

Chapter 15

Domestic Activities of the Directorate of Operations

The Directorate of Operations is the CIA component with primary responsibility for the collection of foreign intelligence overseas and for the conduct of other covert operations outside of the United States.

In support of these missions, the Directorate engages in a variety of activities within the United States. The major domestic activities of the Directorate, including those which raise questions of compliance with the Agency's legislative authority, are discussed in the following sections.

This chapter does not describe all of the Directorate's domestic activities which the Commission has investigated. The national interest in the continued effectiveness of the CIA in the foreign intelligence field requires that a number of those activities be protected from disclosure. Our investigation of these activities has produced no evidence (other than that described in this report) that these activities exceeded the Agency's authority. Very few of these activities continue. To the extent that they do, the Commission is satisfied that they are subject to adequate controls.

Nor does the Commission report include detailed information on the activities of the CIA's Miami Station which, commencing in the early 1960's, conducted a broad range of clandestine foreign intelligence, counterintelligence and operational activities directed at areas outside the United States. Many such activities were conducted with the United States as a base, but the CIA contends, and the Commission has found no evidence to the contrary, that these activities were not directed against American citizens. Since 1966, the scope of the station's activities and the number of its personnel have been gradually reduced and by 1972, except for some collection of foreign intelligence, these activities had been discontinued. Since the Miami operations were the result of a particular series of events not likely to be repeated, and since they have been largely discontinued, the Commission con-

cluded that its resources were better utilized in investigating and analyzing other activities.

A. Overt Collection of Foreign Intelligence within the United States

While the importance of clandestine collection should not be underestimated, many of the pieces of the jigsaw puzzle which is "finished foreign intelligence" can be overtly collected by a well-organized information gathering system. Analysis of intelligence failures during World War II demonstrated that a significant volume of this information was available from the American public and could have been collected by overt methods within the United States. At that time, however, numerous agencies were engaged in domestic collection of foreign intelligence. Their activities were largely uncoordinated.

With the formation of the CIA in 1947, responsibility for the overt collection of foreign intelligence within the United States was centralized in the Agency as a service of common concern to the entire intelligence community. This responsibility is presently discharged by a separate division of the Agency. Through officers stationed in various locations throughout the United States, this division collects foreign intelligence information from United States residents, business firms and other organizations willing to assist the Agency. Contacts with potential sources of foreign intelligence information are overt and officers identify themselves by true name as CIA employees. Only in a few instances have officers of the division used alias credentials for personal protection when responding to unsolicited offers of assistance from foreign nationals or other unknown persons.

Although its collection activities are openly conducted, this division attempts to operate discreetly. Each of its facilities is listed in the local telephone directory, but the offices themselves often do not bear a CIA designation. In addition, the division goes to substantial lengths to protect the fact that an individual or organization is contributing intelligence to the CIA and to protect proprietary interests in any information which is provided.

Generally, the division's procedure consists of contacting United States residents with whom it has an established relationship to seek out available information on specific subjects for which the division has had requests from other components of the Agency. A typical example is the debriefing of an American citizen who has traveled abroad and who, because of a particular expertise or itinerary, could have acquired significant foreign intelligence information.

Most of the United States residents contacted by this component of the Agency are American citizens. Division regulations prohibit contacts with certain categories of individuals including Fulbright Scholars, past or present Peace Corps (ACTION) members, United Nations employees or contractors or representatives of foreign governments. Although not prohibited from doing so, the division will not approach American or foreign students but will interview them if they initiate the contact.

The success of the CIA in collecting such information is entirely dependent upon the voluntary cooperation of the American public. The CIA contends, and the Commission has found no evidence to the contrary, that it neither exerts any pressure to elicit cooperation nor promises or grants favors in return for information. Sources of information are not compensated, but on rare occasions the Agency will pay a portion of a proven source's travel expenses to an area where his presence might fulfill intelligence requirements.

