND WILLIAM COTTER, FORMER  
CHIEF INSPECTOR, POSTAL INSPECTION SERVICE**

Mr. MONTAGUE. I became a postal inspector in 1942 in the New York division. I was appointed Inspector in Charge of the New York division in May 1951. I served in that capacity until February 1961, when I became Chief Inspector and I retired from that position in February of 1969. I continued to serve as Chief Inspector, during an interim period, until Mr. Cotter was appointed to that position in early April 1969.

Mr. SCHWARZ. All right. Now, when you were in New York, the name of the man who was then Chief Inspector was Mr. Stephens, is that correct?

Mr. MONTAGUE. Correct.

Mr. SCHWARZ. Did he come to you and tell you to give some aid to the CIA? We are going to get to the kind of aid that you were asked to give.

Mr. MONTAGUE. I believe, Mr. Schwarz, that that started a little earlier than that. It was at the end of 1952 when I received a letter from the then-Chief Inspector that two men from the CIA would be in to see me and that we should give them certain cooperation. It has always been my opinion that this started in 1953, because I think most of the activities started then. I know it did, but during this investigation, when I was interviewed, I learned that actually it started in the latter part of 1952.

Mr. SCHWARZ. Now, did the man from the Post Office who wrote to you say anything about what was to be done and what was not to be done in connection with the CIA project?

Mr. MONTAGUE. I don't exactly recall that, Mr. Schwarz.

Mr. SCHWARZ. Were you told by someone in the Post Office that no mail was to be opened?

Mr. MONTAGUE. That would have been understood. And we told the CIA representatives that.

Mr. SCHWARZ. When you say we told the CIA representatives, who told the CIA representatives?

Mr. MONTAGUE. I did.

Mr. SCHWARZ. And what did you say?

Mr. MONTAGUE. Well, apparently, after that letter they did come into the office. The first process was just a survey to determine how mail from Russia was being handled and what the quantity was. Then later, I believe it was in January or February 1953, they got around to wanting to make records of some of the names and addresses on some of these envelopes. Then, after that, they wanted to use a photographing process because it was becoming a time-consuming thing and authority was given for that.

Mr. SCHWARZ. To do what?

Mr. MONTAGUE. To make pictures of the outsides of envelopes that were selected by them. Now, this whole project was that they would know the mail in which they would have an interest. No one in the Postal Service would know that. They could not give us any names, as you could in an ordinary mail cover. They wanted the return addresses on these envelopes. It was national security secret-type, classified-type investigation and therefore they were permitted to look at the mail to select the envelopes of which they wanted to make pictures, that is, the outsides of the envelopes.

Mr. SCHWARZ. All right. Now, did you make clear to them that they were not to open the mail?

Mr. MONTAGUE. Yes, sir.

Mr. SCHWARZ. Did they ever tell you that they were opening it?

Mr. MONTAGUE. No.

Mr. SCHWARZ. Now, turning to the FBI for a moment, did you know the FBI also had a mail cover, that is, exterior envelopes project?

Mr. MONTAGUE. Yes.

Mr. SCHWARZ. Did the FBI ever tell you that they were opening certain letters?

Mr. MONTAGUE. Not to my recollection.

Mr. SCHWARZ. Now, in your deposition, you said that while you had instructed the CIA people not to open the mail, you did not make the same statement or instruction to the FBI people, and you gave a reason for it. What is the reason you did not tell the FBI?

Mr. MONTAGUE. According to my best recollection, we had not had this type or any real type of cooperation in a case of this kind with the CIA. This was something new. They were not one of the regular law enforcement agencies and for that reason more attention was given to laying down the guidelines as to what would or would not be permitted.

With the FBI, that organization was Federal law enforcement, the same as we were, and we know that they knew the laws as well as we did or do.

Mr. SCHWARZ. So, you assumed that they would not open mail and therefore you reached a conclusion you did not need to instruct the FBI; is that what you are saying?

Mr. MONTAGUE. We didn't think it was necessary. That is correct.

Mr. SCHWARZ. All right. Just one final question to you. I would like to read exhibit 9,<sup>1</sup> a memorandum dated May 19, 1971, something that the CIA persons said about you and ask you whether it is a fair characterization by the CIA of their relationship with you. I am going to read from paragraph 4.

