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29 August 1983

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Kenneth DeGraffenreid

- 1. Ken DeGraffenreid lunched with me at the Metropolitan Club today and discussed the mission of the Counterintelligence Commission.
- 2. I told him that I did not think there was any resistance in the Community today to the need for a multidisciplinary approach to counter-intelligence threat analysis. It seemed to me that everybody was in agreement that various agencies should concert in an effort to identify threats of various kinds on an all-source basis. I said that it was my impression that the FBI agreed with this as far as threat analysis is concerned. What they are worried about is the possibility of some intrusion by outside agencies into their responsibility for countermeasures.
- 3. DeGraffenreid talked at some length rather critically about the FBI's capabilities for analysis. He said that Jan Herring's mission to improve analysis in the FBI has been useful but the effect of his educational indoctrination had worn off. He recognizes, however, that there has been an improvement in the conduct of the FBI's counterintelligence mission and some progress towards the development of a dedicated counterintelligence career service within the FBI.
- 4. He felt that there was considerable room for improvement in the way in which information bearing on threats to security of various programs is disseminated within the Community. He thought that there should be some better way to alert the FBI to the existence of sensitive intelligence programs and Defense projects of high security interest.

Defense projects of high security interest.	
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8. I said that some of the misunderstanding and distrust which had developed during the transition period had revolved, not around the multidisciplinary concept or the need for consolidated all-source material to identify hostile intelligence activity, but about organizational matters. I said that Angelo Codevilla's idea of breaking CIA into three parts and creating a new consolidated counterintelligence agency has alienated most of us involved in the discussions and that I personally remain convinced that an attempt to create a monolithic counterintelligence agency made no sense. DeGraffenreid wasn't so sure about this and argued that a greater centralization of counterintelligence responsibilities was desirable.

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As far as the latter is concerned, I said that the whole purpose of Community estimates is to provide the answer to this question. Both the DCI and the Secretary of Defense should have the answer. This lead to something of a discussion about compartmented intelligence held by military services and not available to the Community. I said that I thought there had been some improvement in this situation. DeGraffenreid agreed. As far as knowing what the KGB is up to, it seemed to me that the answer to this question is "for what purpose?".

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9. I said that no consolidated counterintelligence agency conceivable, at least to me, could embrace and have authority over all the constitutional activities of the U.S. Government required to identify hostile intelligence activity and afford security to important strategic programs. In other words, some kind of institutionalized arrangement based on coordinating authority has to exist. The organizational question is where to place responsibility for identifying suspicious activity or coverage, alerting agencies to possibilities of deception or other activity constituting a threat and providing the necessary support and oversight to make a coordinated effort possible. I said that I thought the DDI in CIA and the Community CI Staff both had roles to play in this process and that I at least had not arrived at any definitive conclusions about the best way to arrange the responsibility. I thought that there had been a great deal of improvement in the attack on this problem and products were examples of the kind of work that can and should be done. The problem was to provide some permanent institutional basis for the continuation of their efforts.

10. I told DeGraffenreid that we would be very glad to have his testimony before our Commission. He said that he would like to come and we left it that I would get in touch with him sometime late in September.

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John Bross