CONGRESSIONAL RECORD -- HOUSE

It is a tragic fact that over the last decade, as the forces of big government have been overfed and overnourished, the free enterprise system has gradually been weakened. As we have strengthened the public sector, we have directed billions of dollars away from the private sector and we have discouraged savings and investment in the future.

The record of capital investment in the United States in recent years has been the lowest of any major industrialized nation in the Free World. From 1960 through 1973, total fixed investment in the U.S. averaged 17½ percent a year of our real national output, compared to 35 percent in Japan, and 26 percent in West Germany. Not surprisingly, our record of productivity growth during this same period was also among the lowest of the major industrialized nations.

Increased capital investment leads to increases in productivity, and it cannot be said often enough that increased productivity is the only means we have of raising the stand-

ard of living.

Why have we failed to build and expand our industrial base? A fundamental reason, I would argue, is that we have had policies which promote personal consumption and Federal spending at the expense of savings, investment and capital formation. Too many of our financial resources have been diverted to their least production use, the Government, instead of their most productive use, the private sector. A related part of the problem has been the serious deterioration in corporate profits since the mid-1960s. Contrary to popular opinion, after-tax profits measured in real terms have dropped by 50 percent since 1965. It is not unfair to say that we have been and remain today in a profits depression in the United States.

The interaction of the various trends that

The interaction of the various trends that I have mentioned here today—excessive fiscal and monetary policies, overzealous regulation by the government, and inadequate capital formation and economic growth—has had a number of effects within the economy, but none has been more significant than the general inflation that has resulted. Since the mid-1960s, we have been plagued with an inflation rate that has gradually climbed from one plateau to the next. In recent years, that rate was exacerbated by the quadrupling of oil prices and the increase in food prices, but as those special factors disappear, it will be apparent that the underlying reasons for our current inflation have been the misguided policies that began back in the mid-

Economists have also begun to recognized that more than any other factor, inflation was responsible for causing today's recession. As prices skyrocketed and real incomes were eroded, consumer confidence fell and we experienced the worst drop in retail sales in a quarter of a century.

Similarly, as prices rose, funds were drawn out of the thrift institutions, interest rates were driven up, and the bottom fell out of the housing industry. We must never forget that inflation is our most fundamental economic problem, and unless we avoid making the mistakes of the past, we are doomed to repeat the agonies of the last two years.

POLICIES FOR THE FUTURE

What, then, should be our policies for the future?

First and foremost, we must continue to support the forces of economic recovery so that we can end the hardships of unemployment. In warming up the economy, however, we must be equally careful not to overheat it. That may require a slower period of recovery than we would like, but we are only buying more trouble for ourselves over the long run if we resort to short-term palliatives.

The most immediate test of our resolve is occurring right now as we face up to the question of Federal space of the property of the conomy that is managed and directed by the troop of them will join me in viewing question of Federal space of the conomy that is managed and directed by the company the conomy that is managed and directed by the most of them will join me in viewing the conomy that is managed and directed by the company the conomy that is managed and directed by the conomy that most of them will join me in viewing the conomy that is managed and directed by the conomy the conomy that is managed and directed by the conomy that is managed and directed by the conomy the conomy that is managed and directed by the conomy the conomy that is managed and directed by the conomy that is

is resisting the temptation of trying to spend our way back to prosperity, fighting hard to hold the Federal deficit for the coming fiscal year to \$60 billion. We have been heartened by the votes of the Congress to impose a voluntary ceiling near that level, but it is not yet clear whether the Congress has the will to obey its own mandate. There is a continuing danger that the Congress could force the deficit much higher and if so, we will run a serious risk of setting off a new wave of inflation. It is time that we rejected the glittering promises of instant prosperity offered by the big spenders; we should know from hard experience just how hollow those promises are and how they only create a worse mess than we already have.

As we regain our prosperity, our second goal must be to restore much greater discipline to our fiscal and monetary policies. Instead of an unbroken string of Federal deficits, we should begin to pursue budget surpluses in good years so that we can free up more funds for capital investment.

Third, we must lift the dead hand of governmental regulation from the many areas where it smothers economic incentives and growth. This goal is particularly relevant in the field of energy. If we are to achieve greater self sufficiency in energy, as I believe we must, then we must accelerate the development of resources such as coal by striking a reasonable balance between environmental and energy requirements. The restraints imposed by the Government upon production, sale and use of our energy resources are unnecessarily restrictive and should be swiftly revised.

Still a fourth basic challenge that we face in the days ahead is to achieve a fundamental shift in our domestic policies so that we place less emphasis upon consumption government spending and more upon savings, investment and capital formation.
While estimates of future capital needs are always difficult, a variety of studies have concluded that our investment needs during the next decade will be almost triple the amount of recent years. Investment demands will be particularly acute in the field of energy. General projections of energy industry requirements over the next decade range from \$750 billion to \$1 trillion. Utilities will need the greatest portion of these funds, but we must also channel tens of billions of but are the also channel tens of billions of trusters have accelerated development of petreleum, natural gas, coal and non-fossil fuels. The potential for future development of energy resources is great, but it is clear that we will not realize that potential so long as the government ignores the financial calities involved and inhibits the process of capital formation.

formation.

Finally, we must begin to pice greater reliance upon the free enterprise system once again and less upon government. The private enterprise system has long seen a cornerstone of our freedoms and his provided this nation with the greatest properity and the highest standard of living seer known. But in today's economic turbusince, there are continuing temptations to place that system with the forces of central sed government. The government has become so huge and domineering—and we have arried to it so often for solutions that have allen short of our dreams—that the time is some to rediscover how much can be acomplished by private enterprise and by me and women who are free to determine that rown destinies.

In coming years, if we continue to be seduced by the siren songs of biggovernment, we will not only inflict enormous damage upon our economy but we will also sweep away the most powerful engine for social enterprise anywhere in the world, our free enterprise system, and replace it with an economy that is managed and directed by

Approved For Release 2005/04/27: CIA-RDP77M00144R001200030004-5 nistory and the over the last decade, is resisting the temptation of trying to spend our way back to prosperity, fighting hard to our way back to prosperity, fighting hard to our way back to prosperity fighting hard to our

Ladies and gentlemen: What I have said to you here today expresses my deepest convictions as a public servant. I came to Washington two and one half years ago because—as corny as it may sound in this age of cynicism—I wanted to try to repay just a small amount of what this country has given to me. And I am proud to be here. But when I see what is happening in Washington today, I can only shudder about the world that we are building for our children.

I have had the good fortune to spend most

I have had the good fortune to spend most of my professional life in the heart of our financial world. Anyone who spends a great deal of time there and is willing and able to learn about the workings of the marketplace gains a basic grasp of what constitutes the difference that I referred to earlier between sound and unsound policies. And I am terribly saddened and frequently outraged—as I am sure the American people must be tooby some of the practices that I now encoun-

ter in our nation's Capital.

What we are talking about here are the issues that will determine what this country will be like for a generation or more to come. We have a choice: we can either continue to compound the errors of the past, or we can renew the foundations of our economic system and begin to build wisely and soundly for the future. The American people know this and there is no question in my mind where they stand, but I also believe that as a nation we will make the right decisions about the future only if more of our citizens—Americans of strength and character like those of you here today—are willing to fight for their convictions. I urge you to stand up and be counted.

Thank you very much.

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

[Mr. MILLER of Ohio's remarks will appear hereafter in the Extensions of Remarks.]

mission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. GUDE's remarks will appear hereafter in the Extensions of Remarks.]

SMOKESCREEN FOR A COVERUP IN THE ARMED SERVICES COM-MITTEE

(Mr. HARRINGTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HARRINGTON. Mr. Speaker, earlier this week the Armed Services Committee improperly attempted to Infringe on my rights as a Member of Congress. Charging that I had refused to honor the committee's rules of confidentiality in exposing the CIA's successful effort to undermine democracy in Chile, a narrow majority of the members voted to deny me further access to any of the committee's files.

I can assure my colleagues that the full House will have an opportunity in the near future to pass judgment on this extraordinary action. I feel confident that most of them will join me in viewing the committee's move as a petty and un-

conscionable attem Approvace FootcRelease 2065/0472797CIA-REPFTDM 60444R0042000300045 thinking that the and perpetuate the coverup of CIA mister alleged involvement of the CIA in the gentleman from Massachusetts had been and perpetuate the coverup of CIA mis deeds, a coverup that has been acquiesced in through the years by the Armed Services Subcommittee on Intelligence, I cannot believe that a majority of my colleagues have come to see an informed electorate as a threat to democracy, or democracy in Chile as a threat to the free world.

In order that my colleagues might better acquaint themselves with the issues involved in this matter, I am inserting in the Record the full transcript of my appearance before Mr. Nedzi's subcommittee on September 25, 1974, where I was questioned at some length about my handling of William Colby's classified testimony of April 22, 1974, which related to CIA activities in Chile.

It is also my intention to offer for the RECORD, and in a variety of other forums, my own perspective of the events described in the committee transcript. At the same time, I will pursue those avenues-involving, in all likelihood, the Armed Services Committee, the Committee on Standards of Official Conduct, and ultimately the full House-by which the record can be made clear and my rights as a Member preserved.

The transcript from September 25 follows:

[H.A.S.C. N. 94-12]

SPECIAL SUBCOMMITTEE ON INTELLIGENCE IN-QUIRY INTO MATTERS REGUARDING CLASSIFIED TESTIMONY TAKEN ON APRIL 22, 1974, Con-CERNING THE CIA AND CHILE

HOUSE OF REPRESENTATIVES, COM-MITTEE ON ARMED SERVICES, SPECIAL SUBCOMMITTEE ON IN-TELLIGENCE,

Washington, D.C., September 25, 1974. The special subcommittee met, pursuant to call, at 10:38 a.m. in room 2337, Rayburn House Office Building, Hon. Lucien N. Nedzi (chairman of the subcommittee), presiding. Present: Representatives Nedzi, Hébert,

Bray, Arends, and Wilson.

Also present: Frank M. Slatinshek, chief counsel and William H. Hogan, Jr., counsel. Mr. Nedzi. The subcommittee will come to

We do have a quorum present and in order that the record may be clear I would like to state that this hearing is being conducted to inquire into the procedures regarding classified testimony taken by this subcommittee in executive session on April 22, 1974, con-cerning the alleged involvement of the CIA in the overthrow of the Allende government in Chile.

In this regard I would like to enter into the record the letter from Chairman Hébert to me concerning these hearings and authorizing the taking of sworn testimony and issuance of subpenas if necessary.

Would you read that into the record, Mr. Hogan?

[Mr. Hogan read the following letter:]

U.S. House of Representatives,

COMMITTEE ON ARMED SERVICES, Washington, D.C., September 23, 1974. Hon. LUCIEN N. NEDZI,

Chairman, Special Subcommittee on Intelligence, House Armed Services Committee, U.S. House of Representatives, Washington, D.C.

DEAR MR. NEDZI: This will confirm our recent decision to commence hearings in the Intelligence Subcommittee on or about September 25, 1974 to inquire into the recent public disclosure of classified testimony taken by the Subcommittee in executive ses-

overthrow of the Allende government in Chile.

For the purpose of fully discharging its responsibilities and completing the inquiry, as Subcommittee Chairman you are hereby vested with the authority granted and conferred by Section 2(a) of House Resolution 185, 93d Congress to swear witnesses and to require by subpena or otherwise, the attendance and testimony of such witnesses and production of such books, records, correspondence, memoranda, papers and documents as may be necessary.

Sincerely,
F. EDW. HEBERT, Chairman. Mr. NEDZI. The rules of the House require that the subcommittee hearings be announced one week in advance unless the subcommittee for good cause elects to hold the hearings at an earlier date, and let the record show that Chairman Hébert's concurrence with the public announcement of the meeting on September 23, 1974 has been made.

At this time I will recognize Mr. Bray for a motion.

Mr. Bray. Mr. Chairman, I move the subcommittee now go into executive session.

Mr. HÉBERT. I second the motion. Mr. Nedzi. Will you poll the members please?

Mr. SLATINSHEK. Mr. Nedzi.

Mr. Nedzi. Aye.

Mr. SLATINSHEK. Mr. Hébert.

Mr. Hébert. Aye. Mr. Slatinshek. Mr. Price.

Mr. PRICE. (No response.)

Mr. SLATINSHEK. Mr. Fisher.

Mr. FISHER. (No response.)

Mr. SLATINSHEK. Mr. Bray. Mr. Bray. Aye.

Mr. SLATINSHEK. Mr. Arends.

Mr. Arends. Aye.

Mr. SLATINSHEK. Mr. Wilson.

Mr. Wilson, Aye.

STATEMENT OF HON. MICHAEL HARRINGTON, REPRESENTATIVE FROM MASSACHUSETTS

Mr. HARRINGTON. Mr. Chairman, I think it might be, if I may have your permission to be heard while we still have an audience, useful to renew a request I made of you yesterday afternoon to consider the usefulness from any perspective one would choose to arrive at of open session on the question that you pose this morning, and further to indicate that despite the stridence of the language that was used in the letter that has been made a part of the record, that a conversation occurred between yourself and myself on about September 12 of this year asking whether or not I would be willing to come before this committee to meet with them and discuss the subject which has prompted this meeting this morning, and further that I agreed readily to do so, suggesting that the meeting could be held that afternoon if it were convenient to the members, and that if any confusion ensued, which I have no objection to, attendant to setting of the date of the meeting, it ensued largely because of apparently a lack of effective communication mutually on the ques-tion of a date, but there has been no effort made at not being willing or not being entirely in concert with what you state as one of the interests you have in calling the meet-

ing on my part:
Mr. Nedzi. The Chair will state in response that he confirms what the gentleman from Massachusetts has said.

On my first call to him he expressed readiness and willingness to attend the hearing at a mutually agreeable time. In fact we talked about one within a day or two, but because of the gentleman's schedule and the Chair's schedule we could not arrange a date prior to today. There was some con-fusion between the Chair and counsel for

contacted, and at no time was there any suggestion of unwillingness on the part of the gentleman from Massachusetts to appear before the subcommittee to testify.

Mr. HARRINGTON. My only other procedural question, and one that may appear to be somewhat insensitively offered, is that I, in coming here freely this morning and in hoping that you might reconsider the usual set-ting for meetings of this kind and leave it open, would expect that since I am obviously a principal to this morning's proceeding that I have a copy of the transcript of this morning's proceedings with you before it is made a part of any record.

Mr. NEDZI. The Chair at the moment sees no objection to that, but we will have to put that to the subcommittee.

Mr. HARRINGTON. It would seem to me to be in a sense an unnecessarily, if this is voluntarily arrived at, causing problems about-

Mr. NEDZI. Let me say that witnesses before the committee have access to the transcript as a matter of course.

Mr. HARRINGTON. Would you describe to me so that I have a clear understanding of what that means in this instance?

Mr. SLATINSHEE. Mr. Chairman, if I may interrupt, that means that the witness will review the transcript in the committee hearing room or in the committee rooms. The traditional procedure of the committee does not require that we provide the witness with. a copy of the transcript. We simply make the transcript available to him for editorial changes and grammatical changes in his testimony and for an opportunity to review the testimony that he provided the subcommittee or the committee. This is the tradi-tional manner in which the committee operates.

Mr. HARRINGTON. Let me then restate my request, that because of the nature of the hearing, because of the background, this being requested of me, I would ask that I have not just access to the material, but have a copy of the record for whatever use I may choose to make of it.

Mr. Nedzi. The Chair will restate his response to the gentleman. That matter will be put to the subcommittee and the gentleman will be advised.

Mr. Harrington. I think it is important to be understood before proceeding in terms of my own sense of the need for this and the need not to rely on the usual method of operation, and I would expect that the gentle-men sitting beside you might, given the reversal of roles, as much as they might think that unlikely, want the same courtesy afforded them.

Mr. NEDZI. I hear what the gentleman is saying but, unfortunately, we don't know what kind of information is going to be disclosed in the course of the hearing and because of the experience that the subcommittee has had there is some question with respect to the procedures in handling classified information.