The collection of intelligence within the United States requires that the CIA maintain various records with respect to the individuals and organizations that have provided information or are promising sources. In addition to a master index of approximately 150,000 names, division headquarters presently maintains approximately 50,000 active files. Many of these files reflect relationships with prominent Americans who have voluntarily assisted the Agency, including past and present Members of Congress. A substantial sampling of these files indicates that their contents are limited to: (1) copies of correspondence relating to the individual or organizational source's relationship with the division; (2) intelligence reports contributed by the source; (3) in the case of an organization, a summary of its relationship with the division including any stipulations or limitations imposed by the organization's committing official; and (4) the results of a federal agency name check obtained through the CIA's Office of Security in the event CIA representatives wish to discuss classified matters or contemplate a continuing relationship with a contact. If such a name check produces derogatory information, the Agency may terminate the relationship but it takes no further action. However, a copy of the report in such a case is retained in the individual's contact file.

The CIA asserts that this division's domestic collection efforts are devoted entirely to the collection of foreign economic, political, military and operational information, directly related to the United States foreign intelligence effort. In general, this appears to be true. However, this investigation has disclosed several instances in the past where the division provided other components of the CIA with information about activities of American citizens within the United States.

1. American Dissidents

The first and most significant instance began in March 1969, when the division established a new file or "case" entitled "Activities of United States Black Militants." Field offices were instructed to forward to headquarters, by memorandum, information which came to their attention "concerning the activities of United States Black Militants either in the United States or abroad."

A contemporaneous CIA memorandum indicates that this case was opened to establish a formal procedure for processing and transmitting to the FBI the increasing volume of unsolicited information received by the field offices with respect to militant activities. In written instructions, the Director of the division informed all field offices that he did not intend that such information be actively collected, "since this is primarily an FBI responsibility." Investigation indicates that field offices did not actively seek such information. The very few reports which were filed contained information received primarily from "call-ins" who found the division's offices in local telephone directories.

Initially, the case with respect to militant activities had no relationship to Operation CHAOS, which had already been initiated by the Counterintelligence Staff's Special Operations Group. However, the division's reports were disseminated to an Operation CHAOS representative who quickly recognized the division's capacity to provide useful information with respect to a broader range of dissident or militant groups. Accordingly, in December 1969, the Special Operations Group requested that the division broaden its base to include the activities of "radical student and youth groups, radical underground press and draft evasion/deserter support movements and groups." An Operation CHAOS officer briefed division field chiefs on the Special Operations Group's interest on this information. A memorandum of that meeting explained that :

CI's interest is primarily to ascertain the details of foreign involvement/support/guidance/training/funding or exploitation of the above groups or movements, particularly through coverage of the foreign travel, contacts and activities of the Americans involved.

Although the emphasis was clearly on information establishing a foreign link with these groups, the division's field officers were also requested to report—for background purposes—on the purely domestic activities of these groups and their members. The Operation CHAOS representative explained that this purely domestic information was necessary to compile a data base essential to full understanding of possible connections between these groups and hostile elements abroad.

Shortly after the briefing, the Director of the division again cau-

tioned all field chiefs that collection of this type of information is an FBI responsibility and should be undertaken only "when these subjects are surfaced . . . during the course of your other activities." This admonition was repeated in virtually all of the Director's memoranda to field offices with respect to this case. The reports made available for the Commission's examination appear to have been obtained by field officers primarily in the course of fulfilling other intelligence requirements. However, there are some indications to the contrary.

During 1970, officers of the Special Operations Group and the division conferred on a number of occasions to discuss what one memorandum described as "over-aggressive positive actions" by the division's personnel in the collection of CHAOS information. The possibility of active collection of CHAOS information was succinctly stated by a field officer in a memorandum dated June 26, 1970:

To be sure, this case, as originally conceived, was to be only a passive effort on the part of the field, but there is a natural tendency when an interesting report is received to request additional details, then the actions begin. At that point, we are put in the position of investigating or reporting, if you like, the activities of United States citizens in the United States that are inimical to the national security interests of this Country. But that is clearly the function of the Federal Bureau of Investigation, not of CIA.

A number of other officers began to question the propriety of the division's efforts with respect to dissident groups—particularly the collection of purely domestic information about United States citizens. These expressions of concern prompted the Director of the division to prepare a memorandum for the field officers in which he described the dilemma this requirement posed—and the division's rationalization for its collection of purely domestic information. That draft memorandum dated June 6, 1971, reads in part as follows:

The second type of information concerns the activities of United States radical groups, but *does not* contain any obvious foreign implications. Such information is considered of primary interest to the FBI under its domestic security charter. However, the division has been directed to collect both types of information, with the emphasis on that pertaining to foreign involvement.