"The DCI"—that was Mr. Helms then—"then asked, who in the Post Office Department knows the full extent of the operation—beyond cover surveillance. The CCI"—that was Mr. Angleton then—"replied that only Mr. Cotter knows, for he had been witting while with CIA and the Office of Security. The previous Chief Postal Inspector, Mr. Montague, had never wanted to know the extent of examination actually done, and was thus able to deny on oath before a congressional committee that there was any tampering."

Is that a fair characterization of your attitude, or do you regard that as—

Mr. MONTAGUE. No; I don't know how they can say something like that. That is an opinion of the man who wrote this, whoever he may be. I certainly never told that to anybody and I had never indicated any intention that I did not or would not want to know what was going on.

Now, let me explain a little, as I did in my—in answer to previous questions—that this matter of mail cover is something which is a small part of our overall obligations and responsibilities. We have mail fraud, robberies of post offices, theft of mail, pornography, investigations of postal services, inspections of the post offices, and all of the rest of it. Once, as in this case, that a decision is made that the mail cover can be given and the guidelines are drawn up and laid out and the thing is started, then you assume that that is the way it is running.

Because we did not come back perhaps, and check with them on a daily basis or a frequent basis, that doesn't mean that we were not interested or that we didn't think it was still running as it should have.

Mr. SCHWARZ. Mr. Cotter, you took over as Chief Postal Inspector for Mr. Montague in the spring of 1969?

Mr. COTTER. That is correct.

Mr. SCHWARZ. And the mail-opening project lasted from January-February of 1973; is that right?

Mr. COTTER. That is correct.

Mr. SCHWARZ. When you took over—because you had served in the CIA, in the Office of Security and indeed, had served for awhile in New York, where the job was done—you knew the CIA was opening the mail?

Mr. COTTER. That is correct.

Mr. SCHWARZ. You knew, did you not, that opening of first-class mail was something that was improper?

Mr. COTTER. That is correct.

Mr. SCHWARZ. Now, you never disclosed to Mr. Blount, or anyone else within the Post Office Department or to anybody outside the CIA, that this improper and illegal activity, which you knew about was going on, did you?

Mr. COTTER. I did not brief the Postmaster General, or anyone else in the Postal Service.

<sup>1</sup> See p. 206.

Mr. SCHWARZ. Or anybody else outside the CIA?

Mr. COTTER. Or anyone else outside the CIA. However, I believe I was instrumental in bringing about a briefing of the Postmaster General by the Director of Central Intelligence.

Mr. SCHWARZ. And that, you did about 2 years after you took over the job?

Mr. COTTER. That is correct; in June of 1971.

Mr. SCHWARZ. Let us focus, then, on the 2-year period before that was done, and why you felt inhibited from disclosing the activity which you knew was illegal, which was being carried on in a postal operation under your jurisdiction and where your specific responsibility in the Post Office Department was to make sure that the mail wasn't tampered with. Wasn't that your specific responsibility?

Mr. COTTER. Yes, sir.

Mr. SCHWARZ. All right. Why didn't you disclose it?

Mr. COTTER. Might I back up a little bit, Mr. Schwarz?

Mr. SCHWARZ. Why didn't you disclose it yourself, and why didn't you stop it?

Mr. COTTER. Might I back up a bit? I became aware of this mail-opening project of the CIA in 1952-53, when I was assigned to a CIA field office in New York City. At that time, the project was just starting. It wasn't a very big project. They started it with actually just reviewing the exterior of the envelopes, and that is the way they laid the project on with the Postal Service. However—

Mr. SCHWARZ. That was misleading, wasn't it?

Mr. COTTER. Indeed. However, I believe, in 1953, they started to select certain letters coming from the Soviet Union—that was all mail, at that time, either addressed to the Soviet Union or coming from the Soviet Union—they started to select certain letters and surreptitiously appropriated the letters, opened the letters, photographed the contents, and returned them to the mail stream.

I left New York City in December of 1955, and the project, really, at that time, still was rather small, and quite frankly, I was astounded when I saw the statistics recently as to the mail volume. I returned to Washington. I served with the CIA in many different assignments, beginning in January of 1956, and I was not directly connected with this project. However, I knew it was going on. I saw the same personalities in New York, and so there was no question in my mind but that this program was continuing.

However, I was not briefed; I was not privy to the effectiveness of the program, who was being covered. Someplace along the line—and maybe it was later—I picked up the fact that the FBI was also the recipient of the product of this project.

But in April of 1969, as is claimed by Mr. Blount, I was offered the opportunity to be appointed Chief Postal Inspector. This particular project was not at the fore of my mind; however, it was at the back of my mind. I was aware of it; it was a matter of concern to me, from the very outset. However, I did accept the position.