Consequently, I don't think that the subcommittee is in position to respond to the gentleman's request at this time, at this point in time, as they say in Washington.

Mr. Harrington. I find myself somewhat

puzzled only that the essence of the information that is the subject of concern has been at least in the broadest sense endorsed or ratified by the President of this country and by the Director of the Central Intelli-

gence Agency.
What else is there in terms of your concern that would prompt a further concern about wanting to have a proceeding that I am the central figure in available to me on something other than the usual Armed Services Committee basis.

Mr. NEDZI. Well, the Chair will state that

tleman's request at this time and the gentleman, of course is free to refuse to testify under the arrangement. That is up to him.

Mr. HARRINGTON, I have never really been remotely inclined to refuse to testify. I am just really attempting to establish, so we have no ambiguity, and a feeling that I think is an entirely defensible one, that the reason for the hearing is obvious; the witness that you have is essential to the hearing. I would certainly not find it satisfactory to accept, even by my silence or any ambiguity about my response, Mr. Slatinshek's defini-tion of what access means.

Without protesting that I think it violates essentially what would be my rights pros-

pectively.

Mr. NEDZI. I think that we have gone as far as we can go on the point and the vote being 5 to 0 in favor of an executive session the Chair will announce the subcommittee

will now go into executive session.
[Whereupon, at 10:49 a.m. the special subcommittee recessed to go into executive ses-

sion.] The special subcommittee met, pursuant to open session, at 10:50 a.m. in room 2337, Rayburn House Office Building, Hon. Lucien N. Nedzi (chairman of the subcommittee) presiding.

Present: Representatives Nedzi, Hébert,

Bray, Arends, and Wilson.

Also present: Frank M. Slatinshek, chief counsel and William H. Hogan, Jr., counsel.

Mr. Nedzi. May we ask counsel to read a memorandum for the record dated September 12, 1974.

Mr. SLATINSHEK. I am reading a memorandum for the record dated September 12, 1974: [The following information was received

for the record:

MEMORANDUM FOR THE RECORD

SUBJECT: APPARENT MISUSE OF INFORMATION RECEIVED BY A MEMBER OF CONGRESS FROM HIS REVIEW OF AN EXECUTIVE SESSION TRAN-SCRIPT OF THE ARMED SERVICES SUBCOMMITTEE ON INTELLIGENCE

1. The New York Times, on Sunday, September 8, 1974, carried a story, dateline Washington, September 7, 1974, by Seymour Hersh, containing information allegedly obtained by Congressman Michael Harrington (D-Mass.) from his reading of the Subcommittee on Intellegence transcript dated April 22, 1974.

2. Congressman Harrington had obtained access to this transcript, classified Secret", by virtue of his oral request to Subcommittee Chairman Lucien N. Nedzi, and the subsequent approval of Chairman F. Edw. Hébert. Access to the transcript was provided Mr. Harrington with the clear understanding that availability of the transscript was subject to both the Rules of the House of Representatives and the Rules of the Committee on Armed Services.

3. By way of background, Rule XI, Clause 27(c), provides that all Committee hearings, records, files, etc., shall be the property of the House and all Members of the House shall have access to such records.

4. House Rule XI, Clause 27(o) provides

as follows:

"No evidence or testimony taken in executive session may be released or used in public sessions without the consent of Committee."

5. In view of the access of Members to all documents and data received by the Committee as provided by Rule XI, Clause 27(c), and the limited safeguard on the utilization of this material as provided by Rule XI, Clause 27(o) being limited to executive ses-sion material, there remained a serious question as to how the Committee on Armed Services could provide adequate security on confidential material received by the Committee outside of executive session as well

6. In view of these circumstances, the Committee, on February 27, 1973, in establishing its Committee Rules, included in Rule No. 10, the following language: "All national security information bearing

a classification of secret or higher which has been received by the committee or a subcommittee of the Committee on Armed Services shall be deemed to have been received by the Committee in executive session and shall be given appropriate safekeeping.

Pursuant to Committee Rule No. 10, Chairman Hébert, on April 3, 1973, promulgated rules providing for the proper protection of classified information in the Committee files and making this material available to Members of the House of Representa-

8. As previously indicated, Congressman Harrington requested access to a Top Secret transcript of testimony received in executive session by the Subcommittee on Intelligence on April 22, 1974. The testimony was pro-vided by the Director of the Central Intelligence Agency and related to his Agency's activities in Chile.

9. In accordance with the Committee Rule, Congressman Harrington contacted the Chief Counsel of the Committee, Mr. Slatinshek, and was given access to the transcript in question. However, before being provided the transcript, Congressman Harrington was, in accordance with the Rules established by the Committee on Armed Services, asked to read the Rules applying to Members of the House who requested access to classified information in the Committee files. Congressman Harrington was handed these Rules; and after persuing these Rules, signed a statement, which reads as follows:
"I have read the Rules of the Committee

on Armed Services relative to access by Members of the House of Representatives to classified information in the Committee files, and I agree to honor those rules."

10. A copy of the Committee Rules is attached as promulgated by Chairman Hébert by letter dated April 3, 1973. Also included is a copy of Armed Services Staff Memorandum 93-4, dated April 5, 1973, calling attention to these Rules to the members of the staff handling classified material.

SUMMARY

The news article appearing in the New York Times and other news media throughout the country indicates that Congressman Harrington had addressed a "confidential seven-page letter... to Representative Thomas E. Morgan, chairman of the House Foreign Affairs Committee, [which] was made evailable to the New York Times." Other news media articles indicated that a similar letter was sent by Congressman Harrington to Senator Fulbright, Chairman of the Senate Foreign Relations Committee.

At this point in time, it is evident that the information received by the Armed Services Subcommittee on Intelligence was leaked to the news media. However, no information is presently available to the Committee on Armed Services which would indicate the manner in which this information was leaked to the news media except that it appears evident that this information was obtained as a result of Congressman Harrington's review of the Subcommittee testimony and his subsequent correspondence with the Chairmen of the House Foreign Affairs and the Senate Foreign Relations Committees.

It is apparent that the Committee on Armed Services must take appropriate measures to insure that security leaks of this kind can not occur in the future.

In addition to the problem confronting the Committee on Armed Services, there is

Ine is not in position to Approved For Release 2005/04/27 w. Approved at this time and the gentleprecludes the use of executive session testimony unless authorized by the Committee, it appears evident that a direct violation of this House Rule is also involved.

FRANK M. SLATINSHER, Chief Counsel.

Mr. SLATINSHEK. Attachements to this memorandum include a copy of the commit-tee rules promulgated by Chairman Hebert by letter of April 3, 1974, the Armed Services Staff Memorandum No. 93-4 of April 5, 1974, and a copy of the statement signed by Congressman Michael Harrington on the 2 days on which he had reviewed this testimony and this transcript. The dates were June 4, 1974, and June 12, 1974.

With the permission of the Chair I would like to include this memorandum as I have

read it in the record.

Mr. NEDZI. Including the attachments. Mr. SLATINSHEK. Including the attach-

Mr. NEDZI. Without objection it will be entered into the record.

[The following information was received for the record:]

U.S. House of Representatives,

COMMITTEE ON ARMED SERVICES, Washington, D.C., April 3, 1973.

MEMORANDUM FOR: FRANK M. SLATINSHEK, CHIEF COUNSEL

SUBJECT: RULES FOR ACCESS BY MEMBERS TO CLASSIFIED INFORMATION IN THE COMMITTEE FILES

The Rules Governing Procedure in the 93d Congress adopted by the Committee charge me with the responsibility for proper protection of classified information in the Committee files and at the same time to provide for access to such material by Members of the House of Representatives.

Accordingly, I have prepared the attached set of rules on the subject for appropriate

implementation.

Sincerely, (S) F. EDW. HEBERT, Chairman.

RULES OF THE HOUSE ARMED SERVICES COM-MITTEE TO BE FOLLOWED BY MEMBERS OF CONGRESS WHO WISH TO READ CLASSIFIED IN-FORMATION IN THE COMMITTEE FILES:

(1) Classified information will be kept in secure safes in the committee rooms. Members will be admitted to the reading room (Room 2114-A) after inquiring of the Executive Secretary in Room 2120, extension 54151.

(2) Before receiving access to such classified information Members of Congress will be required to identify the document or information they desire to read, identify themselves to the staff member assigned and sign the Secret Information Sheet, if such is attached to the document.

(3) The reading room will be open during

regular committee hours.
(4) Only Members of Congress may have access to such information. (5) Such information may not be removed

from the reading room, and a staff member will be present at all times.

(6) The staff member will maintain an access list (log) identifying the Member, the material and the time of arrival and departure of all Members having such access to such classified information.

(7) A staff representative will ensure that the classified documents used by the Member are returned to the proper custodian or to original safekeeping as appropriate.

(8) No notes, reproductions or recordings may be made of any portion of such classified information.

(9) The contents of such classified information will not be divulged to any unauthorized person in any way, form, shape or man-

(10) The log will contain a statement acknowledged by the Member's signature

that he has read the committee rules and will honor them

U.S. HOUSE OF REPRESENTATIVES. COMMITTEE ON ARMED SERVICES. Washington, D.C., April 5, 1973.

ARMED SERVICES STAFF MEMORANDUM No. 93-4 SUBJECT: RULES FOR ACCESS BY MEMBERS OF THE HOUSE OF REPRESENTATIVES TO CLASSIFIED IN-FORMATION IN THE COMMITTEE FILES

Rule No. 10 of the Rules of Procedure for the operation of the Committee during the 93rd Congress, adopted by the Committee on February 27, 1973, charge the Chairman with the responsibility for proper protection of classified information in the Committee files. The third paragraph of Rule No. 10 reads as follows:

"The Chairman of the full committee shall establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the committee classified secret or higher. Such procedures shall, however, insure access to this information by any member of the committee or any other member of the House of Representatives who has requested the opportunity to review such material. Such security procedures as are established by the Chairman may be modified or waived in any or all particulars by a majority vote of the full Committee on Armed Services, a quorum being present."

Pursuant to Rule No. 10, cited above, there is attached the self-explanatory rules prescribed by the Chairman for access by Members of the House of Representatives to classified information in the Committee files.

Frank M. Slatinshek, Chief Counsel. (Facsimile not included in the RECORD.) Mr. HARRINGTON. I have a total facsimile. Mr. Nedzi. Mr. Harrington, could you tell us what you dld with respect to this information that was secured

Mr. Hébert. May I interrupt?

Mr. Neozi Mr. Hébert

Mr. HÉBERT. It is usual when the committee has conducted hearings to place all witnesses under oath, and I suggest you have Mr. Harrington, if he is willing, take the

Mr. HARRINGTON. Certainly.

NEDZI. Any objection?

Mr. HARRINGTON. No. I think it is a procedure that might be applied more often to executive branch members, too. But I am glad to.

Mr. Nedzi. Will you raise your right hand. [Witness sworn.]

TESTIMONY OF HON. MICHAEL HARRINGTON, REPRESENTATIVE FROM MASSACHUSETTS

Mr. Nepzi. As I stated earlier, could you tell us how you handled the information or what you did with the information which was secured as a result of examining the transcript of April 22?

Mr. Harrington. Sure. At what point, so that I don't really occupy too much of your time, Mr. Chairman, would you like me to try to begin? I can give you any kind of background you would like or anything useful for the proper setting.

Mr. Nedzi. Any disclosure of that information to any individuals.

Mr. Harrington. All right. Why don't we · take it from about the point you and I began in April and move quickly into June, which appears to be the subject of your interest, and I will make a statement and answer any questions you want to try to have answered that aren't part of what I originally included in my statement.

As you know, I verbally expressed to you, I would say, now attempting to place it in a general time frame, sometime in the latter part of March my dissatisfaction with the nature of hearings that were being connature of hearings that were being continuous tion of our involvement in internal political information?

Approved For Release 2005/04/27 ACIA: RDP77M00144R06.1209030904-5as going to continue,

committee specifically, Inter-American Affairs Subcommittee, particularly on the origins of our policy toward the Allende government from about 1970 to the present, and the effective or the lack of effective ability that I had had to get the chairman of the subcomimttee to have what I considered to be hearings into the origin of that policy.

I told you I think at the same time that in appearing before our committee, in general declining because of the oversight function. in his own words, being investigated with the Armed Services Committee, Mr. Colby indicated that he would prefer to be responsive to a relevant House committee.

Mr. Nedzi. Mr. Hébert. Mr. Hébert. Mr. Harrington, would you identify the chairman of the subcommittee. Mr. HARRINGTON, I am sorry.

Mr. Hébert. You said it was the chairman. Mr. HARRINGTON. Dante Fascell. That has been part of the record in correspondence, chairman of Inter-American Affairs Subcommittee of the House of Representatives, the full committee being the Foreign Affairs Committee.

And indicated to you my interest in at least pursuing what had been said in repeated fashion in the preceding fall by the breetor of the CIA and largely prompted by a variety of expectations on my part that the committee would engage in substantive hearings being dashed or at least not fulfilled up to that point.

I think at the time you asked if I would make a request to you summarizing that in some fashion, which I did, and I don't have the packet of correspondence, but I would. say it is the first part of April of this last year, and the date could perhaps be made a part of the record if it is useful for the

I don't think until some time after the hearing was actually held that you and I had any further communication except to have you tell me that you had had the hearing and were in the process of attempting to get approval or permission from the chairman to have me get access to the material, and we had conversations of this kind, I would say, through the latter part of May and I think about at that time that the procurement bill came to the floor and a discussion was finally held. I think maybe involving Mr. Slatinshek, after talking with yourself, who had indicated that he had talked with the Director of the CIA and you had already, Mr. Chairman, talked with the chairman of the full committee, Mr. Hébert, and that it would be appropriate at that time for me to come to the committee and to obtain access to the material that had been the subject of my request in the Colby testimony

.I believe I did that the following Monday or Tuesday, the first week of June, and went back to the committee a second time, the only other time, a week later, and each time observing the procedures, which have been in a more orderly fashion than I can recount outlined by Mr. Slatinshek, as to how that material was to be handled and read it I think in the presence in general of one or more of the employees of the Armed Services Committee.

Frankly, and I can digress a minute so that I can put at least my philosophy in perspective, and I am sure you people have no trouble arriving at without my bothering to be fulsome in detail, I didn't expect much by way of substance to come from the session that you had and it was more by way of looking for avenues to pursue what I thought was a very serious subject, particularly in light of testimony given—I don't know whether under oath, Mr. Hébert, or not—by I don't know a variety of executive branch witnesses to other congressional committees on the quesand to say that I was startled by the substance would probably understate to a great degree.

I think Mr. Slatinshek was there the first time and we had some brief comment which would tend to characterize what I suggest to you this morning was my reaction.

Mr. SLATINSHEK. May I interject at this

point?

I observed that this was the usual candor with which the committee received testimony from Mr. Colby. He was always forthright and complete in his testimony and I mentioned that this was the manner in which we had operated.

Mr. HARRINGTON. You have no disagree-ment with me on that score. I found it, at least to the degree that it was candid, direct almost to a degree monologue, reciting not only the events as far as our involvement on the part of various executive branch agencies in the Allende period, but also with almost a sense of inferred pride useful as an insight into both the main witness, Mr. Colby, but also an insight into the method of operation that the CIA employed in this instance, as I can infer from my memory employed in conduct of covert or clandestine type opera-

I found the information troublesome. I think almost the atternoon to the day of the second reading of the testimony an Assistant Secretary of State, Mr. Shlaudeman, and I am not helpful to the spelling, came before

our subcommittee.

Congressman Fraser had arrived at, from independent sources, and I certainly have no reason to not believe him since I had no conversation with him prior to the time of that hearing, general information of a similar nature. And as I think the afternoon session of about June 12, would reflect, both Congressman Fraser and I asked some pointed but still reasonably guarded questions of the Assistant Secretary who, by the way, Mr. Chairman, I asked to be put under oath and then withdrew because of the obvious impact it had on both him, and I might say, the committee membership that was there that afternoon.

Mr. Bob Wilson. Was this in executive session?