We also *accept* the second type of information when it is offered, because its acquisition is essential to our understanding of the entire radical movement (including the involvement of foreign governments). We do not actively solicit this information, however, since active collection against United States citizens is incompatible with CIA's charter. In addition, information of a purely domestic nature is of secondary interest to our consumers in CI Staff.

We recognize that CIA's deliberate acceptance and use of such information (even for background purposes) may seriously be questioned. Several thoughtful . . . [division] officers in the field and in Headquarters have already voiced uneasiness over this aspect of the case. We have concluded, however, that our activity is logically justified in that it provides essential support to the Agency's legitimate mission of overseas counterintelligence.

Before the memorandum was distributed, a copy was provided for review by Operation CHAOS personnel who objected to a written discussion of their oral requests for this type of information. Unable to obtain the Special Operations Group's approval of such a memorandum, the division informed all field officers on March 23, 1971, that thereafter collection of information was to be "focused exclusively upon the collection of information suggesting foreign involvement in United States radical "activities" as well as the identification of persons who could be enlisted by the Operation CHAOS group for penetration of related dissident groups overseas. Field officers were instructed to refer information or sources with information which is "*purely domestic* in its implications" to the local FBI office and not to forward such information to CIA headquarters.

The division's collection efforts with respect to dissidents ceased for all practical purposes in 1973 and the case was formally closed in August 1974. The Commission was provided access to files which, according to the division, contain all of its reports with respect to dissidents. In all, these files contain approximately 400 reports, copies of which were furnished to the Special Operations Group. Many of the reports merely transmit a newspaper clipping or other publication.

2. Foreign Telephone Call Information

The Commission's investigation has disclosed only one other instance where the division has collected information on activities of American citizens for use by the CIA. During 1972 and 1973, the division obtained and transmitted to other components of the Agency certain information about telephone calls between the Western Hemisphere (including the United States) and two other foreign countries. Some of the calls involved American citizens within the United States. The information obtained by the division was limited to the names, telephone numbers and locations of the caller and the recipient. The contents of the calls were not indicated. Shortly after the program commenced, the Office of the General Counsel issued a brief memorandum stating that receipt of this information did not appear to violate applicable statutory provisions.

The Commission could not determine any specific purpose for the initiation or continuance of the program. Although the Agency contends that no use was ever made of the data, a March 25, 1972, memorandum indicates that the names of the Americans participating in such calls were at least checked against other CIA records to determine if they were of "possible operational interest." The memorandum states:

▲ review of the parties in the United States involved in these calls discloses that those of possible operational interest are primarily in the CHAOS field,

i.e., persons connected with such groups as Black Panthers, Revolutionary Union, Committee for Concerned Asian Scholars, Committee for a New China Policy, etc.

Collection of this material by the division was terminated in May 1973, and the CIA claims that all information obtained by the Agency has been destroyed.

The Commission has discovered no other evidence that the division attempts to collect intelligence information with respect to United States citizens or their activities, through surveillance or otherwise. However, such information is occasionally reported to field officers in the course of normal collection activities. For example, established sources or one of numerous "call-ins" periodically report the identities of United States citizens allegedly involved in espionage, drug trafficking or other criminal activity. Written regulations require that the source or a report of the information be promptly referred to the FBI, or other appropriate law enforcement agency. No further action is taken by the division or other components of CIA. Nor is a copy of the information retained in Agency files unless directly related to the function of the Office of Security, in which case it is transmitted to that Office.

Conclusions

The CIA's efforts to collect foreign intelligence from residents of the United States willing to assist CIA are a valid and necessary element of its responsibility. Not only do these persons provide a large reservoir of foreign intelligence; they are by far the most accessible source of such information.

The division's files on American citizens and firms representing actual or potential sources of information constitute a necessary part of its legitimate intelligence activities. They do not appear to be vehicles for the collection or communication of derogatory, embarrassing or sensitive information about American citizens.

The division's efforts, with few exceptions, have been confined to legitimate topics. The collection of information with respect to American dissident groups exceeded legitimate foreign intelligence collection and was beyond the proper scope of CIA activity. This impropriety was recognized in some of the division's own internal memoranda.

The Commission was unable to discover any specific purpose for the collection of telephone toll call information, or any use of that information by the Agency. In the absence of a valid purpose, such collection is improper.