I was not briefed on the project by anyone in the Postal Service. I don't recall what Mr. Montague told me about it. He did brief me, in a matter of a few days. He may have mentioned a special project in New York City. I don't recall offhand. But certainly, no one told me, or there was no record in our files as to the nature of this particular program.

Mr. SCHWARZ. Of course, you felt you couldn't go look, because if you did look, you would find out something you already knew about, and then you would have to expose something you didn't want to expose, because the CIA wanted to continue it? Isn't that fair?

Mr. COTTER. Well, there's no question about it. After coming from 18 years in the CIA, I was hypersensitive, perhaps, to the protection of what I believed to be a most sensitive project, and I did, indeed, truly believe that that was a most sensitive project. And I did, indeed, believe that, over these 13 years since I became aware of it initially, I believed that it had been approved at the highest levels of government.

But in any event, I did not go out seeking out this project, and where was it in New York City. As Mr. Montague indicated, the responsibilities of the Chief Postal Inspector are quite broad, and moving into the Postal Service initially, without any postal background, it took me some time to really get my feet on the ground and to accept the challenge that this very, very fascinating and important position held.

I maintained no records with regard to my reactions as to this unauthorized program being carried on in the Postal Service. There again, perhaps it was due to my sensitivity in not recording anything pertaining to a sensitive project. I did, as I left the CIA—I mentioned in previous testimony—I did sign a secrecy agreement, secrecy oath, attesting to the fact that I would not divulge secret information that came into my possession during the time that I was in the CIA.

As I say, I have no record to substantiate exactly how I expressed my concern, but I think perhaps the records of the CIA will indicate that periodically, perhaps starting in 1969—I don't recall specifically—I did express my feelings to the people in the CIA that I was very much concerned about the continuation of this project.

Mr. SCHWARZ. That's true. The record does show that.

Mr. COTTER. Now, in January of 1971—I entered on duty as the Chief Postal Inspector in April of 1969—moving into January of 1971, I received a letter from a gentleman who was the perhaps secretary, executive secretary of an association of scientists, and this letter—on the letterhead, it listed some very distinguished gentlemen in the world of science, including a former Deputy Director of the CIA, a couple of gentlemen whom I recognized as having been scientific advisers to the President, and a lot of gentlemen of that caliber.

Well, this letter raised the question as to whether or not mail was being opened, perhaps being referred to in other Federal agencies as being open, and so on; specific question that would appear to me, and undoubtedly did at that time, indicate that whoever wrote the letter was aware of this CIA program in New York City. That letter went to my staff. My staff prepared a standard response which avowed that the rules of the organization do not allow the opening of mail. That is the responsibility of the Postal Service, to maintain the sanctity of the mail.

Mr. SCHWARZ. You mean a standard false report?

Mr. COTTER. No; not knowingly. Staff prepared a standard true response from all the information available to them. However, I signed it, and I knew it wasn't true. And I signed this letter, and sent it to the gentleman who sent the letter to me. At the same time, I was very much concerned about the letter, because it appeared to me that

the project was known, and I wouldn't be surprised—I wouldn't have been surprised at that time, because it had been going on for ever so many years.

And as I say, I noted distinguished personalities on the letterhead of this letter who had been with the—or one gentleman who had been with the CIA—and others in very high positions in the Government, and since I was always under the impression that the project had been cleared, or approved at a very high level in the Government, I presumed it was indeed possible, if not probable, that these gentlemen were well aware of this project.

I sent that letter—a copy of that letter that I received—to the CIA, via Mr. Howard Osborn, the Director of Security, undoubtedly expressing my concern. However, I maintained no written memorandum for the record. Shortly thereafter—and I say shortly, because sometimes 6 months is a short time, but that was in January—I undoubtedly sent that letter January of 1971, I sent that letter to the CIA.

Then I noticed—I was not aware of this, however—after Mr. Colby announced the fact that they had been opening these letters for 20 years, I did request the CIA to let me know what the CIA had told the President or the Rockefeller Commission as to this mail program, since I was caught in the middle of this thing. And they did permit me to review a CIA folder on the project. And in that folder, it indicated that subsequently they had discussed this particular letter I sent to the CIA, and after pros and cons as to the project, whether they should continue the project or stop the project, Mr. Helms, I believe, suggested to talk the matter over with me, and subsequent communications, for the record, indicated that, indeed, that meeting was held and it was held.