Mr. HARRINGTON. No, it was not; open session. I think it was Tuesday afternoon in June.

At that point I had determined, so that you don't have any ambiguity about my state of mind, that that information, particularly as it contrasted with what was being stated by a variety of executive branch spokesmen on a regular basis, had to become known and had to become understood by both the Congress and hopefully the country, and I don't really want to mince or choose language which is in any way going to suggest that there was any ambiguity of my state of mind at that point in time.

I would prefer, and I hope that my rather brief service on the Armed Services Committee would even momentarily afford the charity of the observation being joined in, to have seen that accomplished by using legitimate methods to do so.

Consequently, I had conversations with Congressman Fascell, briefly informing him of the specifics of what I had read.

Mr. Nepzi. What was his response?

Mr. Harrington. An almost audible sigh and a philosophic shrug of a sense of almost not wanting to have been made part of the scope of knowledge and what I would interpret as-I do this subjectively-an expression of disinclination on his part to involve himself, at least as to the sources and the type of information that I provided him.

Mr. Bray. Did you inform Mr. Fascell of the manner and statement which you had made as to secrecy when you received that

into the detail that Mr. Slatinshek had characterized in his recital of the rules this morning. I infer in general they are generally familiar with the procedures which would operate as to information which is classified, secret or whatever.

Mr. BRAY. Did you not specifically tell Mr. Fascell the instructions that were given you and the statement which you signed?

Mr. Harrington. If you are talking about that I told Mr. Fascell that I signed a cover sheet on the testimony and what my memory was of the language of it, no, I didn't, but I made it equally clear to him approximately when and where and under what conditions and the general tenor of the information and its categorization by the executive branch, so that I really don't think that there was anything that was an effort to gloss over the nature of the sources of my information.

Mr. Bray. I believe you stated in the negative, that you did not tell him specifically that you signed, for instance—I will read it. Mr. HARRINGTON. I will accept it as read. I

know what I signed.

Mr. Bray, I mean, did you tell Mr. Fascell what you signed before you got access to this information which you gave to him? Mr. NEDZI. The gentleman said he didn't,

Mr. Harrington. I specifically did not in the sense of saying that I signed a sheet that was a cover sheet to 48 pages of Director of CIA testimony that took place in April.

I went up to Dante Fascell, talking to him in the committee, and said, "I have seen the Colby testimony and this is what it says in general, and where I have seen it."

Mr. Bray. I just wanted to clarify this. Here you signed on June 4, 1974 and June 12,

1974 this statement:
"I have read the rules of the Committee on. Armed Services relative to access by Members of the House of Representatives to classified information in the committee files, and I agree to honor those rules.'

You didn't specifically tell him that you had signed that to get the information which

you used?

Mr. HARRINGTON. I will try to be responsive again.

No, I specifically didn't.

Mr. ARENDS. Did you by chance use the phrase that we so often use around this place, did you say to Dante Fascell, "This is a matter off the record."

Mr. HARRINGTON. No.

Mr. ARENDS. Did you use that phrase?

Mr. Harrington. No. Mr. Arends. You felt then at that moment you had complete freedom to tell anything you want to tell.

Mr. HARRINGTON, To another Member of the Congress? Sure. I assume that that is what he is here for, and I assume also that I told him, in his knowing better than I, Mr. Arends, exactly what the conditions are that the CIA testifies, that I didn't have to spell out to somebody who has eight or nine terms basically what I assume to be superior knowledge to mine of those procedures.

I don't want to verbally fence with you, Mr. Bray. I did not want to recite in any fur-

ther detail.

Mr. BRAY, Thank you for answering the question.

Mr. HEBERT. In other words, I think your expression now was that you had this information, that you felt free to tell any Member of Congress that information?

Mr. HARRINGTON. Certainly.

Mr. HEBERT. That Member of Congress is free to tell it to anybody else if he wants to because he had not signed that agreement and had not been privileged to look at this testimony.

able to free him of the obligation to be imposed on him. That wasn't my intention.

Mr. HESERT. I am not saying you did it with that intent. All I am saying is what the result is. If you go around and tell 343 Members of Congress all of this without pledging themselves or committing themselves not to violate the rules of the committee, then they are free.

Mr. Harsington. I can't help—besides what I have told you there because it wasnt Mr. HEBERT. This is what we are interested

Mr. HARRINGTON. Other than my state of mind, not being with that in mind at the time, but only to take the person to whom I had been for months prior to that verbally lobbying to get substantive on the issue of our policy origins and acquaint him with it and tell him that I hoped in a sense that this would trigger renewed interest in the

subject that frankly puzzled me.

I dont know that it is any use to you, but
never had, because I think in my dealing
with the Helms tenure of the CIA, anything but the greatest of respect for the balance of the information they gave, particularly contrasted with the military, that I always felt very useful, and I had no conspiratorial theory about the CIA being brought in.

I think the chairman and I had some brief conversations about it. I frankly expected to find, first, nothing substantive or, second, confirmation of my suspicions about economic stabilization but not political stabilization, so I really had nothing in mind when I went to the committee itself.
Mr. HEBERT. No; I am just pointing that

out as to projection.

Mr. Bos Wilson. Mr. Chalrman.

Mr. NEDZI. Mr. Wilson.
Mr. Bob Wilson, I can understand that
you were surprised by what you found, but didn't you in any way feel bound by what you had signed?

Mr. HARRINGTON. In a strange way it is sort of a yes and a no, and this maybe is where we will ultimately go because it will be useful to me to learn from your own assessment, but if I had been convinced, Mr. Wilson, that either lives were going to be endangered—and this is going to be very subjective and I am not attempting to do any more than say I am setting myself up as the judge of this offering to you that wayor that the national security of this country would be affected or any of the other, at least legitimate in my opinion, bases for this inane system called classification that almost becomes an end in itself, I think that what I have demonstrated in my relationship with the committee and the often-heard lectures from the chairman during the 92d Congress that I was exposed to, that I would not have in any way done other than follow the rules.

I didnt feel, particularly looking at state-ments that I was most familiar with because I had followed the Chilean issue very closely for some time in the executive branch, feel any compunction at all at that point in time about those rules, so, superimposed on general willingness to say I prefer to go the way you suggest the rules would indicate, specifically in this situation, no, I did not.

Mr. Bob Wilson. That is all, Mr. Chairman. Mr. HARRINGTON. Can I just finish?

Mr. Nedzi, Yes; please do.

Mr. HARRINGTON. I won't make it that long. In addition to talking with Congressman Fraser, I talked with Congressman Hamilton, talked with Congressman—I said Fraser because I have also talked with him—in addition to Fascell talked with Congressman

Mr. Bray, but I indicated Approved F. of I had to others, the nature of the testimony, to whom it had been given, and the conditions under which I had read it. I didn't get the state of the testimony to be a superficient of the conditions under which I had read it. I didn't get the state of the obligation to be important to the state of the state of the obligation to be important. talked with Congressman Hamilton, talked far less briefly or in more abbreviated fashion with Congressman Rosenthal and Congressman Bingham only as a sort of pass-by kind of conversation.

That's not really a good way to characterize it, but as I was talking with Congressmen Rosenthal and Hamilton about this and about whether or not their subcommittees should concern themselves with it, Congressman Bingham came by and Congressman Rosenthal included him in the conversation to the degree of informing him or apprising him very briefly or what I was saying.

Mr. Nebzi. Did you include in these con-

versations the detail which you included in your letters?

Mr. HARRINGTON. Not to the degree. In the sense of giving them-

Mr. Nepzi. House Foreign Affairs and Senate Foreign Relations?

Mr, HARRINGTON. No; not in an organized or disciplined sense. I certainly in the conversations outlined some of the major facets of involvement and the purposes of it but did not get in the detail that was in the letters.

Mr. NEDZI. Is there any reason to suppose that any of these Members may have been the source of information that appeared in the newspapers?

Mr. HARRINGTON. As far as I am concerned none whatsoever. If anything at all, I would say the committee response is some indication of exactly the opposite, both then and now.

Mr. ARENDS. You didn't talk to any Republican?

Mr. Harrington, Just thinking.
Chuck Whalen asked me in—let me not really qualify meeting as the category you had in mind—but Chuck Whalen asked me what the subject of our conversation was and I just in sort of a passing sense said, "Some testimony of Colby's that related to involvement," and he just—almost literally—just went. We didn't have any further as such at the time.

No, I didn't. I didn't talk. The other people that I have talked with in the Congress about it on occasions that would run from the then present reading to prior to September 8, which is I suppose the best date to use to say that it then becomes a different kind of knowledge, were Congressman Waldle of California very early, Congressman O'Nelli, whom I make life harder for than I have today on the basis of his reaction to my frustrations which were increasing over the summer, and by way of defense of that remarked no encouragement whatsoever for the course other than acceptance of the prevailing facts of life here from Congressman O'Neill, and Congressman Pike, I would say just prior to our recess in August.

That's the best of my memory of the Mem-

bers that I had any kind of conversation with either in great or narrow detail about the

After that and after those conversations. the question in my mind really was what can I do to have this useful, not sensational, but get it out and get it out in a legitimate way. That is the reason why I talked about Don Fraser—he ran a joint subcommittee with us very often of his own on human rights-and asked whether or not he would be prepared to convene that subcommittee since he seemed exercised about the whole thing and let me come in and testify to it, which I was prepared to do, and again sort of philosophic sympathetic shrug, but nothing much beyond it.
So I was really looking at options which

led me after some vacillation, and that I think had been almost the hallmark of my

hundling of this whole thing rispided librate 2005/04/1970e Charge P.7 M 00 144R 00 12060 3000 405e of the information that it would be useful to take and to outline the committee in my specific request for an I told you I imparted to other Members of in substantial detail not only the nature inquiry and that they felt the question of Congress and had not done anything with in substantial detail not only the nature of the information that I took by memory from the reading of that record, but the efforts at getting the proper committees, in my opinion, on foreign policy to address themselves to it and thus the Morgan-Fulbright letters in mid-July of this year which materialized.

And I think about a week later or less I sent you copies or a copy-I am not sure which, Mr. Chairman-of one or both of those letters and had maybe even briefer conversation with you prior to or thereafter about what do I do now or what do we do now or what does this all mean, but no real substance just almost in passing.

Mr. NEDZI: My recollection of our conversation was that you said the ball was in your court.

Mr. Harrington. Meaning yourself?

Mr. NEDZI. Yourself.

Mr. Harrington. Oh. Maybe that's a very accurate insight, I had a letter back a week later from the chairman of the Senate Foreign Relations Committee which I would characterize politically as disappointing and no response at all from the chairman of the House Foreign Affairs Committee to this day.

Mr. Arends. Was that just a mere acknowledgement from the chairman of the Senate

Foreign Relations Committee?

Mr. HARRINGTON. I think it is part of the packet that the counsel may have already had but I am prepared to give you all of that correspondence if it is useful for the record to make it a part, anything you like. Mr. Nedzi. What do we have?

Mr. HARRINGTON. It has been made public but maybe in the course of your earlier public decision to have this hearing you had access to the material.

Mr. Nepzi. I haven't seen it.

Mr. ARENDS. I just want to ask again was it mere acknowledgement, or detailed reply to what you wrote?

Mr. HARRINGTON. I would probably say it fell toward the acknowledgement category. Mr. ARENDS. We have no copy of that.

Mr. HARRINGTON. But I would be more than happy to make that available and additional response which I received the day before yesterday from Chairman Fulbright.

Mr. NEDZI. Who made it public?

Mr. HARRINGTON. Who made-Mr. NEDZI. The response, Senator Fulbright's response.

Mr. HARRINGTON. I did on the Thursday, that Thursday that you and I talked first about this hearing, that morning that I had a meeting with the press on the entire matter.

Just to finish off and you can take it from wherever you want to, about the latter part

Mr. Nedzi. Excuse me.

You said that you had another letter from Senator Fulbright.

Mr. HARRINGTON. I wrote him again on the Wednesday we returned, September 11, urging in view of the information being disclosed, and I can again make this available so it is more accurate than my memory. just renewing my request for hearings, and did the same thing with Chairman Morgan.

Mr. NEDZI. Would you put that in the record.

Mr. HARRINGTON. Oh, sure. I will give you that whole batch of material. [Inserted at end of record, see p. 30.]

Chairman Fulbright replied to that second letter in much the same vein but adding the sentence that the Senate Foreign Relations Committee had met last week and was about to take up something dealing with the subject. It said nothing else substantively.

Chairman Morgan answered me by mail yesterday on my second letter, not alluding to the first, indicating that be didn't feel time on the same Friday called Larry Stern,

oversight as far as broader degree of oversight was going to be dealt with in a promising fashion in the near future, but again not what I characterize as a substantive reply.

To go back to the period of mid-July, about the latter part of July, I had decided that the committee chairman route would get no place and the question was then options, and the ultimate option had always been to go to the floor of the House, which I was prepared to do, and do much the same thing as what was in that letter, just take the floor and spell it out.

In the interim I had thought about preparing a resolution of inquiry which could

be premised on some of the specific information I had taken from the hearing and directed to whatever, State Department or NSC or CIA, and force the issue to the floor and force it to a committee at least for some

action.

Then we had the events of the latter part of July which were taking the first 16 pages of each newspaper of the country. The impeachment proceeding began and it looked like it was not going to be something concluded early. They were talking about the hearings in the House not finishing until August 28 or 29 and I just did not feel that, for the purposes I really intended to try to do something further, it made any sense at all to attempt to compete with that kind of news item.

So I decided at that point in time that whatever I would do would have to take place in the interim between the impeachment proceeding ending in the House and a trial expected to begin in the Senate, and we left here I guess sometime the 22d or 23d of August and had done nothing more.

I would say about Tuesday or Wednesday after Labor Day I got a call at home and wasn't in because I was involved in the gubernatorial campaign for a friend in Massachusetts, from Sy Hersh of the New York Times. I didn't return the call, largely because I was distracted, and finally on Friday of that week, which would be the 6th of September, I had a telephone conversation with Hersh which ran, if any of you are familiar with Hersh's style, which is from frantic to more frantic in pace, "I've got the Morgan lettef. I am going to do a story. I want to talk with you. I'll be honest with

I said: "I assume you are starting out to be honest with me," and he laughed and we went back to the beginning and I said: "I am not going to comment on what you print until I see it in print." And I said beyond that, and this is where I supposed we should go next: "I have had a conversation, in addition to what I have told you about, with a very decent guy who I don't want to see pay the price for being a gentleman, whom I have had help from on the question of my knowledge of the issue since last fall and who I basically feel I should notify as far as the substance of your conversation with me since you are specific enough to convince me you do in fact have 'the Morgan letter." letter," and I said, "It is Larry Stern of the Washington Post."

And at that point in time he backed off further from wanting to persist in questions. He asked if he could come to see me that weekend. I said: "Only on the condition that the story is in print because I don't intend to contribute to the initial story, if there is in fact an initial story," or knowing the reportorial effort of saying: "I have got something" and then trying to really get something by asking you to respond to give what you know.

So he came up that Sunday. I in the mean-

Congress and had not done anything with that information because I had really gone to him out of a sense of what you and I had had because of a conversation. What can I do to get this used and get it used in a fashion that will not detract in any way from having the substance and not the issue of where it came from.

Mr. Nepzi. When did Larry Stern indicate to you that he had this information?

Mr. Harrington, I think I gave him some of the specific information probably the period—I don't know of any other sources he has, and I never really asked him, but to the degree I can address myself to the question I had a conversation with Stern which could be sometime probably the period-I don't know of any other sources he has, and I had been sent to the people involved.

Mr. Nedzi. And this information was imparted to Stern?

Mr. Harrington. Verbally, not anything else. Stern did nothing with it because I sought him out as a person that I had been personally friendly with, asked his advice as to what might be done in some fashion that would be useful to get this information made available.

Mr. Slatinshek. I might appear redundant at that point, but we are dealing with classified information which was received by the committee in executive session and under the rules of the House which you presumably are aware of, being a Member of the House

Mr. HARRINGTON. It is a presumption I wouldn't want to defend day to day.