B. Provision and Control of Cover for CIA Personnel

Many CIA activities—like those of every foreign intelligence service—are clandestine in nature. Involved CIA personnel cannot travel, live, or perform their duties openly as CIA employees. Even in countries where the CIA works closely with cooperative foreign intelligence services, Agency personnel are often required by their hosts to conceal their CIA status.

Accordingly, virtually all CIA personnel serving abroad and many of the Agency's professional personnel in the United States assume a "cover." Their employment by the CIA is disguised and, to persons other than their families and coworkers, they are held out as employees of another government agency or of a commercial enterprise.

Cover arrangements frequently have substantial domestic aspects. These include the participation of other United States government agencies, business firms, and private citizens and creation and management of a variety of domestic commercial entities. Most CIA employees in need of cover are assigned "official cover" with another component of the federal government pursuant to formal agreements between the CIA and the "covering" departments or agencies. Where official cover is unavailable or otherwise inappropriate, CIA officers or contract employees are assigned "nonofficial" cover, which usually consists of an ostensible position with CIA-created and controlled business entities known as "proprietary companies" or "devised facilities." On occasion, nonofficial cover is provided for a CIA officer by a bona fide privately owned American business firm.

So-called "proprietary companies" and "devised facilities" are legally constituted corporations, partnerships, or sole proprietorships, owned by the Agency and operated by CIA personnel or contract employees.

Proprietary companies generally are commercial entities with actual assets. These not only provide cover for employees but also for activities or operations required to be performed by the Agency.

Devised facilities are created for cover purposes only, involve no investment of operating funds, and engage in no substantial economic activity.

A separate office of the Agency is charged with responsibility for ensuring that proprietaries and devised facilities comply in all respects with the laws of the state, county, or other jurisdiction under which they are organized.

The CIA utilizes the services of United States citizens with security clearances who are willing to assist with the necessary paperwork and serve as officers and directors of proprietaries and devised facilities. Citizens rendering professional services are paid their ordinary

fees, and all cooperating citizens are fully aware that their assistance is being rendered to the CIA.

Other than administrative activities necessary to maintain cover and the activities of the operating proprietaries discussed below, United States commercial entities formed by the Agency engage in no significant domestic activities. They do not engage in any meaningful economic activity in competition with privately-owned United States firms. Most CIA officers under nonofficial cover are stationed abroad.

Another aspect of the Agency's cover activities involves arrangements by which activities of the Agency are attributed to some commercial entity wholly unrelated to the Agency. Activities of this kind are funded and carried out in the same manner as many other Agency activities, and a high degree of security is maintained. The Commission's investigation in this area has disclosed no improper activities by the Agency.¹

The functions of the office responsible for all CIA cover arrangements were substantially enlarged in 1973, in order to provide effective centralized control and supervision. That office operates pursuant to written regulations which restrict the use of certain agencies, departments or other organizations for operational purposes; these restrictions are applied also to the use of those organizations for "cover" purposes.

Among other restrictions are prohibitions on "cover" arrangements with the FBI, Secret Service, Drug Enforcement Administration (DEA), state and local police and other law enforcement bodies.

The Agency also is bound by restrictions on the operational use of members of ACTION, Fulbright Scholars and employees of certain foundations and of private detective agencies. The Agency interprets these as generally prohibiting the use of foundations and charitable and student organizations. In addition, approval of the Deputy Director for Operations is required for the use of certain other categories of individuals deemed sensitive.

One salutary effect of the recent enlargement of responsibilities has been the centralization and tightening of control over the issuance and use of alias documentation of the type provided by the Agency to

¹ Among the suspected cover operations investigated by the Commission was the alleged operation by the Agency of the vessel, *Glomar Explorer*. A number of allegations have been published concerning this matter, including allegations of possible violations of Federal securities and tax laws. Since these matters are currently under investigation by appropriate regulatory bodies, the Commission has not investigated them.

E. Howard Hunt. Use of U.S. alias documentation, such as driver's licenses and credit cards, has been severely limited and requires approval of senior officers under the overall control of the Agency. Alias documentation may be issued to other agencies only with approval of the Deputy Director of Operations. All such documentation must be accounted for every six months.