At that time, I expressed—I don't recall exactly what the discussion with Mr. Helms was, but undoubtedly, I indicated to him that I was not interested in getting into the details of more than I already knew of most sensitive CIA projects, but I did highlight the fact of my concern, typified by this letter that I received from the scientific group, and suggested that if the project had not been currently approved at the highest level, such action should be taken. It was decided by Mr. Helms to brief the Attorney General and the Postmaster General. He told me that he would talk to the Postmaster General, and I left.

A couple of days later, as I recall, I received a telephone call from the Postmaster General, and he said something to the effect that, "Bill, I saw your former boss, Dick Helms, yesterday, or the other day"—and I don't recall, again, specifically what he said, but I understood him to mean: carry on with the project.

The CHAIRMAN. Was this Postmaster Blount?

Mr. COTTER. Yes, sir; Postmaster General Blount. Now, I must restate, however, that I am not aware, and I've never spoken to anybody as to specifically what conversation transpired between Mr. Helms and Mr. Blount.

I also understood that just about that time—whether or not the Postmaster General mentioned it to me, I don't recall—that the Attorney General also was briefed, and I assume that he was briefed with regard to the complete nature of the program, but I cannot certify that observation. So this is in the middle of June of 1971.

Now, time went on, and Postmaster General Blount did leave the Government not too long after that to run for the Senate, and Mr. Mitchell, I guess, left his position of Attorney General the next year.

Now, I didn't sit down with Mr. Blount subsequently and chat with him with regard to what Mr. Helms spoke to him about. Here again, perhaps I should, but the way—again, my whole history of being in the intelligence business has not been to pursue things and take short communication and accept that at its face value.

So, subsequently, after Mr. Blount left the Government service, and the Attorney General left the service, undoubtedly during this period I continued to express my concern, still, at the office, about the continuation of the project and, in fact, toward the latter part of 1972—

Mr. SCHWARZ. Excuse me, Mr. Cotter, didn't you then tell Mr. Klassen about the project?

Mr. COTTER. I did not. I didn't even take the initiative to ask whether or not Mr. Blount had briefed his deputy, Mr. Klassen, who was deputy. I did not take the initiative, because I decided to continue pressing the CIA for a halt in the program.

I didn't feel it appropriate for me to take the initiative to stop the program myself. I still was under the impression that it was a project of most significant sensitivity to the United States. I had the idea going way back to 1953, 1954, 1955. For example, the project was designed to endeavor to identify illegal agents in the United States, that type of thing, very, very significant thing. And it has been touched upon before.

Whether or not that was the purpose, I don't know, but to me, that was a very, very important mission to try and locate the type of fellow that they found up in Brooklyn, and traded for Gary Powers, who had been there for years, assuming that the communication directly between the United States and the Soviet Union was used as a vehicle for innocent communication to agents from the United States and back home.

Another fact, or someone suggested to me, why did I go to Dick Helms, to the Director of Central Intelligence and brief the Postmaster General, the Postmaster General Blount. Why didn't I just take the initiative? Now, I was constrained too by my secrecy oath, but I surely could have gotten in touch with the CIA and requested a release from that secrecy oath to enable me to brief the Postmaster General. Mr. Helms well may have said go right ahead, or his staff members down below. I don't recall if I raised the question, but I must say this thing too, as a postscript: I don't think I would have been very effective in briefing Postmaster General Blount, or the Attorney General or anybody else as to the nature of the project, if they were going to be given an in-depth briefing, because I really didn't know—I knew it was a very small, sketchy project back in the 1950's. I was not aware, for example, as I mentioned before, as to the volume of mail being run through this operation, and so on.

So, in any event, in 1972—

The CHAIRMAN. I think we have the story, and I want to say, first of all, before I go on to my questions, that it is my understanding that you have an excellent record in the Post Office Department with respect to the general discharge of your duties there.

Now, when you took over as Inspector General, you understood that your new responsibility was to see to it that the mails were handled by the Post Office Department in a lawful, proper way. That was your duty, was it not?

Mr. COTTER. Indeed, Senator Church, and I even became much more aware of it as each month went by, because of the sensitivity of postal

inspectors to their basic responsibility of maintaining the sanctity of the mails.