Mr. SLATINSHEE. And the rules read: No evidence or testimony taken in execu-

tive session may be released without the consent of the Committee.

It is obvious that at this point you are releasing information that the committee received in executive session and you are disclosing this not to a Member of Congress but to a person completely apart from the congressional process, and I just want to reiterate and reemphasize this and apparently it is consistent with the observation that you made earlier in your testimony at the very beginning of your testimony when you pointed out that after reading the testimony in the transcript you made a judgment at that point that this information must in some manner be imparted not only to the Congress but to the public.

Mr. Harrington, I think that is a very ade-

quate summary.

Mr. SLATINSHEK. Right.

Without regard to the rules of the House. Mr. HARRINGTON. Is redundant.

Mr. SLATINSHEK. But without regard to the rules of the House.

Mr. HARRINGTON. If it embellishes your thesis I would certainly say without regard for the rules of the House.

Mr. SLATINSHEK. Precisely.

Mr. ARENDS. As a followup to that, did there at any time any tinge of conscience across about your doing exactly what you did, contradicting the rules of the House? Did anything bother you about this at all, the fact that you signed this paper that you would or wouldn't do this and simply contrary to the rules of the House you very openly divulged all this information.

Did that have any effect on this? I am trying to find out what your thinking is on all this information.

Mr. HARRINGTON. I certainly would not want to put it to a vote here this morning. I thought I wrestled with that to a degree with Mr. Wilson. I would say, and I would not say it compatibly, the proposition twinges me as much as the chairman of the subcommittee, a very decent person that I respect. and a variety of other people perhaps somewhat more akin to me philosophically had

cating that be didn't feel time on the same Friday called Larry Stern, that information, or had an awareness of the Approved For Release 2005/04/27: CIA-RDP77M00144R001200030004-5

information and chose to ADDINYED FOR Religious 2005/04/27 tailful ABDR 7571M 00144R 001 2000 30004 15 asons and the light of what I think has been a consistent degree of misstatement on the part of the executive branch. So that question bothered me to a degree but not to the point of being

Mr. Bos Wilson, Benedict Arnold could

use the same argument.

Mr. HARRINGTON, I don't know that I would like the categorization, but I certainly find that the headlong interest is in the periphery rather than the substance, sitting there with information that you know has been the subject of lies by the executive branch witnesses systematically. I have before me this morning-

Mr. Box Wilson. They weren't lies to the

oversight committee were they?

Mr. HARRINGTON. There is a very narrow dis-

Mr. Nedzi. So that the record is clear, you are not suggesting that this subcommittee was given conflicting testimony from the

executive branch, are you?

Mr. Harrington, I am suggesting that this subcommittee, to the degree that I think there is the problem that is alluded to by Mr. Arends, ought to have some twinge of conscience in being complicit by the silence in what the executive branch is saying to the Congress, before relevant congressional committees, and what the American public is led

Mr. NEDZI. Perhaps it was negligence or sloth or what have you, but let the Chair advise that to my knowledge this subcommittee was not privy to that testimony which was given to other committees. So we have had no reason to assume what was told to us was in conflict with other executive branch testimony.

Mr. HARRINGTON. I am not suggesting it was given in conflict either. I am suggesting from a variety of sources-Senatorial, congressional or House—there have been public statements repeatedly by people of the di-mensions of former Director Helms of the CIA, former Ambassador Correy to Chile, the present Secretary of State and former head of NSC, now both, Henry Kissinger, all of which were substantially at variance with information you had on April 22d if not earlier.

Mr. NEDZI. But I repeat that I am not aware any member of this subcommittee was aware of those statements. The gentleman may argue that we should have been aware, but to my knowledge there was no cause for us to go into those particular statements in the

time frame we are discussing.

M. HARRINGTON, I don't see any reason to feel I could really infer more than I said, or would I want to out of fairness to you, what

your specific knowledge was.

Mr. Hebert. I think the one thing to be said is that the executive department doesn't make the rules of the House. The House makes its own rules, and we are creatures of the House and we live by the rules of the House and not the executive department. As Mr. Bray said, you did violate the rules of the House.

Mr. HARRINGTON. You have an interesting situation where the House, despite that ethic which is so admirably adhered to, at least in theory, with the executive branch is engaged in efforts that are done in secret for purposes that I think you people are much more familiar with than I am—you have been in the classification business longer than I have using the classification system as an executive-inspired tool to prevent not only the people of the country but the Congress from having anything more than the kind of eunuch like usage of information which I again say is at variance with what other members of the executive branch are saying.

Mr. SLATINSHEK. If I may interrupt at this point, Mr. Chairman, I would point out in a very large sense the question of classifying

mony received in executive session, and you have violated that House rule in respect to testimony received in executive session and could only be used under the provisions provided for the committee.

Mr. Nepzi. I have a couple of additional questions, but I would like to have the gentleman complete his narrative as to where the

information was disseminated.

Mr. HARRINGTON. There is not much more I can add. The events of September 8 are reasonably well known. I will add one other part of it that I think is relevant in the sum total of my knowledge of what happened.

In deciding what the options were that I had and deciding, as I alluded to, on the effort to prepare a resolution of inquiry, I asked for and received the help of a fellow named Jerome Levinson who works for Frank Church, who had been last fall, because of involvement in the Church Subcommittee on Multinational Corporations, useful as far as providing an insight into the background of the Chilean setting for CIA activities, in drawing up specific questions for the proposed resolution of inquiry. And that basically was to have the option, in addition of going to the floor, of having that resolution of inquiry prepared to use if that appeared to be the appropriate route.

Mr. NEDZI. So this information was con-

veyed to Mr. Levinson also?

Mr. HARRINGTON. Right.

Mr. Bray. The same information which you gave is the secret information you received. He was not a Member of Congress.

Mr. HARRINGTON. That is correct and nelther was Mr. Stern.
Mr. Bray. You gave the same information

to Mr. Stern?

Mr. Harrington. Verbally again, asking really from the point of view of the conver-sation to get advice and help as far as, in the one instance, how it could be responsibly used, and in the second to try to provide a background already gotten, I might say, by access to the executive branch or executive sessions on the Senate side, information from the CIA Director of Information for Latin America, Mr. Bree, and other information taken in March or April 1973.

Mr. BRAY, Did you tell Mr. Church's-what

is his name?

Mr. HARRINGTON. Levinson.

Mr. BRAY. Did you tell Mr. Levinson the manner in which you had got what you had?

Mr. Harrington, If you are going back to the question asked by Mr. Fascell, I did not. I told him about the basic circumstances of the testimony being given and the nature

Mr. Bos Wilson. Did you give Mr. Levinson a conv of hte letter to Dr. Morgan?

Mr. Harrington, No. I did not. In fact he asked me for a copy of the letter the Tuesday or Wednesday you were back here in Washington, the 10th or 11th preceding the Wednesday, and I said until I make this known to the general public—and the same thing with Larry Stern—I talked with him on Friday, the 6th of September and he asked could he have a copy of the letter, and I said no, I am not about to tell, taking that one step further. That may appear to you to be a thin line.

Mr. Bos Wilson. Obviously somebody released the letter. I want to know if you think any of your staff released it?

Mr. HARRINGTON. No; I would say againdo I think any of my staff released it? There would be no reason to, because if I have anything to offer at all it is direction—I don't like indirection—and my intention was never—if you will believe a reaffirmation of it today-to go drop something by somebody's door and do what the chairman indicated, tell a member the knowledge but in his opinion he would not be bound by what I signed. If I am going to do this, I do it

attitude I ascribed to myself earlier with that in mind and not do it the other way. I never thought of it. If anything I was annoyed, with the vaciliation I characterized this morning, not having it emerge as it did. It wasn't any thinly veiled effort to say take this and use it this way.

Mr. Nedzi, To whom on your staff was this

information available?

Mr. HARRINGTON. Probably in general five or six people, all of whom would have been involved in the Foreign Affairs Committee area. That is probably too large a number.
Mr. Nedzi. What are their names for the

record?

Mr. Harrington. Rodney N. Smith, Lawrence Tell. Let me think about whether there

was any—if you are talking of typists— Mr. Nedzi, Anybody who would have had access to this information because of you.

Mr. Harrington. You have a couple of peo-ple who would have typed it. I am not sure in what order. I can give you those people if you want.

Mr. Nedzi. Yes.

Mr. HARRINGTON. Let me add one other on the staff level. Steven Sholtz who came in mid-June, and Margaret Sharkey, the secretary, the typist, whatever information is imparted from that source, and a girl by the name of Sue Meyers who is no longer with me. I think she is working in Pennsylvania. I can get the address if you would like it. That would be my memory of the staff.

Mr. Bray. Then you did not give a copy of

this letter which you mailed to Morgan, the Chairman of the Foreign Affairs Commit-

Mr. Harrington. Hand delivered to the chairman on both side, sealed and marked to their attention only; and delivered directly to Dr. Morgan and Senator Fulbright.

Mr. Bray. Did you ever give anyone a copy

of that letter?

Mr. HARRINGTON. After September 8; yes. think I told you I made it available on the Thursday of that week to the press people who had been interested in it and anyone else—I don't know who else was involved. Other offices of other Congressmen—the letter prior to that, no; I did not.

Mr. Bray. You did on that date give a copy of the letter which you wrote to them?
Mr. HARRINGTON. Correct. They were just

available. They were run off and made available, not selectively given.

Mr. NEDZI, I note the initials M/L.T. as the typist on the letter.

Mr. HARRINGTON. Larry Tell. L.T. The "M" may be Margaret or Meyers. I don't know the

Mr. Nedel is Larry Tell the typist?
Mr. Harrington, Larry Tell would be the person who would have done the dictating of the letter in conversation with me and a

draft for me.

Mr. Nedzi. I see. And "M" is the typist?

Mr. Harrington. Either Margaret Sharkey or Sue Meyers. I don't know which way it

Mr. ARENDS. Your interpretation is interesting, but I am trying to understand you

Mr. HARRINGTON. I am trying to understand you, Mr. Arends.

Mr. Arends, That is easy to do.

You say you signed this document divulging information knowing the House rules?
Mr. HARRINGTON. Presumptively that is correct.

Mr. ARENDS, You said it bothered you a little bit whether or not you were going to

disclose it. Nevertheless you disclosed it.

Mr. Harrington, I don't think I would want my statement characterized that way. I think you asked me somewhat differently, whether or not I had any momentary concern of any kind. I tried to characterize it; yes, to a degree. But along side with what I have already said, and in no sense being abrasive

again either to the other knowledge imparted to members.

Mr. Arends. I want to be fair about the matter. You must have known at that time you were going through and experiencing an action which was a falsehood as far as you were concerned?

Mr. HARRINGTON. I never viewed it that way. Mr. ARENDS. Yet you knew in your own mind you were doing something you agreed you would not do.

Mr. Harrington. Not really with a pre-conceived intent. I am not going to try to quibble with you if you want to characterize it as something I engaged in, in talking to Mr. Nedzi or Mr. Slatinshek or Mr. Hébertbeforehand with that intent. It was not mine. It turned out but I didn't have the idea where and when. It was not something I had as a predetermined direction I was going to take, because it wasn't.

Mr. Arends. Then I will leave it that I

still don't understand you.

Mr. Bob Wilson. My reference to Benedict Arnold was not unkind.

Mr. HARRINGTON. If I may finish with Mr. Arends, it probably won't be very useful. Tip O'Neill just shakes his head, just shakes his head and I say "That is right, I am Joe Harrington's son and so can't be all bad." I don't know whether he understands me either, but that may be a help in this perspective.

Mr. Arends. Then I am in good company. Mr. Bos Wilson. As I said, my reference to Benedict Arnold was not unkind. The point is, he really thought he was doing what was best for his country in violating the rules of

the country, and I think you did. But there is a difference of opinion. I don't think you did. I think you really damaged this country tremendously by violating a rule of the House. You don't think so, but I do. I am sure Benedict Arnold didn't think so either.

Mr. Harrington. They are not remotely

alike and the comparison I would quarrel up and down with. You people frankly-not you, but those who know or are presumed to know, and who choose to accept what I consider to be a systematic degree of deceit practiced by the executive branch. But we could debate that forever and not resolve it.

Mr. Bob Wilson. Are you in favor of an

oversight committee for CIA?

Mr. Harrington. You are talking now when you say am I in favor of this oversight committee?

Mr. Bob Wilson, No. You want a separate oversight committee for CIA?
Mr. Harrington, Sure.

Mr. Bos Wilson. Why?

Mr. Harrington. Two reasons: First of all let me say that to make sure my views will be clear, I want the CIA out of the covert side, and I have never really been ambiguous about that, or my appreciation which I have publicly expressed for the value and the responsible way in which they conduct intelligence gathering and evaluation, which I endorse, and I have told people this publicly, including Colby and others

First of all I would like to get the CIA out of what I would call clandestine, or covert, or paramilitary operations, whatever you want. If we don't do that as an interim step I want something more—as I told the chairman in August—than the fiction of over-sight, I am convinced until April of this year, in spite of having been designate and you can tell me if I am wrong—as chairman of the CIA Oversight Committee, I am convinced that until September 12 of this year, John Stennis, who occupies the same role in the Senate as Chairman of the CIA Oversight Committee, did not have the kind of specific information that was imparted to Mr. Nedzi on April 22. I am not saying that in clear enough fashion.

I would say from what I could read in your reactions to that statement, despite the

informed, until April 22 of this year, I infer, from the nature of the responses or reactions, that the degree of specificity attendant to your knowledge didn't exist before, and the same thing with Mr. Stennis until September 12 of this year.

I would be very happy to make an apology for the record or publicly for that inference being drawn. I don't really find it at this point warranted. Yes, I am interested in oversight but not the kind that exists right

Mr. Bob Wilson. And you want the public

to know what CIA is doing?

Mr. Harrington. Bill Colby does and I believe him. I think he gets into this and I think Mr. Slatinshek takes issue with it. I think Colby in some discussion with the chairman indicates, do you think we could get the American public to agree or get more acceptance if we broaden their knowledge. I think you take issue, that you didn't think that could be the case. I think there ought to be more, and not just a fiction of knowledge.

Mr. SLATINSHEK. You made the statement you wanted to see CIA completely out of

the covert business.
Mr. Harrington, <u>Right</u>.
Mr. Slatinshek. What you are talking about here is political or paramilitary action Mr. Harrington. Whatever you want to call it. The nonintelligence gathering side.

Mr. SLATINSHEK. You are starting with the premise, or you are basing this on a premise that under no circumstances is covert activity—and let's set aside the merit of the action in Chile—under no circumstances would a covert action be justified in the national interest. Isn't that what you are

Mr. Harrington. Yes, essentially. Mr. Slatinshek. In other words, you would

Mr. HARRINGTON. I perhaps like my own language, but essentially that is what I am

saying.
Mr. SLATINSHEK. You would deny to the President the option of using covert action in the national interest under any circumstances?

Mr. HARRINGTON, I would deny to the President of the United States the ability to use as an instrument of policy the CIA or any related agency that had a similar capacity, with which I may not be fully aware this morning, the initiative of engaging under his direction as National Security Council head, activities that could be best described

Mr. SLATINSHEK, Covert?

Mr. HARRINGTON. In the lasting words of Mr. Colby as covert, clandestine, or others of that variety, and that is subject to the narrow distinction I have drawn already. That does not, I hope, mean to imply I am aiming at a broader target within the framework of CIA action.

Mr. SLATINSHEK. Whether it is CIA or any agency in Government you would be opposed to the Executive having any opportunity or device whereby he could engage in covert activity in a foreign country regardless of whether or not it is in the national interest?

Mr. HARRINGTON. Now we keep broadening the question.

Mr. SLATINSHEK. I am trying to summarize what you have said, and I want to make sure we understand what you said.

Mr. HARRINGTON. Let's just not quibble on the semantics. I don't want to get into an opinion on the feeling I think you are trying to convey. If covert means the use of methods that we in this country would regard as illegal or violative of the law to en-gage in intelligence gathering, you have no problem from me in implicitly accepting that, like it or not, the Government can

If you mean, on the other hand, a C type sitting in the hills of Thansand put-ting together a letter to stir up trouble of that kind made known, and you have a record in the pages of what we did in Chile to destabilize or fragmentize, that is the dis-

tinction I draw.

