

APPROVED FOR
RELEASE DATE:
05-Nov-2008

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED	CONFIDENTIAL		
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	DD/P	<i>W. E. Colby</i>	<i>WEC</i>
2	Chief, CI		<i>W. E. Colby</i>
3			
4			
5	<i>File</i>	22 AUG 1973	
6			
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	
Remarks:			
<p><i>As Colby knows - and it's not reflected herein, I went with him to the DCI, pointed out the inadequacy of the FBI etc, T-1 handling etc. + DCI modified position to last clause of para 2. Debrae said he was under instructions from Colby to the effect that no pressure should be put on Carter. -- also pointed out to DCI that personnel are CIA and suggested if they would all need to be detailed.</i></p>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
W. E. Colby			20 Feb 73
UNCLASSIFIED	CONFIDENTIAL	SECRET	

(b) (1)
(b) (2)
(b) (3)
(b) (6)

(b) (5)

15 February 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Mail Intercept Program

1. The attached memorandum from Chief, CI was orally briefed to the Director (and the DDCI), he was shown the activity reflected on page 12, and he read the entire attachment giving random examples of production. I used the attached Talking Paper as a basis of presentation to the Director. The Director expressed his agreement with the desirability that this project be passed to the FBI and his lack of conviction that the product to CIA is worth the risk of CIA involvement. He directed the DDCI to discuss the activity with the Acting Director, FBI, with a view to offering the FBI the opportunity to take over the project, including the offer of detailing the CIA personnel involved to the FBI to implement it under FBI direction and responsibility.

2. Since [redacted] had indicated that he was unwilling to continue to collaborate on the project beyond 15 February unless it were cleared with appropriate superior authority, the Director agreed that the activity would be suspended unless [redacted] would accept its continuance for the time being under our assurances that the matter is being prosecuted at a very high level.

3. Mr. Osborn advised [redacted] of this conclusion, and [redacted] requested that the project be suspended until appropriate resolution of the problems involved. This has been done.

W. E. Colby

W. E. Colby

14 February 1973

TALKING PAPER

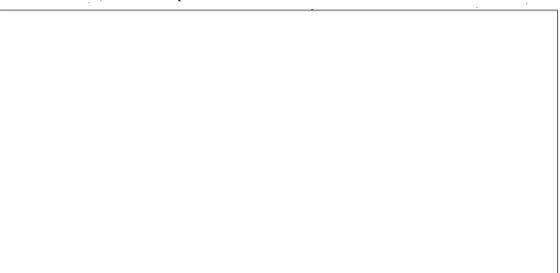
SUBJECT: Mail Intercept Program

1. A program of intercepting mail between the United States and the USSR has been in existence in New York since 1952. This program has provided information of interest [redacted] as we understand it, dealing with Soviet activities vis-a-vis the United States and with respect to Americans who maintain active contacts with Soviet and other Communist areas. The program was most recently briefed to then Attorney General Mitchell and Postmaster General Blount in June 1971.

2. Considerable efforts are made to conduct this operation on a totally secure basis, but it is of course possible that it leak. While the recording of the addresses and return addresses is totally legal, the opening of first-class mail is in conflict with 39 U. S. Code, Section 4057. A contention can be made that the operation is nonetheless within the constitutional powers of the President to obtain foreign intelligence information or to protect against foreign intelligence activities (powers statutorily recognized in 18 U.S.C., Section 119, with respect to bugging and wiretapping).

3. The political risk of revelation of CIA's involvement in this project is in any case substantial. In my view, this political risk is not justified by the operation's contribution to foreign intelligence and counterintelligence collection. It may well be justified by the contribution it makes [redacted] a matter best judged by the [redacted]. If this is viewed as sufficient, I recommend strongly that the project be assumed by the FBI rather than running the extra risk of possible public revelation of its association with CIA. CIA would naturally provide any support desired by the FBI and would hope to receive such material as might be of value to CIA from the FBI.