The CHAIRMAN. Right. So you had this basic responsibility, now that you had left the CIA, you had come to the Post Office Department, to protect the sanctity of the mail. Now, suppose you didn't have that secrecy agreement. Just for the benefit of those who may not be aware of it, every employee of the CIA signs an agreement with the Agency that he will not reveal any secrets that he may take with him after he leaves the Agency. And if it had not been for that secrecy agreement, when you became the Inspector General, knowing that the mails were being improperly opened by the CIA, the first thing you would have done, would it not, would have been to go to the Postmaster General and say, "Look, I know something that you may not know about, and there are a lot of letters being opened and that is against the law?"

Now, I am saying, if you didn't have that secrecy agreement which you took with you when you left the CIA and entered the Post Office Department, and had you not felt bound by it, that surely would have been the first thing you would have done, isn't that correct?

Mr. COTTER. I don't know. Senator Church.

The CHAIRMAN. If it is not correct, why not?

Mr. COTTER. Again, as I indicated, I was very, very sensitive to the need to protect most sensitive intelligence operations. Now, recognizing that the heart of what you're driving at, I agree that I could—well, regardless of quite frankly, the secrecy oath, I could have communicated to the Postmaster General the fact that this project was going on, but I do believe that the way I went, although 1971, June of 1971, was the most sensible way to go, to request—

The CHAIRMAN. But you waited, 4 years was it?

Mr. COTTER. A year and a half. The thing that triggered me off was January of 1961, which would be from April of 1969 to—

Mr. SCHWARZ. 1971.

Mr. COTTER. 1971. I beg your pardon. From April of 1969, I came on board getting my feet on the ground for a while. In January of 1971 I received that letter from the scientific group at which point I really pushed. Now, I may have been pushing before that time, Senator, and I have no record. I would suggest perhaps the CIA files show something.

The CHAIRMAN. Let me go to that letter then. You say that was perhaps the triggering device, the letter? You received on January 13, 1971 a letter from Jeremy J. Stone, the director of the Federation of American Scientists. And Mr. Stone raises some questions concerning how the Post Office Department is handling the mail. And among those questions was the following: "Has the Post Office ever discovered efforts by State or Federal agencies to corrupt postal officials to violate mail covering regulations by inducing them to open first class mail or to lend it to other agencies for the purpose of obtaining information contained therein?"

On February 10, 1971, you wrote back to Jeremy Stone and you said in part:

The Department has no knowledge of any efforts by State or Federal agencies to induce postal officials to violate the mail cover regulations or to allow any class of mail to leave the custody of official postal channels for the purpose of permitting other agencies to obtain the information contained therein.

Now, that was a falsehood?



Mr. COTTER. That is correct.

The CHAIRMAN. And you knew it to be when you signed the letter?

Mr. COTTER. That is correct.

The CHAIRMAN. Now, having done that, as the man who held the office, whose duty it was to protect the sanctity of the mail, what was your chief concern? I took it from your testimony that your chief concern was that Mr. Jeremy Stone's letter itself signaled that the word might be out and that citizens of the country might have heard something that gave them reason to suspect that this program was going on. And, therefore, you became alarmed. Was that your first reaction to the receipt of this particular letter and was that the motive that stimulated you then to consider taking it up with higher authority?

Mr. COTTER. I think indeed there was no question at all, Senator Church, that I did react in that direction. Whether or not it was my primary reaction at the time, or secondary, I don't recall.

Might I just add an aside here at this point, Senator?

The CHAIRMAN. Yes; certainly you may. But what I am trying to really get at is this problem of serving two masters. You see, you were trained in the CIA all of these years and you see the world from that peculiar perspective. And then you come on with new duties and you are still largely influenced by your previous perspective. We see it all the time, military officers going into the munitions industries and the close relationship, the tie-up between the two and the great costs that are sometimes entailed as a result, contract overruns and all of that.

So, I think it is important here to try to determine how, wearing these two hats, even though you had left the Agency, still being so strongly influenced by it, affected your new responsibility to the Post Office Department.

Mr. COTTER. I don't think there is any question, Senator, that my long service with the CIA had an influence in my judgment and my reactions.

Might I say just one item that gets into maybe perhaps the area of controversy; but, you know, going way back in the fifties when I first became exposed to this type of operation and many, many other very fine officers of the CIA, dedicated great Americans at a time when the Cold War was at its peak, and that sort of thing, and fighting the big fight against the KGB and all of that, I don't think the majority of us, in the CIA, reacted to this as an unlawful, illegal operation.