Mr. SLATINSHEK. Let me ask you a hypothetical question.

Mr. HARRINGTON. We finished on that note

in August, but go ahead.
Mr. Slatinshek. Yes, we did.
Let's assume the Arab countries further esculate the price situation we have on energy now and it places the Western World on the brink of complete economic chaca and collapse. Let's assume further that all diplomatic efforts to resolve this impasshave failed. Then the only afternative options apparently available to the President

are simply to acquiesce in the economic chaos or send in the Marine.

Mr. Harrington. Frankly, if you get to the point of your hypothetical question, letting me hanging on the edge of the cliff as far as the option, either/or, and we are at the poinwhere our national survival in somewhe more subtle form as shown as being the historical threat that calls for war, let the President come to the Congress for approval and ask to go to war.

Mr. SLATINSHEK. You are saying if he does call it covert or any other word for it, secret action in the national interest, he would have to come to Congress to get approval?

Mr. SLATINSHEK. This is ridiculous. Mr. Harrington. Only as it applies to what you gave me as an example.

Mr. SDATINSHEK. This is ridicious.

Mr. Bos Wilson. I want to commend you for bringing a new word into our vocabulary—destabilize. I have read the total testimony and never once was that word used. You invented it and it is beautiful.

Mr. HARRINGTON. That is to the real credit of Bill Colby.

Mr. SLATINSHEK. If I may interrupt at this point, Mr. Colby did not use the word "destabilize" in his testimony.

Mr. Bos Wilson, That is what I said. Mr. SLATINSHEK. In fact he wrote a letter to the New York Times to this effect

Mr. HARRINGTON. That is what I said.

Mr. SLATINSHEK, I am sorry I missed that, Mr. NEDZI. Let the Chair return to the problem that really is vexing as far as the subcommittee is concerned, the procedure with respect to the handling of sensitive information.

Mr. Harrington, I have absolutely no reason to challenge your motives in what has occurred. I similarly was interested in seeing that some of this might be made public. Do you recall reading in the transcript when I inquired of Mr. Colby whether this information could be made public or not?

Mr. HARRINGTON. Not enough to be able to respond right now with anything more than what I have.

Mr. NEDZI. The point I am making is while the thought occurred to me, I can't say the thought did occur to me to take it upon myself to challenge the classification of this information on the part of those charged with responsibility of making this kind of classification. Don't you feel uncomfortable when Colby testifies that if this information is disclosed, he expects that some individuals in the CIA will be affected adversely?

Mr. HARRINGTON. Let me ask you-you have the benefit of something I suppose is permanently removed from me to have access to. My memory of this, if I could say, is that Colby after 16 or 18 pages of specifi-cally addressing himself to the question of Chile gets into more general discussion of the method of operation employed by the CIA. If you are reading from that section, I would agree Colby has made the observation at some point that the problem of dis-

that statement, despite the exercise it.

Approved For Release 2005/04/27 : CIA-RDP77M00144R001200030004-5

described. I didn't really want to have that seem to be inferred in the instance of going back to Mr. Wilson's question of motive and attitude earlier. In the instance here Colby testified to you that if this information were made known that the lives of individuals or other problems would ensue in Chile, I thought he was addressing himself to the more general question of how the agency dealt with problems of this kind on the broader scale when he made these observations here.

Mr. NEDZI. I asked him, what do you see as a problem?

Mr. HARRINGTON. What page is that?

Mr. NEDZI, Page 42.

Mr. HARRINGTON, I assumed it is in the general discussion.

Mr. NEDZI. He answered: "There are a number of individuals who've helped us who would be caught in the process, who were the intermediaries, or the recipients, who would be revealed as having received American money, or passed American money, at the behest of the CIA. I think some of them would go to jail maybe, maybe not, but some of them would be very sharply discredited. Because you can't really say that we are working in this area without

saying sort of obviously whom we were working with" and so forth. Mr. HARRINGTON. Was the basis of the answer a question about information being

made public?

Mr. NEDZI. The basis of it was to determine if, in his judgment, we could release the

transcript and-

Mr. HARRINGTON. I get the feeling when you get to that point in the transcript Mr. Colby is engaging, because he dominates most of that proceeding with almost a monolog, in the description in general of the agency function in this role, who is brought in as far as the other executive branch agencies, how they in general function, and what the change of command is as far as approval. But you are engaging in a general as distinguished from a Chilean discussion focus.

Mr. NEDZI. That was not the intent of the question.

Mr. HARRINGTON. What did he say before that prompted your question? Probably page

41.
"Mr. Nedzi, We do have independent inspections, the Inspector General, and things like that, and sometimes they do come up to sharpen the question whether this particular activity is worth it, or being run well, or whatever. It is the usual thing of running any kind of an organization. You have to have some independent appraisal of how well it is doing."

Apparently I had asked him about whether there was any review of these activities to determine whether or not they were successful or desirable. And following that it was certainly the intent of any question to de-termine whether all of the information in the transcript could be made public

The point is, however, you say that didn't

trouble you?

Mr. HARRINGTON. Not at all, because he didn't get into, as you well know, anything by way of specific references to names, to institutions, to parties, beyond generalized descriptions that one might have cognizance about the area and fill in the blanks. This was not something he testified to you on.

Mr. NEDZI. Aren't you troubled by taking it upon yourself to determine whether a rule should be followed or not? Isn't that really what Watergate was all about?

Mr. Harrington, Mr. Nedzi, I think

Mr. Nedzi. I certainly sympathize with your motives to a far greater degree than I did the principles in Watergate. But aren't we really talking about a similar problem—somebody

determinations? Mr. HARRINGTON. I think Watergate is altogether about something else. This is

about the Congress and acquiescence with the executive branch.

Mr. Nedzi. Don't you believe we are genuinely concerned about national security involves in that?

Mr. HARRINGTON. In Watergate?

Mr. Nedzi, Yes.

Mr. HARRINGTON. It is so hard to find any remaining redeeming facets to the term. After the President reduced it in the tapes and other things to a shambles of meaning, I don't think I could really answer it.

Mr. NEDZI. My own feeling is there were some participants there who felt they were doing the right thing and weren't concerned about the law and the rights of others. Just because their own minds were fixed that this was the right thing to do for the good of the country, they did it, and that to me is an undesirable way of operating. I think we do have a Government of laws and of rules and you are really treading on very thin ice when you choose on your own to violate laws and rules.

Let me put it another way: Let me ask you the question-

Mr. HARRINGTON, I hesitate because I am looking for a rejoinder. I think the Watergate runs more aptly toward a continuing coverup of the conduct on the part of the executive which is acquiesced in collectively by the Congress.

Mr. NEDZI. I am talking about the activities that the term "Watergate" encompasses. But that aside, do you have any suggestion as to what kind of rules could be promulgated in order to assure that an individual, because of whatever reason he might have, will not disclose sensitive classified information that if disclosed could be contrary to the public interest? Do you think our rules are unreasonable?

Mr. HARRINGTON, I think totally, and I think the classification system is a joke.

Mr. NEDZI. Apart from the classification system. That is a separate issue.

Mr. HARRINGTON. That is the root of it. Mr. NEDZI. Are you saying there is no sensitive information that is in our transcripts? Mr. HARRINGTON. In general or specific? The transcript before you?

Mr. NEDZI. I am speaking in general.

Mr. HARRINGTON. Sure.

Mr. NEDZI. What we are concerned about is having some extremely sensitive transcript available to a Member of Congress, given to him under the same rules and constraints that the transcript was given to you, only to have it disseminated to a member of the press.

Mr. HARRINGTON. If we talked about the broadest possible definition of sensitive information existing someplace that should not be disseminated, without question I would agree with you. I didn't want to have my answer attempt to be responsive to something that appeared to be directed to this particular transcript in front of you.

Mr. NEDZI, But each individual should be entitled to make that same determination then, shouldn't he?

Mr. HARRINGTON. That I suppose is something we could quarrel over forever, far more than this committee would say is the case if I could judge from the chairman.

Mr. NEDZI. Are you saying there is no way to promulgate a rule or we will just have to assume that risk?

Mr. HARRINGTON. We will always be in an area where we will never arrive at a point where there will not be fundamental disagreements of approach between people who are otherwise reasonable. I think we will never get to a point where you will satisfy all people on this whole question.

crosure could create the sApplicated For Release 2005/04/27/vesCIA-RDP 778M00144R001200030004-5 ggestions as to what we should do to our procedures to improve them, if they need improving?

Mr. HARRINGTON, I think I did this in my letter of mid-July which I addressed to the chairman of the Appropriations Committee, in which I deal with the subject of the House debate on Monday on the whole question of oversight functions, and with appreciation for the problems you have had as far

Mr. NEDZI. But this problem is not going

Mr. HARRINGTON. I tried to induce some thoughts about that from your own quarters.

Mr. Neder. Regardless of how you handle

the oversight function, whether you have a separate committee or not, the problem of this kind of information is not going to go away. Should it be handled in a manner that is similar to the way in which we are handling it or should the procedure be changed somehow?

Mr. HARRINGTON. I think there are any variety of methods that could be available that would go to satisfying some of the more legitimate concerns raised. For instance, one of the reasons we have talked about regularly here is much of what you have in that material has a deliberate and definite bearing on foreign policy decisions of this country. Yet in theory Bill Colby can claim to the Foreign Relations Committee and the Foreign Affairs Committee that he has no mandate on the part of Congress to be responsive.

Mr. NEDZI. Let me tell the gentleman that problem is being addressed very diligently, and we anticipate some kind of contribution toward solving this in the very near future.

That isn't the point I was talking about,

The point that troubles me is the one which was brought to a focus by this particular instance. I am trying to solicit from you some comment as to what might be done to avoid having 435 members exercising their own judgment as to whether the rules should be followed or not.

Mr. HARRINGTON. I thought I had given you my usual curbstone opinion about that—far less secrecy at the executive branch level, far less acquiescence in it on the part of the Congress, which winds up picking up the pieces of the kind of secretly arrived at policy of the kind we find ourselves address-ing here, and far more trust in general on the part of the Congress about itself. You can say I am example "A" of why that shouldn't exist, but that is your opinion.

Mr. Bob Wilson. Do you feel by your violating the rule you might have made it impossible for other members to see sensitive material, not this material but other sensitive material that might have great use to individuals? Do you think in any way that is leopardized?

Mr. HARRINGTON. I think by violating your rule—and I say your rule perhaps pejoratively-or the rule, what I resulted in doing is forcing a lot of people, not on this com-mittee who have their own self-interest at stake to a narrow degree and philosophically at odds with my view, but forcing a lot of benign members on my own committee with the intent of perpetuating the fiction of oversight to get into the field for the first time where they should have been a gencration ago. I think that has been done to a degree. That wasn't the intention.

Mr. Bob Wilson. Does your committee have oversight of the CIA?

Mr. HARRINGTON. No, it does not.

Mr. Bon Wilson. What do you mean? Mr. Harrington. Those who have acceded in this. You asked have I precluded other Members of Congress from getting access to sensitive material from what I have done in violating the rules. I have said to the contrary, that out of the mouth of our own Chairman Morgan the Foreign Affairs Committee has to deal with what they have been in for a long time, the knowledge there has been little oversight, and if it has occurred, it has occurred informally. In looking at the statement of Congressman Giaimo from Connecticut on the floor, gentlemen, and Senator Symington of a week ago in the Senate, those theoretically supposed to be on the committees of oversight haven't penetrated that balloon, but may once full oversight exists.

I asked the chairman this morning-and you don't have to answer it-did he have information before April 22 that goes to the substance of what we are doing. He may have to a degree. I don't know whether he did or not.

Mr. Bos Wilson. That is a somewhat related question. Do you feel that President Kennedy was ill advised in using CIA with

regard to the Bay of Pigs?

Mr. HARRINGTON. You bet I do.

Mr. Bos Wilson. With regard to our clap-

destine activities in Laos also?

Mr. HARRINGTON. To the disconcertion of people who happen to share my same party label I very often hyphenate my criticism of executive branch activity of the kind you have described more generally in foreign policy by alluding to both the Kennedy era and the Johnson era, along with the Republican facets in the Nixon era over the last dozen years. I think you can say one that the Secretary of State clumsily tried to get at in testimony addressed to Mr. Church, who tried to keep interrupting Fulbright's efforts to repress that line of in-quiry, I find the Secretary straining a bit with an exaggerated kind of claim of credit that he and the President were engaging in 1969 and 1970 on direction and departure of American foreign policy, that we ought to have more charity with decisions made about Chile, with appreciation of foreign policy perceptions existing at that time. They were once claiming a fundamental departure in our policy affecting our relationship with the Communists—and this is what I find all the more ironic-at the time the secret trips were being planned to China, a rapproachement with Russia being heralded as a great achievement of the administration, and one I have publicly said I concur in, you get a systematic effort to gut the Marxist government that not anyone yet in the most revisionist sentiment have suggested came to power did not come to power by a process we endorse for the rest of the world.

Mr. Bos Wilson. You determined in your own mind we gutted it. Certainly the testimony doesn't indicate to me that the activities resulted in gutting the Allende government. In fact it was very ineffectual with the expenditure of \$11 million in my opinion. If there is any inference in the testimony we have had that resulted in the military coup, that our actions resulted in the military coup, that is false, and yet the statements that were made on the floor yesterday indicated that we instigated the coup by spending \$11 million.

Mr. HARRINGTON. I never would.

Mr. Bos Wilson. Let me ask this rhetorically: How would you like to have \$11 million to run for Governor of California with twice the number of people? I use the example and analogy of a setting of 9 million people in a less sophisticated political millieu and apply it to Chile against American dollars.

Mr. Harrington, I wouldn't run for Governor of California if you gave me \$11

million.

Mr. NEDZI. We have just a couple of more questions to complete the record. Let me ask you this: How do you think the leak occurred?

Mr. HARRINGTON. I really don't know. One of the things I said to Seymour Hersh when he called, can you tell me where you got the one thing? And an amusing thing ends a 2005/04/270N CTA-RDP 77M00144R001200030004-3e supplementary mate-

it is maybe not entirely accurate as it is secondhand—I heard it and had to some extent verified it—the Fulbright office was frantically looking for copies of my letter which was supposed to exist. Senator Case's office called over and asked on Monday or Tuesday for the letter. I was told they were scrambling around for a couple of days looking for the material I supposed got to Fulbright back in July.

Mr. NEDZI. Was that the original letter a

copy of Morgan's?

Mr. HARRINGTON. Both had the original letter, I think I alluded to the fact the chairman of the other committee-if I had to guess, and this is only a guess, and I said this to Martin Agronsky when he asked me about it, I would basically see the letter to Fulbright or the Senate side being the basis for what happened. I really don't know and would be glad, as I told you, if I found out. I would be curious myself. But I did not do

Mr. Bob Wilson. You say you would assume it would fall, but it may not look as

if you pushed it?
Mr. HARRINGTON. I think really that has been the thrust of it all this morning. I am more annoyed by what I consider to be vacil-lation on my part in not having the courage to face it head on. I would not engage in that sort of thing. I would be more comfortable in taking it to the floor of the House and letting you guys do what you want. I never had any intention of going that way.

Mr. SLATINSHEK. I understood you to say you wrote a separate letter to Mr. Fulbright.

Is that correct?

Mr. HARRINGTON. I wrote identical letters to Fulbright and Morgan originally. Going to Mr. Nedzi's question, original copies.

Mr. SLATINSHEK. Were they addressed specifically to Mr. Morgan and in the other instance to Senator Fulbright?

Mr. Harrington. Yes. Mr. Slatinshek. Could we have a copy for the record of both of those letters?

Mr. Harrington. Sure.

Mr. Slatinshek. So we can insert them in the record.

Mr. HARRINGTON. You can have it all.

Mr. SLATINSHEK. What I am troubled by, you had indicated you had personally handed them the letters.