4. Pending resolution of the above, the project is suspended.



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The Project

I. A. The mail intercept Project is a basic counterintelligence asset designed to give US intelligence agencies additional insight into Soviet intelligence activities and interests. It provides information about Soviet-American contacts and insight into Soviet realities and the scope of Soviet interests in the academic, economic, scientific and governmental fields unavailable from any other source. The Project adds a dimension and a perspective to Soviet interests and activities which cannot be obtained from the limited resources available to this Agency [redacted]

B. The Project is particularly productive in supporting both the Agency [redacted] in pursuing investigative and operational leads to visiting Soviet students, exchange scientists, academicians and intellectuals, trade specialists and experts from organizations such as the USSR Institute of the USA. The basis for exploiting the Project for this purpose is the knowledge we have from every Soviet Bloc intelligence service defector that each visitor to the West is approved by the respective Security Service. The Project, limited to mail to and from the USSR and the USA, is basically concerned with individuals the KGB approves because it controls them, their passports, their foreign exchange, their education, etc. Based on KGB and GRU defector information, it is presumed that the visitor is a KGB agent or cooperating with the KGB, i.e., a "cooptee." It is also known that no Soviet can maintain correspondence to the United States without KGB approval.

C. In many instances the Project provides the only means of detecting continuing contact between KGB controlled exchange students and Americans. The concern is the spotting and assessing and ideological missionary work these Soviet students do while in the US. The Soviet student not only maintains correspondence when he goes back to the USSR but often returns to serve in the US in an official capacity as a scientist, trade representative or diplomat and renews his contacts. The US internal security concern is illustrated by the fact that of the academically active 32 Soviet exchange students in the US during the academic year 1971-1972 reliable collateral sources have identified 11 as coopted KGB agents and 19 as

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coopted GRU agents. To date 10 of the 55 Soviet exchange students here for the academic year 1972-1973 have been identified as KGB cooptees.

D. The Project provides information otherwise unavailable about the Soviet contacts and travel of Americans to the USSR which is often important when checking applicants for Agency or other Government employment and in confirming reports from Clandestine Service, Domestic Contact Service and FBI agents, contacts and informants.

E. Project material recorded for 18 years gives basic information about Soviet individuals and institutions useful to the analyst looking for specific leads and in gauging trends in Soviet interests and policies.

F. In addition to the obvious value of the Project to the CS, [redacted] recently advised us when we were reviewing its current requirements that the Project information is extremely valuable with respect to information [redacted]

[redacted] Project information helps [redacted] develop sources and assess Soviet students. The [redacted] anticipates the Project will provide insight into the developing trade relations where no [redacted] coverage is possible. The [redacted] has benefitted from leads to American students who have been in the USSR and, in particular, from the knowledge that the sons and daughters of CPUSA and Front Group officials who they expect will be the left leaders in 5 to 10 years have studied in the USSR. Often there are no other leads to this information. The [redacted] also notes that quite often the Project information permits it to correlate lead information which has been outstanding for several years.

II. A. The Project originated in the Spring of 1952 when the then SR Division of the CS (now SB) began to examine the positive, operational and counterintelligence information potential which might be obtained from a systematic monitoring of postal communications between the United States and the Soviet Union.

B. In November 1952 [redacted]

[redacted]

[redacted] AS
agreed with New York Postal Inspector Henry MONTAGUE, examination of mail covers by CIA personnel documented as Post Office Department officials was begun on 17 February 1953.

C. Occasional exploratory openings conducted at a secure CIA installation nearby proved so rewarding that continuation on a highly selective basis was deemed necessary in the national security interest.

D. In May 1954 Mr. Allen W. DULLES, DCI, and Mr. Richard HELMS, the Chief of Operations, DDP, took the first initiative in the series of briefings to insure that each Administration has known the Project existed. They advised Postmaster General Arthur E. SUMMERFIELD that an examination was being made of the "covers" of mail to and from the Soviet Union (such examination is legal). While Mr. SUMMERFIELD did not comment specifically, it was clear that he was in favor of the activity.

E. When the yield from the activity transcended the interests of the Soviet Division, responsibility for it was transferred in 1955 to the Counter Intelligence Staff of the DDP, where it has remained to the present.