We assumed that perhaps the powers that be up on the high had obtained necessary approvals for this project. Now, this area had been touched upon by other people. You have been over it very clearly yourself, Senator, as saying there is no question at all what the law says, the fourth amendment and so on, with regard to the sanctity of the mails. And I agree wholeheartedly with that, but some of the gentlemen have brought up, perhaps Mr. Colby, perhaps Mr. Day, touching upon an area that—well, is it or isn't it—is it absolutely, finally, positively illegal?

And I say, with regard to that question, I would have to defer to the Justice Department. Why—point one, this is not like in the Huston plan case where they were talking about mail covers. I really think what they were trying to do was persuade the FBI to use the

mail opening domestically. This thing over here was totally foreign, the Soviet Union and the United States.

So, I would say whether or not—and I wouldn't debate this thing because I don't have the knowledge or the background—whether or not it would be within the power of the President of the United States in the foreign relations area—and this is foreign intelligence business—to authorize this type of a program to the same degree that he can perhaps authorize a wiretap, as it affects international foreign relations, which point, I understand, has not been resolved precisely finally yet.

So, I just bring that up as to that also affecting my thinking, for example. When I joined the Postal Inspection Service I had that feeling, the old CIA feeling that perhaps this project was a specially approved program and authorized regardless of title 18, fourth amendment, and so forth.

The CHAIRMAN. All right. I understand the quandry you were in that eventually led you to do the right thing, in my judgment.

How did you get this job in the Post Office Department after having left the CIA? Can you tell me if Mr. Helms urged you to take this job?

Mr. COTTER. Might I back up a little bit to give a little of my background to show why I was perhaps considered for this position?

Back in 1942, 1946, I was a captain in the Air Corps, Army Air Corps, then I was special agent of the FBI from 1947 to 1951, and in 1951 to 1969, I was in the CIA.

I had just come back from overseas around 1967, in 1968, early 1969, perhaps January 1969, I was in an extremely fascinating job. I hadn't left the CIA. I was still with the CIA and I had another. As always, my positions with the CIA were challenging and fascinating. I had a call from the Director of Security one day in the early part of 1969 asking me "how would you like to be promoted to grade X?" And I said "I will take it." He said, "Seriously, the Postmaster General has queried the Director of Central Intelligence as to whether or not he might have some candidates for the position of Chief Postal Inspector."

And I said, "Well, I would like to think about it." And they said they would need the answer in a hurry so I said, "All right, throw my hat in the ring." And that ties in, as I heard later, from the discussions with Mr. Blount, that is exactly what happened. He requested candidates from Mr. Hoover, from Mr. Helms, and from a lot of other people. In fact, they had to provide a big, long list to the Civil Service Commission, perhaps 45 or 50 people who were the candidates for this position.

I was invited over to meet Deputy Postmaster General Klassen and Postmaster General Blount, and, of course, my predecessor, Henry Montague. And after some conversation they said they liked my background. My background was a blend. I had majored in accounting. We have the internal audit function in the Postal Inspection Service. I also studied law, although I did not practice law and I had law enforcement background and so forth.

So, they concluded that this balance of my background qualities made me a fine candidate for the job and they offered me the job and I accepted the position. I didn't know anybody. I don't think I had spoken to Mr. Helms, maybe once prior to that time, and I haven't spoken to him since, except for the 1971 meeting.

The CHAIRMAN. Senator Schweiker, do you have questions?

Senator SCHWEIKER. Thank you, Mr. Chairman.

Mr. Montague, we have a considerable amount of testimony by Postmaster General Gronouski about his relationship with the Long subcommittee investigating the invasion of privacy. And you had testified that you knew Government agencies were given direct access to the mail. To our committee you gave testimony and you testified back in the time of the Long hearings. I would just like to read a question from Senator Long to you.

Senator LONG. "Did you know at any time that mail that has been placed under cover, like that, is taken by the supervisor out of the Post Office or any other postal official and given to any other agency of the Government and permitted to be taken out of the Post Office facility?"

Mr. MONTAGUE. 'No.'

Senator LONG. You had no personal knowledge of that?

Mr. MONTAGUE. That is correct, yes, sir.

I wonder if you could help this committee understand the difference in that response?

Mr. MONTAGUE. Yes, sir. In the first place, it was my impression that the committee at that time did not want to get into national security cases. If you would look at the report the committee—the chairman—stated that they had not interviewed or looked into the activities of the FBI, the CIA, or the military intelligence agencies. Also, those agencies were not requested to answer the questionnaire, which the other agencies involved in the inquiry had to answer.