In 1969 the statement of functions of the office responsible for cover arrangements was revised to eliminate the authority, formerly held, to use charitable organizations and individuals for inserting funds into organizations and programs supported by the Agency.

Finally, the occasional provision of cover to other agencies has been terminated.

Growing public familiarity with the Agency's use of cover has led to a tendency to identify many government and some private activities with the CIA—frequently without justification.

This has had an unfortunate tendency to impair the usefulness of some non-Agency related government activities. In addition, it has progressively tended to narrow available cover arrangements for the Agency.

Conclusions

CIA's cover arrangements are essential to the CIA's performance of its foreign intelligence mission. The investigation has disclosed no instances in which domestic aspects of the CIA's cover arrangements involved any violations of law.

By definition, however, cover necessitates an element of deception which must be practiced within the United States as well as within foreign countries. This creates a risk of conflict with various regulatory statutes and other legal requirements. The Agency recognizes this risk. It has installed controls under which cover arrangements are closely supervised to attempt to ensure compliance with applicable laws.

C. Operating Proprietary Companies

In addition to the proprietary companies created solely to provide cover for individual CIA officers, CIA has used proprietary companies for a variety of operational purposes. These include "cover" and support for covert operations and the performance of administrative tasks without attribution to the Agency.

It has been charged that certain of these Agency-owned business entities have used government funds to engage in large-scale com-

mercial operations, often in competition with American private enterprise. There was a limited factual basis for these allegations in the past, but the investigation has disclosed that the Agency has liquidated or sold most of its large operating proprietaries. The remainder engage in activities of limited economic significance, providing little if any competition to private enterprise.

By far the largest part of the Agency's proprietary activity consisted of a complex of aviation companies, including Air America, Southern Air Transport, and Intermountain Aviation, Inc. These companies, which at one time owned assets in excess of \$50 million, provided operational and logistic support as well as "cover" for the Agency's foreign covert operations, primarily in Southeast Asia.

The investigation has disclosed that some of the services provided by the air proprietaries were competitive with services of privately owned firms, both at home and abroad. However, most of the aviation companies have been liquidated or sold and the rest are expected to be disposed of shortly. This will end the Agency's commercial involvement in the aviation field. Proceeds of these liquidations and sales are not used by the Agency; they are returned to the United States Treasury as miscellaneous receipts.

Another major proprietary activity consisted of the operation of Radio Free Europe and Radio Liberty, which beamed broadcasts to Eastern Europe. These stations, originally owned and operated by the CIA, provided both facilities and "cover" for the CIA's educational and cultural activities.

Although these stations were funded by the CIA, they appealed for contributions to the public without disclosing their CIA connection.

However, ownership and control of these stations was turned over to the State Department, which operates them today without concealing the government connection.

The major remaining proprietary activity of the Agency involves a complex of financial companies. These companies enable the Agency to administer certain sensitive trusts, annuities, escrows, insurance arrangements, and other benefits and payments provided to officers or contract employees without attribution to the CIA. Their assets presently total approximately \$20 million, but the financial holdings of the companies are being reduced.

Most of these funds are invested abroad in time deposits and other interest-bearing securities. Less than 5 percent of these funds are invested in securities publicly traded in the United States, but these investments are being liquidated and the proceeds returned to the Treasury. At no time has one or any combination of these companies owned a controlling interest in any firm with publicly traded securi-

ties. The investigation has disclosed no evidence of any violations of law by the CIA in connection with the making or management of these investments.

The Agency continues to maintain a limited number of small proprietaries as well. Their purpose is primarily to provide cover for the activities of certain officers, agents, and contractors and to make nonattributable purchases of equipment and services. These companies are distinct from the so-called devised facilities in that they are engaged in actual commercial or professional activities, although of modest proportions. Generally, they have fewer than 10 employees.

The Agency also provides small amounts of subsidies and operational investments to firms engaged in activities abroad useful to its missions.

With few exceptions, the CIA's operating proprietaries have been unprofitable and have required continuing budgetary support. Revenues derived from operations have been offset against operating costs. Only two proprietaries are reported to have generated significant profits: Air America in the performance of United States government contracts in Southeast Asia, and several of the financial companies in return on investment. In both cases, profits were, in the past, retained for use by the proprietary companies pursuant to the General Counsel's opinion that these funds need not be returned to the Treasury.