Mr. HARRINGTON. I had caused them to be personally handed. I thought I made that clear. Somebody asked did you mail them and I said no, they were personally delivered.

Mr. Bob Wilson. I took you to mean you

handed the letters to them.

Mr. HARBINGTON. No.

Mr. SLATINSHEK. In other words, you had a messenger hand deliver this and they did hand deliver it to Chairman Morgan and to Chairman Fulbright?

Mr. HARRINGTON. That was the intent. I can go back, if you would like, and see actually from the committees to whom the delivery was made, if not to the chairman. I frankly never inquired.

Mr. SLATINSHEK. I think it would be important for the record we know this.

Mr. Harrington. You might check.

Mr. SLATINSHEK. I would like you to provide that to us for the record

Mr. HARRINGTON. Any way you want to do

Mr. SLATINSHEK. That is particularly important since the Seymour Hersh article repeatedly referred to Thomas Morgan's letter, yet Mr. Morgan I understand did not release the letter in any way. This is my informal understanding.

Mr. Harrington. I am quite sure you have a more informal understanding of the situation than I do.

Mr. SLATINSHEK. I am puzzled by the fact the Seymour Hersh leak uses the Morgan letter.

theory to Mr. Nedzi in response to his question. I thought frankly the Morgan title was only used in effect to deflect attention from the Senate.

Mr. NEDZI. Mr. Morgan was referred to in the Senate letter.

Mr. HARRINGTON. The inference is clear I believe, in my writing to both chairmen one could be substituted one for the other.

Mr. NEDZI. Have you supplied for the record now to the best of your recollection all of the individuals to whom you imparted this information either by letter or by oral conversation?

Mr. HARRINGTON. That is correct.

Mr. Nepzi. Actually I don't see an allusion to the Fulbright letter in the Morgan letter.

Mr. HARRINGTON. I will be glad to refresh my recollection. I assumed it was or one could infer. I haven't read that in a while so I don't know.

Mr. NEDZI. To pursue Frank's line of questions, one would have to assume that the Fulbright letter was available and some additional information to the effect that there was also a Morgan letter.

Mr. HARRINGTON. Correct.

Mr. NEDZI. It was not clear from the letter. Mr. HARRINGTON. I don't know. I don't have the letter in front of me. I assume I made a reference for the chairman of the committee, so you would infer it was being sent both ways. Again, that is my guess an not anything beyond that at this poin. Those are the letters, and I can find out the method of delivery. Mr. Slatinshek's intention is very clear.

Mr. SLATINSHEK. The question of the delivery, the individual who delivered, whether personally delivered, and give us copies of the letters. This would be helpful

for the record.

Mr. HARRINGTON. OK.

Mr. NEDZI. The subcommittee will stand in recess until further call of the Chair.

[Whereupon, at 12:20 p.m. the subcom-mittee recessed until call of the Chair.] The following information was received for the record:]

OCTOBER 7, 1974. Hon. MICHAEL HARRINGTON,

House of Representatives, Washington, D.C.

DEAR Mr. HARRINGTON: As you will recall. on Wednesday, September 25, 1974, you appeared as a witness before the Armed Services Special Subcommittee on Intelligence.

The Subcommittee is now endeavoring to complete the record in respect to your testimony. However, certain materials that you had volunteered to provide for the record have not as yet been received by the Subcommittee.

Specifically, I have reference to your offer to provide for the record:

Your correspondence with Senate. Fulbright on the Chilian matter; and

(b) Copies of the original letters sent Chairman Morgan and Chairman Fulbright the manner of their delivery, the individuals who delivered the individual letters, as well as the names of the individuals who actually physically received the letters.

I assume that your failure to provide this information for the record is due to your exceedingly busy schedule or simple inadvertence. In any event, it would be helpful to the Subcommittee to have this information made available so as to permit it to complete its record of your testimony.

Sincerely, FRANK M. SLATINSHEK, Chief Counsel.

OCTOBER 8, 1974.

Mr. Frank M. Slatinshek,

Chief Counsel, Committee on Armed Services, U.S. House of Representatives, Washington, D.C.

DEAR MR. SLATINSHER: Thank you for your

responding. Enclosed are copies of my correspondence with Senator Fulbright, as well as copies of the original letters to Chairmen Morgan and Fulbright which you requested. It is my understanding that Lawrence Tell, who worked for me this summer, hand delivered the July 18th letters to the personal secretaries of the Chairmen and that the secretaries were admonished that the letters were personal, confidential and for the eyes of the

respective Chairmen only.

If I can be of any further assistance, please

do not hesitate to contact me.

Yours sincerely, MICHAEL J. HARRINGTON.

JULY 18, 1974.

Hon. THOMAS MORGAN,

Chairman, House Foreign Affairs Committee, Rayburn House Office Building, Wash-

ington, D.C.

DEAR MR. CHAIRMAN: As you know, for some time I have been actively interested in the development of United States foreign policy toward Chile, and particularly since the overthrow of the Allende government on September 11, 1973, and my visit to that country shortly thereafter. It is my purpose in writing to discuss some of the fruits of my endeavors in that direction, which I feel pose serious questions about the manner in which our current relations with Chile evolved, how our policies there were implemented, and how Congress has exercised its oversight function. I request that you bear with me on the length of this letter, since I feel that the importance of its subject matter requires a detailed and comprehensive presentation of the evolution of my present concern. No doubt you are familiar with numerous reports, dating from the time of Salvador

Ailende's election as President in 1970, alleging that the United States government played an active role in trying to influence Chilean politics. Immediately after the military coup last October, further reports appeared which indicated that the United States was involved, either directly or indirectly. At that time, I made a very brief trip to Chile which enabled me to gain a sense of the prevailing attitude there and helped add some substance to my earlier impression that the United States had engaged in political and economic destabilization efforts that eventually led to President Allende's down-

Since that time, I have repeatedly tried to focus attention in Congress on the origins of American policy toward the Allende government to determine its possible influence in the eventual course of events in Chile. In particular, I was concerned with activities of the Treasury Department and the Central Intelligence Agency, the latter of which is the subject of quite limited Congressional Review that is perfunctory and comes after the fact. As you can readily see from the exchange of correspondence which is attached to this letter, my efforts have not been productive of any substantial inquiries into our policies toward the Allende government. Instead, the few hearings that have been held focused largely on the internal situation in Chile and allegations of denials of Civil and judicial rights. The following list of hearings and witnesses clearly documents that fact:

Sept. 20, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of

State Jack Kubisch Sept. 25, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch

October 11, 1973 Subcommittee on Inter-American Affairs: Central Intelligence Agency

October 31, 1973 Subcommittee on Inter-

December 1, 1973 Subcommittees on Inter-American Affairs and International Organizations and Movements: "Human Rights in Chile"-Dr. Frank Newman

May 7, 1974 Subcommittees on IAA and DM: "Human Rights in Chile"— Charles Porter, former Member of Congress; Ira Lowe, attorney

May 23, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Dr. Covey Oliver, former United States Ambassador

June 11, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"-former Attorney General Ramsey Clark; Judge Wil-Ham Booth

June 12, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"—Deputy Assistant Secretary of State Harry Shlaudeman

June 18, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"-Professors Richard Fagan, John Planck, and Riordan

Following the September 25, 1973 hearing, Chairman Fascell issued a statement which read: "... the Subcommittee will hold additional hearings on Chile in the near future. We intend to conduct a full scale investigation of United States policy toward Chile." The committed language of that statement has not been pursued, despite a series of conversations between my office and the Subcommittee both at the staff level and between Chairman Fascell and myself. Finally, a request made in writing by me on March 1974 to Chairman Fascell that he hold hearings on U.S. actilvties in Chile resulted in an inclusive exchange of letters over three months with the end result that the Subcommittee has promised two days of hearings, possibly sometime this summer, with non-government witnesses.

The one possible opportunity that was afforded to probe United States policies toward Chile occurred during the Subcommittee executive session testimony in October, 1973 of CIA director William Colby, who unfortunately refused to respond fully to questions of CIA activities in Chile, citing the jurisdiction of the Armed Services Committee. With little expectation that tangible results would follow because of its past deference to the CIA in such matters. I turned to the Special Subcommittee on Intelligence of the House Armed Services Committee. In my letter of April 2, 1974 to Chairman Nedzi, a copy of which is also attached. I recounted the rejuctance of CIA Director William Colby to fully testify before the Foreign Affairs Committee and requested that Chairman Nedzi's Subcommittee hold hearings to question Mr. Colby directly as to convert CIA operations in Chile.

Mr. Colby testified on April 22, 1974 and after some delay, largely due to Chairman Nedzi's desire to obtain clearance from Chairman Hébert, I was notified on or about June 1, 1974 that I would be given access to the transcript. I read the hearing transcript once on June 5 and again on June 12, and the information contained in the Colby testimony convinced me that it is of critical importance for the Congress and the American people to learn the full truth of American activities in Chile. I wish to share this information with you, in the hope that you will feel the same sense of conviction that I experienced upon learning the full details of significant U.S. activities in the affairs of another country without any prior consultation of even the committee charged with overseeing such operations. In fact, actual formal notification of that committee came seemingly as an afterthought, and only after my request was made, many months after the operations had been conducted.

rial mentioned in my Septe Approved For Release 2005/04727 ns CIA-RDP77MQQ and 12000 300044-5 of the testimony. My apologies for the delay in Agency analysis its contents as an indication of what transpired in Chile.

The testimony was given on April 22, 1974 by Mr. Colby, who was accompanied by a Mr. Phillips, who was apparently the Latin American specialist of the CIA. Also in attendance were Chairman Nedzi and Frank Slatinshek, Chief Counsel of the House Armed Services Committee. Approximately one-third of the 48 pages of testimony is devoted to exposition by Mr. Colby of a continuous Central Intelligence Agency involvement in the internal politics of Chile from 1962 through 1973. Most of the remainder of the testimony provides a description of the methods employed by the CIA in conducting such operations, focusing on the details of how activities in Chile were accomplished.

Over the 1962 to 1973 period, the Forty-Committee (an interdepartmental body that reviews and authorizes all covert CIA activities and is chaired by the President's Advisor on Naitonal Security Affairs) authorized the expenditure of approximately \$11 million to help prevent the election of Allende and, in Mr. Colby's words, "destabilize" the Allende government so as to precipitate its downfall.
The agency activities in Chile were viewed as a prototype, or laboratory experiment, to test the techniques of heavy financial investment in efforts to discredit and bring down a government.

Funding was provided to individuals, political parties, and media outlets in Chile, through channels in other countries in both Latin America and Europe. Mr. Colby's description of these operations was direct, though not to the point of identifying actual contacts and conduits.

A total of \$3 million was sent in 1964 to the Christian Democratic Party in Chile that was opposing Allende in the national elections. Also in 1964, unidentified American corporations suggested that the CIA serve as a conduit for corporate funds that would finance anti-Allende activities, but that idea was rejected as unworkable. Approximately \$500,000 was authorized in 1969 to fund individuals who could be nurtured to keep the anti-Allende forces active and intact.

During the 1970 election, in which Allende eventually was elected President, \$500,000 was given to opposition party personnel. An expenditure of \$350,000 was authorized to bribe the Chilean Congress, which at that time was faced with deciding a run-off election between Allende and the opposition candidate. The bribe would have been part of a scheme to overturn the results of the election in which Allende had gained a plurality, but that plan, although originally approved by the Forty Committee, was later evaluated as unworkable.

The testimony indicates that the Agency role in 1970 was viewed as that of the "spoiler," involving general attempts to politically destabilize the country and discredit Allende to improve the likelihood that an opposition candidate would win.

Following the election of Allende, \$5 million was authorized by the Forty Commit-tee for more destabilization efforts during the period from 1971 to 1973. An additional \$1.5 million was spent for the 1973 municipal elections. Some of these funds were used to support an unnamed but influential anti-Allende newspaper.

Although a specific request in the summer of 1973 for \$50,000 to assist the trucker's strike was turned down, the Forty Committee did authorize in August, 1973 an expenditure of \$1 million for further political destabilization activities. This final authorization came without any apparent deterrent being posed by the recently completed

hearings into ITTANDFOVED For Release 2005/04/27: CIA-RDP77M00144R001200030004-5
Since that time, I have repeatedly tried to
the Senate Watergate Committee's disclosure Hon. Thomas Morgan, focus attention in Congress on the origins of of CIA activities related to Watergate.

The full plan authorized in August was called off when the military coup occurred less than one month later. In the aftermath of the coup, however, funds that had been committed were spent. These included \$25,000 to one indvidual to purchase a radio station and \$9,000 to finance a trip to other Latin American capitals to reassure them about the new military leaders.

Since learning this information, I have attempted to induct some Members to pursue the facts of our involvement in the Chilean situation to determine how those policies evolved and how they can be justified as being in the national interest. I have had a reasonably extended conversation with Congresman Fraser, and briefer ones with Congressmen Fascell and Hamilton, in which I described what I learned from the Colby testimony. While they were indeed distressed at the details of CIA operations, nothing was forthcoming as a result of those conversations that leads me to believe that there would be further investigations or hearings into the broader policy questions that such

activities pose.

I turn to you as a last resort, having despaired of the likelihood of anything productive occurring as a result of the avenues I have already pursued. It is indicative of my frustrations to note that in the five meetings this year of the Subcommittee on Inter-American Affairs, which focused on human rights in Chile, only one government witness with knowledge of U.S. activities in Chile appeared. At that hearing, Congressman Fraser and I questioned Deputy Assistant Secretary of State Harry Shlaudeman on possible CIA involvement in Chile while he was stationed there as Deputy Chief of Mission from 1969 through mid-1973. His answers, a transcript of which is attached, indicated to me some knowledge on his part of CIA activities that he was unwilling to discuss before a duly-constituted Committee of the House. The inherent limitations facing Members of Congress in uncovering the facts of covert activities such as those in Chile requires, I believe, a commitment by those in a position to act beyond the existing, illusory oversight machinery.

At his confirmation hearings on July 2, 1973, Director Colby said:

"We are not going to run the kind of intelligence service that other countries run. We are going to run one in the American society and the American constitutional structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view."

I feel it is time to hold Mr. Colby to his commitment, as the Congress and the American people have a right to learn what was done in our name in Chile. Much as I would prefer to see this accomplished within the channels of the Congressional process, its importance convinces me that our very system of government requires that knowledge of American activities in Chile not remain solely with a handful of officials and Members of Congress. Therefore, I urge you to promptly turn this matter to the attention of the Foreign Affairs Committee for a complete, public investigation of United States relations with Chile. I trust that you will agree that the importance of this matter and its implications for future foreign policies of the United States demands no less.

Yours sincerely,

MICHAEL J. HARRINGTON.

Chairman, House Foreign Affairs Committee, 2183 Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to reaffirm my request to you of July 18, 1974, that you initiate open hearings in connection with United States policy with respect to Chile during the Allende period.

As you know, Mr. William Colby, Director of the CIA, in recent newspaper reports, is reported as having stated that the CIA is an instrument of policy, that it does not make policy, and that in connection with the Agency's clandestine activities in Chile during the Allende period, the Agency was implementing the foreign policy of the United States. Hence, I believe that the issue rests squarely within the jurisdiction of the House Foreign Affairs Committee: who made the policy which led the Central Intelligence Agency to undertake the extensive clandestine activities designed to subvert the Allende govern-

In my opinion, an accounting to the American people and the Congress is in order and we should demand that accounting from Secretary of State Kissinger who, according to Mr. Colby, was the author of the policy toward Chile.

It is no longer acceptable for the Congress to acquiesce in State Department officials' coming before Congressional committees and making statements which, if not outright lies, are at least evasions of the truth. I urge that your committee, before which State Department officials have testified on this matter, reopen its inquiry in light of what we now know, and determine whether or not transcripts of their previous testimony should be transmitted to the Department of Justice for perjury.

Yours sincerely,

MICHAEL J. HARRINGTON.

JULY 18, 1974.