In posing a question regarding two incidents during this hearing, and this occurred shortly after the question that you have, Senator—according to my recollection, the chief counsel for the committee—cautioned me on two things: (1) that if my reply would disclose some implications about a national security case that I should not answer it; and (2) that I should remember I was still under oath.

And also I have a recollection that during the investigation and the other activities connected with that hearing, that in a conversation—Senator Long said that he had advised the Attorney General that he did not intend to become involved in national security cases during, at least, this phase of the hearing.

When I got the question with all this in mind, I am faced with this: My answer to this question could lead into the disclosure of national security matters. It is a case which is not ours. I don't know the particulars of it. I don't know what damage my answer would do if it led into the disclosures. Besides that, at the time I thought it was a violation of the law to disclose information about national security matters. So, I was faced with all of these problems in trying to answer this question. And, under those conditions, I thought I answered it correctly.

Senator SCHWEIKER. All right. You are quite right that the counsel did talk about national security. And, of course, I have Mr. Fensterwald's question here, an admonition to you.

Mr. Montague, I would like to ask you a couple of questions and I want to make two things clear; one, if these questions have national security implications I do not want you to answer them; and two, I want you to realize again that you are still under oath.

Now, again it is hard to go back in this context, but it would seem to me that what he is saying is not that you should mislead the committee, but you should not answer a question if it cut into the area

of national security; this is the way that I would interpret what Mr. Fensterwald said, because he said, "you are still under oath." And then he said, "Are there any exceptions where a letter can be opened in connection with a mail cover?"

No; you say there are no exceptions where a letter can be opened in connection with a mail cover. You are asked by Mr. Fensterwald whether under any circumstances mail could ever be turned over to the Secret Service and you would refuse to turn the mail over to the Secret Service. There is no other course of action that mail cannot be turned over without a warrant. And yet, of course, at the same time you were turning mail over to the FBI and the CIA.

Mr. MONTAGUE. Well, Senator, the Secret Service was not considered by us to be a national security agency. That is, they did not deal, to our knowledge, with espionage cases and things of that sort. We considered the CIA and the FBI and perhaps some of the military intelligence to be in the national security field.

And my answer there to the Secret Service question was based on experience, because we had had a great deal of cooperation with the Secret Service over the years in connection with threatening letters, obscene letters, and violations of that sort which had been addressed to the President. And never, to my recollection, was there any mail cover in which mail was turned over to the Secret Service. So, my answer to that was based on experience.

Now, may I go back to that other question just for a moment? In addition to my quandry about what the committee wanted to get into, and also about the other questions I had with regard to national security, that question followed almost two pages of explanation about a mail cover, which started with a question from the Senator about—suppose a justice of the peace or a constable in St. Louis, Mo., had come in and asked you for a mail cover on a fugitive. Now, how would you proceed?

And then I was trying to explain that all the way through those two pages of testimony. And then we wind up with the question at the end. Now, I could have thought in my mind that this related in context with what we had been talking about because even after that, if you would look at the testimony, I think that there were further remarks made about a mail-cover request by a constable, which could have an indication that we were still in the same context.

In fact, Senator Burdick, I believe, made a remark in that connection. Following my answer to that, Senator Long referred to Senator Burdick. Senator Burdick said, "Mr. Chairman, this sequence of questions and the other question arose in a hypothetical, under the stated facts, that the whole procedure was started with the complaint from a local constable." So that, in addition to thinking about the national security, I could have been under—I could have thought that this was in context with what we had been talking about, and naturally we have never made mail available to any justice of the peace or local constable in connection with a mail cover.

Senator SCHWEIKER. After the public session was over, did you subsequently talk to Mr. Fensterwald or to Senator Long privately and tell them in fact what was happening?

Mr. MONTAGUE. Not to my recollection.

Senator SCHWEIKER. Mr. Cotter, you have testified that you knew of the CIA's mail opening in New York. Yet when the CIA ap-

proached the Post Office to start a program in San Francisco, you apparently did not ask your assistant to watch out for a mail opening in connection with the mail cover project?

Mr. COTTER. I did not. When I joined the Postal Inspection Service, one of the first things I did was to designate someone other than myself to handle liaison with the CIA. When they did indeed contact me with regard to that California survey that they were interested in—I believe that was in the latter part of 1969—I suggested to them to get in touch with my very able Deputy Chief Inspector, which they did.