F. In January 1958, [redacted] the Postal Inspection Service's permission to examine mail to and from the Soviet Union. CIA was advised of the [redacted] and arranged in February 1958 to regularly provide the [redacted] with items of internal security interest. The FBI is the only non-CIA agency which receives copies of the material in its raw form.

G. In February 1961 Mr. DULLES and Mr. HELMS discussed the "mail surveillance" activity with Postmaster General Edward DAY and Chief Postal Inspector MONTAGUE. Mr. DAY agreed that the activity should continue and made the caveat that the Post Office Department need not know the extent of the mail examination.

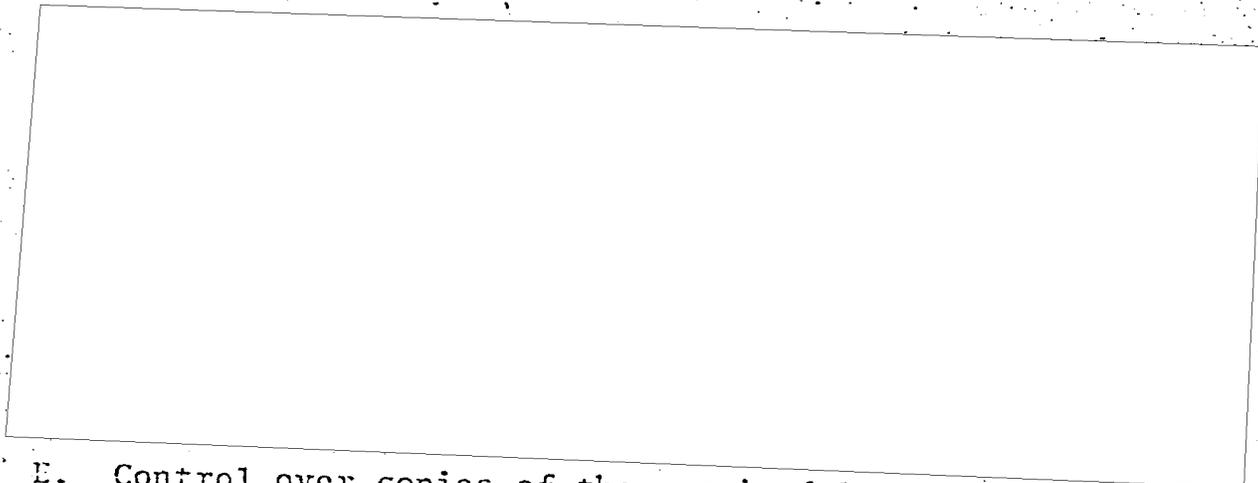
H. The first US postal official to be fully aware of the clandestine aspect of the mail surveillance was ex-CIA employee [redacted] upon his appointment [redacted] [redacted] knows about the project because of his duties while with CIA.

I. In early June 1971 Mr. HELMS, DCI, briefed Attorney General MITCHELL and Postmaster General BLOUNT and showed selected samples of information obtained. This was the first time officials at this level were briefed about the details of the operation. Both Cabinet members concurred in the continuation of the activity. Mr. HELMS advised Mr. BLOUNT that [redacted] knew about the operation as a result of his CIA service.

J. The present Postmaster General has not been briefed by any CIA official.

II. A. From its initiation the security risk associated with this undertaking has been fully recognized. The security mechanics of this Project which were carefully laid initially are continuously reexamined and, with the possible exceptions noted below, it is believed that security is as tight as it possibly can be.

B. Mail is examined only in a vault area within a restricted secure area of Federal Building No. 111 at JFK International Airport.



E. Control over copies of the examined letters in the Project office at Headquarters is stringent. Each item is logged. Each person, translator, analyst, and cleared recipient directly involved in the Project or with Project material is thoroughly briefed and continually impressed with the sensitivity of the Project. Routing of material is via sealed envelope, by hand, to named recipients only.

Material is permanently stored in a vaulted area, under the Project manager's control.

F. The compartmented unit within the FBI's Domestic Intelligence Division, which receives copies of the Project materials, observes rigid security procedures, restricting the materials to a limited number of Special Agent Supervisors in that Division who regularly handle equally or more sensitive information and are aware of the sensitivity of this material. FBI Field Offices receive only disguised Project information and even then a cautionary statement is included and highlighted. The fact that CIA is the source of the information is protected by sourcing the information to a coded identification. The raw Project materials are never placed in case files, are never reproduced and never sent to FBI Field Offices.

