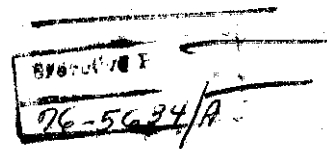


OGC Has Reviewed

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON, D.C. 20505

301



8 DEC 1978

Mr. Peter L. Danner  
Department of Economics  
Marquette University  
Milwaukee, Wisconsin 53233

Dear Mr. Danner:

This is in response to your letter of 8 November to our Director, informing him of the views about CIA of the members of the Association for Social Economics.

As Mr. Bush stated in his May letter to William Van Alstyne of the American Association of University Professors,

"The Agency has several kinds of relationships with scholars and scholarly institutions. They include negotiated contracts for scientific research and development, contracts for social science research on the many matters that affect foreign policy, paid and unpaid consultations between scholars and CIA research analysts, contacts with individuals who have travelled abroad, and other similar contacts that help us provide the policymakers of our government with information and assessments of foreign developments."

We seek conscious and voluntary cooperation from people who can help the foreign policy processes of the United States. We do not seek to embarrass your profession, to interfere with or betray academic freedom, or to obstruct the free search for and exposition of truth. We fully appreciate the benefits of professional scholarship, and freely admit to you that both the CIA and the government would be less able to act wisely in foreign policy if scholars felt that they should isolate themselves from government or government from the fruits of scholarship.

In sum, we think our academic relations are strong and that they must be sustained. Our problem is to be certain that the relationship of scholars to CIA is understood on all sides. I hope that this letter is helpful in that way.

Sincerely,

*Signed*

STATINTL

Assistant to the Director

Letter from DCI to Peter L. Danner, Secretary-  
Treasurer, Association for Social Economics

CONCUR:

STATINTL



Deputy Director for Intelligence

24 NOV 1976

Date

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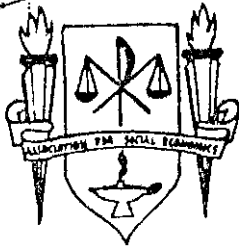
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# Association for Social Economics

November 8, 1976

DDI-3543-76

Executive Registry

76-5634

Mr. George Bush, Director  
Central Intelligence Agency  
Washington, D.C. 20505

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## REVIEW OF SOCIAL ECONOMY EDITOR

William R. Waters  
DePaul University  
2323 North Seminary  
Chicago, IL 60614  
(312) 321-8172

Dear Mr. Bush:

The members of the Association for Social Economics have gone on record at their annual meeting, September 18, 1976 in Atlantic City, in joining with the American Association of University Professors in opposing the practice of the Central Intelligence Agency of covertly using members of the academic community when they are engaged in studying, consulting and doing research in foreign countries.

The resolution further cites these reasons as bases for opposing such practices: they are a cause of embarrassment to academic people and programs; they betray academic freedom; and they compromise the free search for and exposition of truth.

Sincerely yours,

*Peter L. Danner*

Peter L. Danner  
Secretary-Treasurer  
Association for Social Economics

Copy: Joseph Duffey,  
General Secretary  
American Association of  
University Professors

NOV 11 7 05 AM '76

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SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

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# OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
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2	Ben Evans		
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<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> PREPARE REPLY
<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISPATCH	<input type="checkbox"/> RECOMMENDATION
<input type="checkbox"/> COMMENT	<input type="checkbox"/> FILE	<input type="checkbox"/> RETURN
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE

## Remarks:

The attached response to Peter Danner, prepared for DCI signature, was written by , DDI/CAR.

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FROM: NAME, ADDRESS AND PHONE NO.	DATE
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ILLEGIB

OGC 7-5430  
1 October 1976

301

MEMORANDUM FOR: Chairman, USIB Scientific and Technical  
Intelligence Committee

ATTENTION : Mr. John Morphit

FROM :   
Assistant General Counsel

ILLEGIB  
STATINTL

SUBJECT : Use of Consultants, Panelists, etc. Under  
E.O. 11905

REFERENCE : Your Memo to OGC dated 26 March 1976

1. You requested our opinion as to the requirements of Executive Order 11905 and CIA's Katzenbach Guidelines in connection with relationships between individual academics and CIA as well as intelligence community organizations. Your immediate problem pertained to the use of individuals from academe as members of an advisory panel to the DCI. A number of panelists have been asked for written statements to the effect that the management level of his college or university is cognizant of his association with the Intelligence Community, and at least one individual has indicated that he is reluctant to do so. In this context, you asked the following questions: Is it necessary to have a written statement from each individual associated with the Intelligence Community? With the Agency? With the Agency acting for the Community? Does it make a difference whether it is an occasional association--one, two or a few contacts--or a continuing relationship--a 3-year membership on a panel? Have CIA guidelines relating to the Katzenbach recommendations been superseded in whole or in part? What is required today? This memorandum reflects oral advice given to Mr. Morphit.