I did not mention anything to Mr. Conway with regard to the New York thing since I at this point still had not mentioned that New York project to anyone in the New York Postal Inspection Service. I quite frankly did not deem it necessary to warn my deputy, an exceedingly able officer, with regard to that matter. I thought he would lay this project on down the line with due cognizance to the necessity for security.

However, the way it turned out, I see from Mr. Colby and the CIA people, they did indeed gain access to the letters, regardless of the admonition of the Deputy not to remove any letters from the premises.

Senator SCHWEIKER. You did take a very decisive stand on a very critical point, as was commented on before, and I commend you for that. I wonder whether you can give this committee any advice on how to make sure that this kind of thing does not happen in the future and to back up people like yourself when you do feel compelled to blow the whistle, as you did then? What can you tell us that we ought to be doing legislatively or structurally to prevent it from happening and to back people up, such as yourself, in making a judgment that may be useful within an agency?

Mr. COTTER. Well, Senator Schweiker, the point I mentioned to Senator Church earlier in regard to this area that might be fuzzy in some people's minds, maybe a very, very small minority of people with regard to the possible authority of the President in authorizing this type of program, perhaps should be clarified. How, enactment or a law, I don't know.

Another thing—and here again it perhaps might be my fault in not pursuing it further—I assumed that this project was discussed at the highest level of government and had been approved at the highest level of government. Now, I would think that—and the reason I felt it, if I might say, I was involved in the Agency with another most sensitive, highly productive—one of the greatest intelligence programs of all times for about 4 years, and before we made a move, any one single move of this particular project, it was cleared with a special group in the White House.

Therefore, I was under the feeling, and I felt quite confident that this type of operation was cleared at the highest level. Now, I don't know what I'm getting around to recommending here. Perhaps it is recommending that this title—any kind of an operation that might be in the slightest considered as a violation of any law, it should certainly be approved by the Attorney General, all the way up to the President.

The CHAIRMAN. Perhaps we can find out this afternoon when we question Mr. Helms how high the highest level was.

Senator SCHWEIKER. I just want to say I agree with your point that when somebody from an FBI agency or CIA agency comes in and tells you a project is secret, immediate assumptions are formed in your own mind, and I think this is what is wrong with the system. One assumes that if a project is secret, somebody up there knows it and somebody else approves it, and obviously this is not the case, but I can understand that assumption. I think this is what we have to deal with in the committee.

That is all I have, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator.

Mr. MONTAGUE. May I make just one comment, Senator?

The CHAIRMAN. Yes, Mr. Montague.

Mr. MONTAGUE. Along the line of the Long hearings that Senator Schweiker asked about, according to my recollection during that entire hearing there was not one direct question to me on CIA, FBI, or other intelligence agency mail coverage.

The CHAIRMAN. Time and time again in the course of this investigation, we have had agents in the CIA tell us—and I think honestly so—that what they did they did because they assumed it was approved. But as we trace the line of authority upward, we often find that the men at the top were not informed and had not authorized the activity.

That concludes the hearing this morning until 2 o'clock this afternoon.

[Whereupon, at 12:58 p.m., the select committee was recessed, to reconvene at 2 p.m. the same day.]

#### AFTERNOON SESSION

The CHAIRMAN. The hearing will please come back to order.

Our witness this afternoon is Ambassador Helms, formerly the Director of the CIA during much of the period under investigation.

Mr. Helms, would you please stand and take the oath?

Do you solemnly swear that all of the testimony that you will give in this proceeding will be the truth, the whole truth, and nothing but the truth, so help you God?

Ambassador HELMS. I do, Mr. Chairman.

The CHAIRMAN. Mr. Schwarz, will you commence with the questioning, please?

#### TESTIMONY OF HON. RICHARD HELMS, AMBASSADOR TO IRAN AND FORMER DIRECTOR, CENTRAL INTELLIGENCE AGENCY

Mr. SCHWARZ. Mr. Helms, as I informed you during the luncheon recess, the line of questioning I am going to follow will trace what disclosures about the CIA mail-opening projects were or were not made, first to Postmasters General, second to Attorneys General, and third to Presidents. We are going to start with Postmasters General.

Have you before you the chart headed "Postmasters General"?

Ambassador HELMS. I have, Mr. Schwarz.

Mr. SCHWARZ. First, focusing on the not-informed individuals, is it correct to the best of your knowledge that Messrs. Gronouski, O'Brien, Watson, and Klassen were not informed of that project?