G. The "flap" potentials in this Project are essentially the same hypothetical problems this Agency and the FBI face every day in our operations. However, to give a perspective to problems we have considered, the following areas of concern are noted:

1. A disgruntled Post Office department employee at the Jamaica Airmail Facility near JFK International Airport, New York, where the screening of the mail takes place, could allege that sacks of mail are removed to a locked room. He could only speculate as to the reasons for the removal, however. (In the event of surprise forced entry into the examining room at the airport during the CIA officers' working hours, the only observable activity would be the copying of selected exteriors which is legal.)
2. Over the years, texts of examined mail have been made available on a restricted and need-to-know basis to individuals within the Clandestine Service. Because of short-term rotational assignment tenure, it has been necessary to make a fairly large number of persons witnessing of the Project material but not to the mechanics of acquisition. An individual who becomes disgruntled or who loses all appreciation for security could disclose that mail was being examined. With very few exceptions, however, no one could pinpoint where the examination is done and verify that it is done by CIA.

3. Selected items of mail to be opened are transported by one of the covert CIA examining officers from the Airmail Facility to the Federal Building at JFK International Airport. Conceivably the persons transporting these letters could become involved in an accident or be attacked by thugs, disclosing possession of the mail outside the Facility, but the reason would be unknown.

4. Copies of the examined mail are couriered weekly from the Federal Building at JFK International Airport to the [redacted] CIA's Office [redacted] for transmittal to Headquarters. It is possible that these copies could fall into unauthorized hands if the vehicle used was involved in an accident or if the individuals transporting the letters were subjected to a holdup.

5. Copies of the letters are forwarded by the Office [redacted] to a Headquarters-controlled post office box by registered mail. A mail robbery or train/aircraft accident is possible, resulting in the loss of the mail.

ii. Past incidents or publicity about US Government interest in mail coverage which caused some concern with respect to Project activities are cited to give some additional background.

1. In mid-April 1965 there were press accusations that the Internal Revenue Service had been examining mail to attempt to uncover information about foreign asset holdings of US citizens who were seeking to evade or were delinquent in their taxes. Congressman Durward G. HALL (R-Mo.) also claimed that he had received unevaluated information that other agencies were "snooping" into the mails. Senator Russell B. LONG's Congressional Sub-Committee to the Joint Committee on Internal Revenue tax conducted hearings into these accusations. In May 1965 then Postmaster General GRONOUSKI stated publicly that the Post Office Department had cooperated with requests for mail cover examination from a number of Federal agencies including the Food and Drug Administration, the Internal Revenue Service, and the Department of Justice. Mr. GRONOUSKI

stated that he would henceforth limit severely the number of officers in the Post Office Department who could authorize examination of the mail. It should be noted that Senator LONG's Sub-Committee dealt primarily with the examination of the mail by the Internal Revenue Service and the Department of Justice. The Post Office Department was not unduly concerned by the Congressional hearings and press accusations, and CIA's mail examining Project was not affected.

2. On 4 June 1968 the late columnist Drew PEARSON wrote: "Senate investigators have discovered that the CIA not only watches suspicious mail, but actually opens the letters as part of its secret intelligence work." There is no indication that either Congress or the general public reacted to these allegations.

5. On 13 January 1971 Jeremy STONE, Director of the Federation of American Scientists, Washington, D.C., addressed a letter to [redacted] referred to above, who was then and is now [redacted] raising some very precise questions apparently designed to assist him with respect to legislation STONE had in mind regarding entry into domestic and foreign mail. [redacted] forwarded a copy of the letter to Mr. Howard OSBORN, Director of Security, CIA, soliciting advice about what his reply to STONE's questions should include. Concern over the "flap potential" for the Agency which the letter might engender prompted Mr. HELMS to brief both Mr. BLOUNT, the Postmaster General, and Mr. MITCHELL, the Attorney General, in early June 1971. To our knowledge STONE's letter was never answered.