Hon. J. WILLIAM FULBRIGHT,

Chairman, Senate Foreign Relations Committee, 1215 Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As you may know, for sometime I have been actively interested in the development of United States foreign policy toward Chile, and particularly since the overthrow of the Allende government on September 11, 1973 and my visit to that country shortly thereafter. It is my purpose in writing to discuss some of the fruits of my endeavors in that direction, which I feel pose serious questions about the manner in which our current relations with Chile evolved, how our policies there were implemented, and how Congress has exercised its oversight function. I request that you bear with me on the length of this letter, since I feel that the importance of its subject matter requires a detailed and comprehensive presentation of the evolution of my present concern.

No doubt you are familiar with numerous reports, dating from the time of Salvador Allende's election as President in 1970, alleging that the United States government played an active role in trying to influence Chilean politics. Immediately after the military coup last October, further reports appeared which indicated that the United States was involved, either directly or in-directly. At that time, I made a very brief trip to Chile which enabled me to gain a sense of the prevailing attitude there and helped add some substance to my earlier impression that the United States had engaged in political and economic destabilization efforts that eventually led to President Allende's downfall.

American policy toward the Allende government to determine its possible influence in the eventual course of events in Chile. In particular, I was concerned with the activities of the Treasury Department and the Central Intelligence Agency, the latter of which is the subject of quite limited Congressional review that is perfunctory and comes after the fact. As you can readily see from the exchange of correspondence which is attached to this letter, my efforts have not been productive of any substantial inquiries. into our policies toward the Allende government. Instead, the few hearings that have been held focused largely on the internal situation in Chile and allegations of denials of civil and judicial rights. The following list of hearings and witnesses clearly documents that fact:

Sept. 20, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary State Jack Kubisch

Sept. 27, 1973 Subcommittee on Inter-American Affairs: Assistant Secretary of State Jack Kubisch Assistant Secretary of

October 11, 1973 Subcommittee on Inter-Affairs: Central American Intelligence Agency witness.

October 31, 1973 Subcommittee on Inter-Affairs: American Defense Intelligence Agency analysis

December 7, 1973 Subcommittees on Inter-American Affairs and International Organizations and Movements: "Human Rights in Chile"-Dr. Frank Newman

May 7, 1974 Subcommittees on IAA au IOM: "Human Rights in Chile"—Charle -Charle Porter, former Member of Congress, Ira Low attornev

May 23, 1974 Subcommittees on IAA and DM: "Human Rights in Chile"—Dr. Covey Oliver, former United States Ambassador

June 11, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"-former Attorney General Ramsey Clark; Judge William

June 12, 1974 Subcommittees on IAA and IOM: "Human Rights in Chile"-Deputy Assistant Secretary of State Harry Shlaudeman June 18, 1974 Subcommittees on IAA and

IOM: "Human Rights in Chile"—Professors Richard Fagan, John Planck, and Riordan Roett

Following the September 25, 1973 hearing, Chairman Fascell issued a statement which read: ". . . the Subcommittee will hold additional hearings on Chile in the near future. We intend to conduct a full scale investigation of United States policy toward Chile."
The committed language of that statement has not been pursued, despite a series of conversations between my office and the Subcommittee both at the staff level and between Chairman Fascell and myself. Finally, a request made in writing by me on March 7, 1974 to Chairman Fascell that he hold hearing on U.S. activities in Chile resulted in an inconclusive exchange of letters over three months, with the end result that the Subcommittee has promised two days of hearings, possibly sometimes this summer, with nongovernment witnesses.

The one possible opportunity that was afforded to probe United States policies toward Chile occurred during the Subcommittee exor CIA director William Colby, who unfortunately refused to respond fully to questions of CIA activities in Chile, citing the jurisdiction of the Armed Services Committees With little approximately the control of the control of the Armed Services Committees With little approximately the control of the Armed Services Committees with little approximately the control of the Armed Services Committees with little approximately the control of the Armed Services Committees with little approximately the control of the Armed Services Committees with little approximately the control of the Armed Services Committees with the control of the Committees with the control o tee. With little expectation that tangible results would follow because of its past deference to the CIA in such matters, I turned to the Special Subcommittee on Intelligence

of the House Armed Services Committee. In my letter of April 2, 1974 to Chairman Nedzi, a copy of which is also attached, I recounted the reluctance of CIA Director William Colby to fully testify before the Foreign Affairs Committee and requested that Chairman Nedzi's Subcommittee hold hearings to questions Mr. Colby directly as to cover CIA operations in Chile.

Mr. Colby testified on April 22, 1974 and after some delay, largely due to Chairman Nedzi's desire to obtain clearance from Chairman Hébert, I was notified on or about June 1, 1974 that I would be given access to the transcript. I read the hearing transcript once on June 5 and again on June 12, and the information contained in the Colby testimony convinced me that it is of critical importance for the Congress and the American people to learn the full truth of American activities in Chile. I wish to share this information with you, in the hope that you will feel the same sense of conviction that I experienced upon learning the full details of significant U.S. activities in the affairs of another country without any prior consultation of even the committee charged with overseeing such operations. In fact, actual formal notification of that committee came seemingly as an afterthought, and only after my request was made, many months after the operations had been conducted.

While my memory must serve here as the only source for the substance of the testimony. I submit the following summary of its contents as an indication of what transpired

The testimony was given on April 22, 1974 by Mr. Colby, who was accompanied by a Mr. Phillips, who was apparently the Latin American specialist of the CIA. Also in at-tendance were Chairman Nedzi and Frank Slatinshek, Chief Counsel of the House Armed Services Committee, Approximately one third of the 48 pages of testimony is devoted to exposition by Mr. Colby of a con-tinuous Central Intelligence Agency involvement in the internal politics of Chile from 1962 through 1973. Most of the remainder of the testimony provides a description of the methods employed by the CIA in conducting such operations, focusing on the details of how activities in Chile were accomplished.

Over the 1962 to 1973 period, the Forty Committee (an interdepartmental body that reviews and authorizes all covert CIA activities and is chaired by the President's Advisor on National Security Affairs) authorized the expenditure of approximately \$11 million to help prevent the election of Allende and, in Mr. Colby's words, "destabilize" the Allende government so as to precipitate its downfall. The agency activities in Chile word. The agency activities in Chile were viewed as a prototype, or laboratory experiment, to test the techniques of heavy financial investment in efforts to discredit and bring down a government.

Funding was provided to individuals, political parties, and media outlets in Chile, through channels in other countries in both Latin America and Europe. Mr. Colby's description of these operations was direct, though not to the point of identifying actual

contacts and conduits.

A total of \$3 million was sent in 1964 to the Christian Democratic Party in Chile that was opposing Allende in the national elections. Also in 1964, unidentified American corporations suggested that the CIA serve as a conduit for corporate funds that would finance anti-Allende activities, but that idea was rejected as unworkable. Approximately \$500,000 was authorized in 1969 to fund individuals who could be nurtured to keep the anti-Allende forces active and intact

During the 1970 election, in which Allende eventually was elected President, \$500,000 was given to opposition party personnel. An expenditure of \$350,000 was authorized to

tion between Allende and the opposition candidate. The bribe would have been part of a scheme to overturn the results of the election in which Allende had gained a plurality, but that plan, although originally approved by the Forty Committee, was later evaluated as unworkable.

The testimony indicates that the Agency role in 1970 was viewed as that of the "spoiler," involving general attempts to politically destabilize the country and discredit Allende to improve the likelihood that an opposition candidate would win.

Following the election of Allende, \$5 million was authorized by the Forty Committee for more destabilization efforts during the period from 1971 to 1973. An additional \$1.5 million was spent for the 1973 municipal elections. Some of these funds were used to support an unnamed but influential anti-Allende newspaper.

Although a specific request in the summer of 1973 for \$50,000 to assist the trucker's strike was turned down, the Forty Committee did authorize in August, 1973 an expenditure of \$1 million for further political destabilization activities. This final authorization came without any apparent deterrent being posed by the recently completed hearings into ITT involvement in Chile and the Senate Watergate Committee's disclosure of CIA activities related to Watergate.

The full plan authorized in August was called off when the military coup occurred less than one month later. In the aftermath of the coup, however, funds that had been committed were spent. These included \$25,000 to one individual to purchase a radio station and \$9,000 to finance a trip to other Latin American capitals to reassure them about the new military leaders.

Since learning this information, I have attempted once again to induce some Members to pursue the facts of our involvement in the Chilean situation to determine how those policies evolved and how they can be justified as being in the national interest. I have had a reasonably extended conversation with Congressman Fraser, and briefer ones with Congressmen Fascell and Hamilton, in which I described what I learned from the Colby testimony. While they were indeed distressed at the details of CIA operations, nothing was forthcoming as a result of those conversations that leads me to believe that there would be further investigations or hearings into the broader policy questions that such activities pose.

I turn to you as a last resort, having despaired of the likelihood of anything productive occurring as a result of the avenues I have already pursued. It is indicative of my frustrations to note that in the five meetings this year of the Subcommittee on Inter-American Affairs, which focused on human rights in Chile, only one government witness with knowledge of U.S. activities in Chile appeared. At that hearing, Congressman Fraser and I questioned Deputy Assistant Secretary of State Harry Shlaudeman on possible CIA involvement in Chile while he was stationed there as Deputy Chief of Mission from 1969 through mid-1973. His answers, a transcript of which is attached, indicated to me some knowledge on his part of CIA activities that he was unwilling to discuss before a duly-constituted Committee of the House. The inherent limitations facing Members of Congress in uncovering the facts of covert activities such as those in Chile requires, I believe, a commitment by those in a position to act beyond the existing, illusory oversight machinery.

At his confirmation hearings on July 2, 1973, Director Colby said:

"We are not going to run the kind of intelligence service that other countries run.

CONGRESSIONAL RECORD—HOUSE

Approved For Release 2005/04/27: CIA-RDP77M00144R001200030004-5

Approved For Release 2005/04/27: CIA-RDP77M00144R001200030004-5

We are going to run one in the American constitutional society and the American constitutional and I can see that there may be a structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view."

I feel it is time to hold Mr. Colby to his commitment, as the Congress and the American people have a right to learn what was in our name in Chile. Much as I would prefer to see this accomplished within the channels of the Congressional process, its importance convinces me that our very system of government requires that knowledge of American activities in Chile not remain solely with a handful of officials and Members of Congress. Therefore, I urge you to promptly turn this matter to the attention of the Foreign Affairs Committee for a complete public investigation of United States relations with Chile. I trust that you will agree that the importance of this matter and its implications for future foreign policies of the United States demands no less. Yours sincerely,

MICHAEL J. HARRINGTON. JULY 26, 1974.

Hon. MICHAEL J. HARRINGTON, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN: I apologize for the delay in responding to your letter, but have been diverted by hearings in the Com-mittee and other related matters.

The question you pose in your letter is one of longstanding concern. The Foreign Relations Committee has attempted from time to time to examine CIA representatives; when critical questions have been asked of these individuals, we have consistently re-ceived the answer that they are responsible to the President, the National Security Council, and the informal Committee of five in the Senate, and they would not respond to specific questions involving their methods of influencing foreign elections, such as Chile.

I share your frustration in this situation, but, as you know, this has been going on in places other than Chile for many years. I have sponsored and supported efforts to create a Committee similar to the Joint Committee on Atomic Energy which would have specific and complete authority to examine the CIA and exercise some control over their activities. As you will recall, the Congress did not support these efforts. Furthermore, I do not believe that a thorough investigation by the Foreign Relations Committee would produce very much beyond that which we already know, and if it did, unless there is a tremendous change in the attitude of the members of the Senate, nothing could be done about it. In short, the Senate at least has been unwilling to exercise serious control of the CIA, and apparently approves of the activities to which you refer in Chile and which I believe to be a procedure which the CIA has followed in other countries.

The Committee on Foreign Relations is beginning, on the 8th of August, an indepth study of the problem of our relations with the Communist world. These hearings will not bear directly upon the problem of the CIA, but will involve the basic policy in which the CIA thinks it is involved in their covert activities.

I believe, in spite of our frustration, that the creation of a Joint Committee, with full authority to examine the CIA and control it, is the only practical answer to the problem. The Foreign Relations Committee, in a show down, never has sufficient votes to overcome the opposition of the forces led by the Armed Services Committee in the Senate, but a Joint Commune, Wed For Release 2005/04/27: CJA-RDP77M00144R001200030004-5 Mr. Simon in eight instances. do so, I think would have sufficient prestige to exercise control. If you think well of this idea, I will be glad to join with you in sponsoring a renewal of the effort to create a Joint Committee on the Intelligence Community.

With all best wishes, I am, Sincerely yours,

J. W. FULBRIGHT.

SEPTEMBER 11, 1974.

Hon. J. WILLIAM FULBRIGHT, Chairman, Senate Foreign Relations Com-mittee, 1215 Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to reaffirm my request to you of July 18, 1974, that you initiate open hearings in connection with United States policy with respect to Chile during the Allende period.

As you know, Mr. William Colby, Director

of the CIA, in recent newspaper reports, is reported as having stated that the CIA is an instrument of policy, that it does not make policy, and that in connection with the Agency's clandestine activities in Chile during the Allende period, the Agency was implementing the foreign policy of the United States. Hence, I believe that the issue rests squarely within the jurisdiction of the Senate Foreign Relations Committee: who made the policy which led the Central Intelligence Agency to undertake the extensive clandestine activities designed to subvert the Allende government.

In my opinion, an accounting to the American people and the Congress is in order and we should demand that accounting from Secretary of State Kissinger who, according to Mr. Colby, was the author of the policy toward Chile.

It is no longer acceptable for the Congress to acquiesce in State Department officials' coming before Congressional committees and making statements which, if not outright lies, are at least evasions of the truth. I urge that your committee, before which State Department officials have testified on this matter, reopen its inquiry in light of what we now know, and determine whether or not transcripts of their previous testimony should be transmitted to the Department of Justice for perjury.

Yours sincerely.

MICHAEL J. HARRINGTON. -

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Erlenborn (at the request of Mr. RHODES), after 4 p.m. today, through June 26, 1975, on account of official business.

Mrs. Collins of Illinois (at the request of Mr. O'Neill), after 1 p.m., today, through Monday, July 14, 1975, on account of official committee business.

Mr. Diggs (at the request of Mr. O'NEILL), from 3:30 p.m., today, until Friday, July 18, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Flood, for 30 minutes, today. (The following Members (at the request of Mr. GILMAN), to revise and extend their remarks, and to include exMr. HASTINGS, for 5 minutes, today. Mr. MILLER of Ohio, for 5 minutes, to-

Mr. Cohen, for 15 minutes, today. (The following Members (at the request of Mr. HARKIN), to revise and extend their remarks, and to include extraneous matter:)

Mr. Ford of Michigan, for 5 minutes, today.

Mr. MEEDS, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Fraser, for 10 minutes, today. Mr. Koch, for 15 minutes, today.

Mr. Ford of Tennessee, for 5 minutes, today.

Mr. Leggett, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted

Mr. HARRINGTON, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$2,965.

Mr. Moorhead of Pennsylvania, to extend his remarks, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$1,251.

Mr. Andrews of North Dakota, to extend his remarks in the body of the Record, following the remarks of Mr. Moor-HEAD of Pennsylvania.

Mr. Wampler, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$695.

Mr. FRENZEL, to revise and extend his remarks, prior to the vote on recommittal of the energy bill.

Mr. Cohen, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Congressional RECORD and is estimated by the Public Printer to cost \$1,042.50.

Mr. Gude, and to include extraneous matter.

Mr. Perkins in two instances.

(The following Members (at the request of Mr. GILMAN) and to include extraneous material:)

Mr. GILMAN in four instances.

Mr. CRANE.

Mr. STEIGER of Wisconsin.

Mr. Lent.

Mr. Erlenborn.

Mr. GUYER.

Mr. Peyser in two instances.

Mr. Thone.

Mr. Kasten in two instances.

Mr. GRASSLEY.

Mr. SHUSTER.

Mr. Steelman.

Mr. Anderson of Illinois in two instances.

Mr. Bos Wilson in three instances.