The creation, operation and liquidation of operating proprietaries is closely controlled by high Agency officials. All such projects must have the approval of the Deputy Director of Operations or his assistant. Sensitive or substantial cases must be approved by the Director of Central Intelligence. Each requires an administrative plan which must have the concurrence of the Deputy Director of Operations, the Office of General Counsel, the Office of Finance and certain other senior officers. Expenditures or reimbursements must be approved by responsible senior operating and finance officers. All projects are subject to annual review as a part of the budget process and regular audits are made.

A related activity of the Agency has been to support foundations, principally the Asia Foundation, which also served as both a vehicle and cover for educational and cultural activities abroad. The Agency's connection with that foundation has been terminated.

The Agency in the past has also provided a lesser measure of support to other foundations and associations thought to be helpful to its mission. A prime example was the National Student Association, which sponsored American students who participated in international meetings and activities. Until 1967, when *Ramparts* magazine revealed the fact, CIA offered some support to that activity. A resulting

report by a committee under then Deputy Attorney General Nicholas DeB. Katzenbach led to directions to CIA to terminate support of American foundations and voluntary associations. So far as the Commission has been able to determine, the Agency has complied.

Conclusions

Except as discussed in connection with the Office of Security (see Chapters 12 and 13), the Commission has found no evidence that any proprietaries have been used for operations against American citizens or investigation of their activities. All of them appear to be subject to close supervision and multiple financial controls within the Agency.

D. Development of Contacts With Foreign Nationals

Another significant domestic activity of the CIA consists of efforts to develop contacts with foreign nationals who are temporarily within the United States. This activity is within the United States, and its primary purpose is to develop sources of information. As far as the Commission can determine, coercive methods, such as blackmail or compromise, have not been used.

The CIA enlists the voluntary assistance of American citizens in its efforts to meet and develop contacts with foreign nationals. These citizens are not compensated for their services, but may be reimbursed for any expenses they incur. They are fully aware that they are assisting or contributing information to the CIA. At all times, they are free to refuse or terminate their cooperation.

Prior to requesting the aid of an American citizen in this manner, the Agency occasionally obtains a name check through its Office of Security, but does not otherwise investigate such persons. In most cases it will maintain a file on such an individual containing biographical information and a brief history of the person's cooperation with the division. No records are kept by this division with respect to persons who decline to assist the Agency.

Under a written agreement with the FBI, any information of an internal security or counterintelligence nature which comes to the division's attention in the course of these activities is immediately referred to the Bureau.

The Commission's investigation has disclosed no evidence that the division in question has been used to collect information about American citizens or their activities at home or abroad.

Until recently, the Agency component with responsibility for developing contacts with foreign nationals was known as the Domestic Operations Division. The Commission has made an investigation of recent press allegations that, during the late 1960's, the New York office of the Domestic Operations Division conducted covert activities against emigré and dissident groups, including wiretapping, break-ins, surveillance, infiltration and preparation of psychological profiles. The investigation has disclosed no evidence to support these allegations nor any evidence that the division engaged in such activities elsewhere.

Conclusions

These activities appear to be directed entirely to the production of foreign intelligence and to be within the authority of the CIA. We found no evidence that any of these activities have been directed against American citizens.

E. Assistance in Narcotics Control

Through the Directorate of Operations, CIA provides foreign intelligence support to the government's effort to control the flow of narcotics and other dangerous drugs into this country.

Inasmuch as arrest and prosecution of traffickers, including American citizens, is a necessary element of narcotics control, concern has been expressed that CIA's participation in the control effort involves the Agency in domestic enforcement activities expressly excluded from the CIA's authority.

The Commission's investigation has disclosed that the CIA has attempted to insure that it does not thus become involved in the exercise of police or law enforcement powers or in other activities directed against American citizens, either within the United States or overseas.

CIA's involvement in the narcotics field began in October 1969 with President Nixon's formation of the White House Task Force on Narcotics Control. The Task Force was given the mission of formulating and implementing a program to stem the increasing flow of heroin and opium into the United States. The Director of Central Intelligence was appointed to the Task Force and CIA was requested to use its existing intelligence gathering apparatus—to the maximum extent possible—to provide narcotics-related intelligence to other agencies who in turn were involved in diplomatic, enforcement and treatment initiatives coordinated by the Task Force.