IV. The following is a tabulation of Agency personnel briefed on the Project from 1952 to 31 December 1972 and their current status.

A. Total number of persons briefed since inception [redacted]

thereof currently on duty in DDP area [redacted]

(Note: only [redacted] persons are currently active recipients of Project material; see separate breakdown)

on duty in other Directorates

terminated (retired/resigned/deceased)....

*excludes Project personnel, TSD personnel involved in the technical aspects, and Office of Security operating personnel in Field and at Headquarters

B. Active recipients of Project material in DDP area (as of 31 December 1972)

CI Staff
Soviet Bloc Division
Western Hemisphere Division
Africa Division
Foreign Resources Division
Near East Division

Total DDP

Office of Security

TOTAL

V. Present consumers of Project material and the type of information they receive is as follows. In addition to current information, the Project provides file data dating back to 1955. The Project maintains a compartmented machine record system which includes about two million names of persons involved in USA-USSR contact. Institutional and organization files are also maintained for reference and analytical purposes. The analysts in the Project office reference and collate information to assist CI Operations and the Operating Divisions

A. CI Staff components which oversee and coordinate exploitation of the Project material receive material of interest to the operational divisions, as well as the following:

Specific requirements which indicate operational methods.

Specific requirements which indicate operational methods.

B. The Soviet Bloc Division uses Project material for operational leads and counterintelligence investigation. It extracts and supplies information for basic files, personality dossiers, and certain machine record programs. SB Division receives materials to/from or concerning the following types of information:

Specific requirements which indicate operational methods.

Specific requirements which indicate operational methods.

C. The AF Division receives Project material identifying and concerning:

Specific requirements which indicate operational methods.

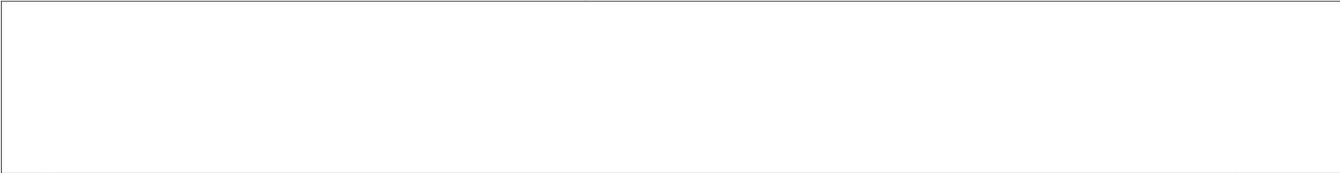
D. The WH Division receives Project material which:

Specific requirements which indicate operational methods.

E. The Information Services Division (ISD) and the DDP Area Divisions concerned receive extracted information identifying foreign students in the USSR. Dissemination is by sterile memorandum which does not identify the Project as the source.

F. The requests and receives information and leads from the Project material to/from, identifying, or concerning:

three (3) individual items with a summary and translation, as appropriate, which also provides some correlated and analytical references based on Project file material.



VII. The processing and dissemination statistics for the calendar years 1971 and 1972 are as follows:

	<u>1971</u>	<u>1972</u>
Total items through facility		
Total items CIA screened		
Total exteriors recorded		
Total interiors (contents) recorded		
Total interiors for intelligence exploitation		
Total for technical examination		
Total selected on basis watchlist		
Total (approximate) examined, analyzed, translated, summarized, etc. (includes items on file not previously processed)		
Total (approximate) items disseminated within DDP		
Total items disseminated to FBI		

The Project is operated using the following personnel:

- A. [redacted] officers of the Office of Security ([redacted] [redacted]) who are engaged full time in screening and selecting items to open and then opening, photocopying and rescaling the items.

3. Seven (7) officers and two (2) clerks of the DDP Counter Intelligence Staff man the Project office at Headquarters and are engaged full time in processing items. This processing includes translation, summarizing, correlating and indexing the information.

IX. The total cost of the operation is approximately [redacted] per annum. Salaries account for approximately [redacted] of the total cost with the remaining funds spent on film and other reproduction costs, travel and equipment maintenance.

X. Attached are random samples of the production from the Project.