Mr. ASHBROOK in five instances.

Mr. Rhodes.

Mr. COHEN.

Mr. Bell. Mr. Derwinski in two instances.

Mr. DU PONT.

Mr. Buchanan.

(The following Members (at the request of Mr. HARKIN) and to include ex-

Mr. JENRETTE.

Mr. Russo.

Mr. CARNEY. Mr. Mikva.

Mr. Convers in three instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Patten.

Mr. Byron in 10 instances.

Mr. OBEY.

Mr. MITCHELL of Maryland.

Mr. Macdonald of Massachusetts in two instances.

Mr. Jones of Tennessee.

Mr. Gaydos in 10 instances.

Mr. Rocers in five instances.

Mr. Diggs.

Mr. John L. Burton in two instances. Mr. Mazzoli.

Mr. Symington.

Mr. Murphy of New York.

Mr. Hall.

Mr. RIEGLE.

Mrs. Burke of California

Mr. Zeferetti in two instances.

Mr. McCormack in two instances.

Mr. HARKIN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 6. An act to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purposes; to the Committee on Education and Labor.

ADJOURNMENT

Mr. HARKIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 36 minutes p.m.) under its previous order, the House adjourned until tomorrow, Friday, June 20, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1246. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles and services to the Federal Republications. of Germany, pursuant to section 36(b) of the Foreign Military Sales Act, as amended: the Committee on International Relations. 1247. A letter from the Executive Director.

Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of April 30, 1975, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1248. A letter from the Secretary of the Army, transmitting a report recommending deauthorization of certain projects, pursuant to section 12 of Public Law 93-251 (H. Doc. No. 94-192); to the Committee on Public Works and Transportation and ordered to be printed.

1249. A letter from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), transmitting a draft of proposed traneous matter:) traneous matter:) traneous matter:) Approved For Release 2005/04/27: CIA-RDP77M00144R001200030004-5

tion. The Depart Approved For Release 2005/04/27sive Clark P. T. T. M. O. 12000 30004-5 CIA. Responsibility for theoretically exists not for the purpose of writing law, but of administering law as written. In my opinion Congress should set up a commission, or provide funds and direction for an appropriate agency in the Department of Transportation, for the purpose of drawing up legislation to meet this problem. It might be well for four Members of the House and Senate-one from each party-to work on such commission o agency, acting as liaison with other Members whose constituents are vital concerned. But when the bill is finally brought to the committees it should widely assumed that few changes would be suggested.

BREEDER REACTOR PROGRAM

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES Thursday, June 19, 1975

Mr. HARKIN. Mr. Speaker, the Hou is now considering the authorization bal for the Energy Research and Development Administration. The Des Moines Register, on June 18, 1975, published an editorial on the breeder reactor program, which would be funded under this authorization bill. The editorial was very instructive, and I would like to bring it to the attention of my colleagues.

The editorial follows:

SWITCH FROM BREEDER REACTOR

The Ford administration apparently is planning to slow development of the controversial "breeder reactor." Commerce Sectary Rogers Morton told reporters the administration intends to shift emphasis from development of the breeder to conventional atomic power.

Development costs were expected to exceed \$10 billion. The government was willing to commit such a huge sum because of the breeder reactor's ability to make more efficient use of uranium in producing power and because it produces plutonium as a byproduct. Plutonium is usable as fuel for nuclear power

Critics of the breeder reactor program cited the potential risks in operating the plants and the problems of radioactive waste disposal. They feared the administration was putting all its energy eggs in a nuclear basket and concentrating on developing a potentially hazardous nuclear system at the expense of non-nuclear alternatives.

The federal Energy Research and Develop-ment Administration's budget request for fiscal year 1976 included nearly \$500 million for research and development on the breeder reactor. The agency asked for \$311 million for research and development on fossil fuels, \$57 million for solar energy, \$28 million for geothermal energy, \$23 million for advanced energy research and \$32 million for energy conservation. The agency thus planned to spend more on the breeder reactor program than on all non-nuclear energy programs combined.

The administration's decision to give lower priority to the breeder reactor program is wise, considering the way the program has come to dominate federal energy research. The government could pump billions into the program only to find that it had created a monster. Meanwhile, other less hazardous energy sources would have been neglected be-

breeder. It makes sense to pursue a balanced energy research program and to give emphasis to such non-polluting, non-hazardous power sources as solar energy. We hope the administration's switch in direction on the breeder reactor program clears the way for a better-balanced program and will not merely mean more spending for conventional atomic

CIA MUST BE SALVAGED

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 19, 1975

Mr. BOB WILSON. Mr. Speaker, in recent months our intelligence community in general, and the Central Intelligence Agency in particular, have been subjected to varying degrees of criticism in Congress and in the media, with most of it severe. While it is true that any verified ventures beyond the statutory limits of the mission of the U.S. intelligence community should rightfully be scrutinized, at the same time it is true that in the process we should not spread vital secret information across the front pages for all to see, or even worse, dismantle our intelligence system in the

The intelligence function is indispensable to our well-being at home and abroad. We continue to live in a hostile world, and through our intelligence operations must know what other nations are doing. National security must include political security against subversion or terrorism against our citizens; it must include economic security against any threats to our economic well-being. Such data must not only be collected but pro-fessionally analyzed and judgments made on a variety of subjects beyond those of military significance. Intelligence assistance to negotiations around the world is critical and the Strategic Arms Limitations Agreements are perhaps the most typical example where such agreements rest basically on the identification of the subjects that must be negotiated.

Finally, Mr. Speaker, in the military area intelligence continues to make the major contribution to American decisions as to weapons systems and the requirements for an adequate defense posture. Thus, I believe the following editorial from the San Diego Union of June 13, 1975 will be of interest to our colleagues in arriving at a calm and unemotional determination of our intelligence requirements:

I include this as a portion of my remarks:

CIA MUST BE SALVAGED

The Rockefeller Commission has now laid out a record of derelictions by the Central Intelligence Agency. Some are more serious than others, and it is still hard to say how much it will be possible to reveal at a later time about the still-secret subject of alleged CIA involvement in plotting foreign assassinations.

The Commission's report already makes it possible to say that we are dealing with something more than illegalities or lapses of

these improprieties extends beyond the agency itself or any of its past or present personnel. It extends into previous Administrations and Congresses which have tolerated ambiguities in the mission of the CIA and may even have taken advantage of them. It extends into the White House, where some presidents yielded to the temptation to use the CIA for political purposes. This derelic-tion was compounded by the failure of CIA officials to resist. Thus we see the CIA, for all its mystique, exhibiting a weakness all too common in government bureaucracy.

The venture of the CIA into illegal domestic surveillance must be condemned, but the judgment of the public and the law must be tempered by an appreciation of the circumstances under which it occurred. For one thing, the incidents were not numerous considering the many opportunities which exist for the agency to misuse its intelligence apparatus. More important, activities which appear improper in hindsight could have appeared justified at the time they were authorized.

To the extent that the anti-war movement of the 1960s was an expression of opposition to a government policy, neither the CIA nor any other government agency had any business subjecting Americans connected with it to survellance. However, to the extent that demonstrations and riots were perceived as a threat to national security and there were grounds for suspicion that they were receiving foreign support, the surveillance was appropriate, even if the CIA was the wrong agency to carry it out.

The Rockfeller findings do nothing to diminish the need for an agency like the CIA, with its responsibility for foreign intelligence clearly spelled out and with an effective relationship with agencies responsible for domestic security. The Commission has shown how an agency created in 1947 with a specific, bona fide purpose would slip into a role totally repugnant to our free society—that of a "secret police" snooping without judicial process on American citizens.

The congressional and Justice Department investigations now proceeding can clarify the extent to which the CIA breached its charter and pinpoint the responsibility. As for salvaging our government's ability to deal with international intelligence problems, Rockefeller Commission's recommendations provide a way to restore strength to the CIA and keep it on the right track. We can hope that the latter effort is not waylaid by the pursuit of scandal for scandal's sake by those who have now cracked the door of CIA secrecy. We have already come dangerously close to damaging an agency which, whatever its transgressions, is an essential tool for our national survival.

TRIBUTE TO THE REVEREND H. SHAW SCATES

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES Thursday, June 19, 1975

Mr. JONES of Tennessee. Mr. Speaker, I want to take the opportunity today to pay tribute to the Reverend H. Shaw Scates, stated clerk of the general assembly of the Cumberland Presbyterian Church. Dr. Scates has served long and well in many various positions in the Cumberland Presbyterian Church and has been dedicated to each of those posithis nation that sense of domestic tran-

quility so essential to the pursuit of happiness.

GERALD R. FORD.

House, June 19, 1975.

ROCKEFELLER COMMISSION CIA REPORT COMMENDED

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, in the week since its public release, I have carefully studied the report to the President by the Commission on CIA Activities within the United States. Today I want to voice my approval of the tremendous job which the Chairman of the Commission, Vice President Rockefeller, and the other distinguished panel members

have performed for our country.

Within the scope of the mandate received from President Ford, the Rockefeller Commission investigation and report must be considered as comprehen-sive, objective, and definitely constructive. In its exhaustive review of the domestic activities of our key foreign intelligence agency, the Commission's report offers authoritative confirmation or refutation of the many allegations which have been made in the area of domestic activities. Furthermore, it constitutes a reliable source document for the use of congressional investigation into areas of special concern; and its recommendations are most appreciated by this member of the House Select Committee on Intelligence.

Mr. Speaker, the Rockefeller Commission's report contains a comprehensive delineation of illegal and unauthorized conduct on the part of the Central Intelligence Agency in this country. This part of the report appears to be entirely objective-and complete. In this respect, the report fulfills the Presidential mandate with which the Commission was charged.

Subsequently, it will be recalled, the President requested the Commission to investigate alleged assassination plots. In this respect, the report is incomplete as the Commission members concedeinasmuch as they hastened to file their report with the President as expeditiously as possible. It is obviously the responsibility of the ongoing congressional investigations of the CIA to move forward to uncover all illegal activities in this area with the full assistance of the executive branch, which the President has promised.

Mr. Speaker, the value of the report, in addition to the contents itself, is borne out by the personnel which made up the Commission. In addition to the Vice President, the Commission included the Honorable Erwin N. Griswold, former Solicitor General of the United States and former dean of Harvard Law School, former California Gov. Ronald Reagan, retired Gen. Lyman Lemnitzer, former Chairman of the Joint Chiefs of Staff, the Honorable C. Douglas Dillon, former Secretary of the Treasury under Presi-

orable John T. Connor, former Secretary of Commerce in the Johnson administration. Mr. Lane Kirkland, the secretary-treasurer of the AFL-CIO, and Dr. Edgar F. Shannon, former president

of the University of Virginia.

Mr. Speaker, I was one of Nelson ROCKEFELLER'S most enthusiastic sup-porters during last year's consideration of his nomination to the Vice Presidency. I am froud to point out to my colleagues that the overwhelming margin by which we confirmed the Vice President last December has been fully vindicated by his excellent service in the ensuing months. Today, I want to commend the Vice President particularly for his most capable performance as Chairman of this important Commission. The country needs and appreciates his valuable leadership in this and many other capacities.

FEDERAL RESERVE UNLEASHES ITS LOBBYING CAMPAIGN AGAINST AN AUDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, the big lobbying guns are being unleashed against the legislation to require a fullscale audit of the Federal Reserve by the General Accounting Office.

The campaign of distortions and scare tactics is a carbon copy of the 1974 lobbying which ended up seriously weakening the bill on the House floor and blocking

its passage in the Senate. Mr. Speaker, this is going to be a major test of this 94th Congress. We will soon see whether this House is made of the stuff required to resist the kind of pressures which are being brought to bear by the big boys in the business and banking community—carefully orchestrated by the Federal Reserve itself.

In 1973 and 1974—when the previous audit bill was up—the Federal Reserve and its Chairman entered into some highly questionable lobbying tactics, ending up with the involvement of the big banks and the big business combines including the fat cat Business Roundtable.

I had hoped that public disclosure of some of these efforts would prevent their recurrence, but the Federal Reserve is up to its old tricks and much of the mail flowing into congressional offices was generated by this agency which operates on tax funds. Once again, I question the propriety of this activity and the expenditure of public funds on a lobbying campaign.

These lobbying activities—more than anything else-are clear evidence of the need for a top-to-bottom audit. These efforts dramatize-in stark terms-the tremendous conflict of interest inherent in the entire Federal Reserve System. It is an absurd and outlandish situation which is not and would not be tolerated in any other entity of the Federal Government.

IS IT THE FEDERAL RESERVE OR BIG BUSINESS?

In past years, the Federal Reserve has at least attempted to be halfway subtle dents Kennedy and Johnson, the Hon- about bringing in its ties with corpora-

tions and others in the business and bank community. But the 1975 campaign is blatant and it is obvious that officials in the Federal Reserve cannot separate their massive banking and business interests from their public duties.

Mr. Speaker, the letterheads of some of the Nation's largest corporations and banks are being used to help apply muscle to this effort to lock the auditors out of the Federal Reserve. For example, the Boeing Co.-whose expertise I presumed was in the aviation field—is apparently using its time and money to lobby against the auditing bill. This is a corporation with \$1.746 billion in assets and this is the first time that I realized this corporation's close ties to the Federal Reserve system and its auditing problems.

Mr. Speaker, I have in my possession a letter signed by Malcolm T. Stamper, president, on stationery of the Boeing Co. At first glance, it appears that Mr. Stamper is speaking solely for the Boeing Co., but down in the body of the letter he reveals that he is speaking—and these are his own words—"in my capacity as president of the Boeing Co. and as Chairman of the Seattle Federal Reserve Board."

Mr. Speaker, this corporate president has combined and intertwined—in his own words-his roles as an official of the Federal Reserve and as president of the Boeing Corp. I sincerely question the propriety of this close link between a Federal agency and the big business community and I think it is atrocious that this kind of corporate muscle is being combined with the Federal Reserve in a lobbying campaign. It is wrong and, once again, I say to the House that this is a big reason why it is our duty and responsibility to see that this audit bill goes through and that these activities are scrutinized by independent auditors.

A slight variation of this theme is evident in a telegram from Thomas M. Meyersieck, who identifies himself as the manager, Government and public affairs division, Crown Zellerbach Corp., San Francisco, Calif. Mr. Meyersieck, presumably using the funds of this corporation, has apparently sent a number of telegrams to the Congress urging a flat opposition to a GAO audit.

Many might wonder just what the interests of Crown Zellerbach might be in blocking audits of the Federal Government's bureaucracy, until a search of the records shows that the president of this corporation is Charles Dahl, a director of the Federal Reserve Bank of San Francisco. So once again, we have a question about the obvious interlocks between the Federal Reserve and the corporate com-

Members have also received a twopage, single-spaced letter attacking the audit bill and urging its defeat from Dresser Industries, Inc. of Dallas, Tex., a corporation with more than \$1.2 billion in assets. This letter, which contains a detailed analysis of the audit legislation, is signed by John V. James. president of Dresser Industries.

Again, it seems strange that Dresser Industries—an energy conglomerate—has so much interest in a proposal to

ROUTING AND RECORD SHEET			
IBJECT: (Optional)			
COM: Legislative Counsel 7D49		EXTENSION	DATE 20 June 1975
O: (Officer designation, room number, and vilding)	DATE RECEIVED FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
I. Director			Attached are three items of interest from Thursday's Congressional Record. First is a statement by Representative Harrington on the action of the Armed Services Committee in denying him further access to classified information. He places in the Record the transcript of the September 25, 1974, hearing before the Nedzi Subcommittee on the disclosure of Agency activities in Chile. He also places into the Record his letters to Chairmen Morgan and Fulbright which were the source of the leak. Also included are a statement by Representative Bob Wilson R., Calif.) on the current Agency problems, and a statement by Representative Robert McClory (R., Ill.) on the Rockefeller Commission report. George L. Cary Legislative Counsel
3.			
5.			
5.			
7.			
8.			
9.			
).			
1.			
2.			
3.			
4.			
5.			
	2005/04/07		77M00144R001200030004-5