In September 1971, President Nixon elevated narcotics control to a

higher priority, establishing the Cabinet Committee on International Narcotics Control (CCINC) to succeed the Task Force. The CCINC was charged with responsibility for properly coordinating all United States diplomatic, intelligence and enforcement activities aimed at curtailing the flow of illegal narcotics and dangerous drugs into the country. The Director of Central Intelligence was appointed as a member, and the Agency was promptly delegated responsibility for coordinating all United States clandestine foreign intelligence gathering with respect to narcotics.

In addition to coordinating clandestine collection, the CIA provided the other components of the CCINC with a wide range of foreign intelligence information directed at two basic objectives:

- To convince foreign nations to curtail production and trafficking; and
- To provide foreign and domestic law enforcement agencies with the identities and methods of operation of the major foreign drug traffickers.

To this end, the CIA cooperated with the Drug Enforcement Administration in the establishment of the Major International Narcotics Traffickers (MINT) Register, a list of major foreign traffickers, and a related system for collating intelligence information about them.

The Commission's investigation disclosed that, from the outset of the Agency's involvement in the narcotics control program, the Director and other CIA officials instructed involved personnel to collect only foreign intelligence and to make no attempt—either within the United States or abroad—to gather information on American citizens allegedly trafficking in narcotics.

These instructions appear to have been respected. Indeed, at CIA insistence, the names of American citizens are excluded from the MINT Register. However, the identities of Americans allegedly trafficking in narcotics or information with domestic law enforcement implications is unavoidably obtained by CIA in the course of its foreign intelligence activities. The Agency has established written procedures for the prompt dissemination of this information to the appropriate law enforcement agencies at the local level. The information is not retained in CIA files.

For a period of approximately six months, commencing in the fall of 1973, the Directorate monitored telephone conversations between the United States and Latin America in an effort to identify foreign drug traffickers.

The intercept was undertaken at the request of the National Security Agency and was not conducted by the CIA component with responsibility for narcotics intelligence collection.

A CIA intercept crew stationed at an East Coast site monitored calls to and from certain Latin American telephone numbers con-

tained on a "watch-list" provided by NSA. Magnetic tapes of narcotics-related conversations were then furnished to NSA. While the intercept was focused on foreign nationals, it is clear that American citizens were parties to many of the monitored calls.

The General Counsel of CIA was not consulted until approximately three months after the program was commenced. He promptly issued an opinion that CIA's conducting the monitoring program was illegal, and the program was immediately terminated.

All of the CIA's clandestine collection with respect to narcotics is conducted overseas. A limited amount of overt collection of this information is conducted within the United States, focusing primarily on economic, agricultural and scientific information, most of which is obtained from legal drug manufacturers.

In addition to the gathering of foreign intelligence, the CIA has provided a limited amount of technical or other operational assistance to the Drug Enforcement Administration (DEA). On frequent occasions, and in response to requests from this agency, the CIA has provided various types of electronic and photographic equipment, alias documentation, and loans of "flash money" for use by enforcement agents to establish bona fides with narcotics dealers. The CIA has also conducted a very limited number of training sessions for federal narcotics agents covering such subjects as the use of intelligence and operational techniques for clandestine collection.

The Agency has adopted and apparently adhered to strict controls on the rendering of technical assistance or issuance of alias documentation to DEA. Such materials are issued only for use in investigation of illicit narcotics activities overseas, and DEA is required to conform to all CIA regulations governing requests for and use of such items. All requests for alias documentation must be approved by the Deputy Director for Operations and both DEA headquarters and the user of the documents must sign receipts. The CIA requires that both equipment and alias documentation be promptly returned. In most cases, DEA requests for assistance have been made and honored overseas where DEA has lacked the necessary facilities and technical expertise. The number of these requests has decreased sharply as DEA has developed its own technical capabilities.

Conclusions

Concerns that the CIA's narcotics-related intelligence activities may involve the Agency in law enforcement or other actions directed against American citizens appear unwarranted.

The monitoring of telephone calls, while a source of valuable in-

formation for enforcement officials, was a violation of a statute of the United States. The fact that before the operation was halted it was conducted for over three months without the knowledge of the Office of the General Counsel demonstrates the need for improved internal consultation. (See Recommendation 10).