2. There appears to be no legal requirement that an individual academic under contract with the Agency or the Community is to provide a written statement that the management level of his college or university is aware of such a relationship. Executive Order 11905 addresses CIA relationships with academic institutions rather than individual academics. The Order, in Section 4(b)(9), provides that CIA enter into contracts and arrangements "with academic institutions [emphasis added] provided

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CIA sponsorship is "down to the appropriate senior officials of the academic institutions and to senior project officials." In annotations to the Executive Order prepared by the White House, the proviso to Section 4(b)(9) is further interpreted as follows:

4(b)(9) The proviso at the end of this paragraph requires that the head of a university with which the CIA enters a contract must be informed of the agency's sponsorship, as well as those officials actually heading the project in question, such as the head of a laboratory conducting the research contracted for. [emphasis added]

The Order does provide, however, at Section 5(b) that "[f]oreign intelligence agencies shall not engage in... (6) Infiltration or undisclosed participation within the United States in any organization for the purpose of reporting on or influencing its activities or members." \* We assume that the relationships with which you are concerned do not involve such circumstances.

3. The Guidelines for Contracting with U.S. Educational Institutions (the so-called CIA "Katzenbach" Guidelines), however, provide that "[c]onsultant and other types of personal services contracts with professors or other staff members of educational institutions within the United States... will, as a general rule, be made only after assurance is made that appropriate management officials of the institutions concerned are aware of the proposed relationships." These Guidelines were approved by Richard Helms as DCI in June, 1967. The purpose behind the Guidelines was to implement a Presidential policy statement of March, 1967, which accepted the recommendations of the Katzenbach Committee and directed all agencies of the government to implement it fully. The Committee had recommended, after a review of CIA relationships with academia, that "[i]t should be the policy of the United States Government that no Federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations." Although the Presidential policy statement which approved the recommendations of the Katzenbach Committee has never been rescinded, neither has it been the subject of a subsequent executive order or other Presidential directive, or a statute. The CIA Guidelines as they pertain to personal services contracts, moreover, appear to go beyond the mandate of the Katzenbach recommendations.

\* According to the White House annotations, this "subsection bars infiltration of groups within the U.S. for the purpose of collecting foreign intelligence or counterintelligence," but "does not prohibit placement of an individual for the limited purpose of developing associations and credentials to be utilized in collecting foreign intelligence or counterintelligence outside of the United States."

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4. The Agency's relationships with academia are not currently addressed by headquarters or field regulations. In this regard, it is particularly noteworthy that [redacted] does address relationships with correspondents and media representatives as well as clergymen and missionaries. With respect to personal services contracts, therefore, the 1967 Guidelines should be considered as an expression of DCI policy which has never been abandoned formally. However, policy in this regard has been under review in recent months and appears to be changing. In 1975, a Review Staff paper cited the 1967 Guidelines provision relating to personal services contracts and the following statement was made:

If an individual who is associated with an educational institution is to be engaged as a consultant to CIA, the operating official submitting the request must state whether a senior official of the institution is knowledgeable of the proposed relationship with CIA. This is usually obtained in the form of a letter which the individual obtains from the head of his department or the dean of the university or college indicating no objection to the individual's consulting relationship.

We attempt to apply the same procedure to an independent contractor whose primary employer is a U.S. university or college. [See Question 4 of Attachment A to Review Staff Memorandum 75/3372 dated 5 November 1975.]

In a letter of 11 May 1976, however, the DCI, in a letter to Professor William Van Alstyne, stated as follows:

The Agency has several kinds of relationships with scholars and scholarly institutions. They include negotiated contracts for scientific research and development, contracts for social science research on the many matters that affect foreign policy, paid and unpaid consultations between scholars and CIA research analysts, contacts with individuals who have travelled abroad, and other similar contacts that help us fulfill our primary responsibility; i.e., to provide the policy makers of our government with information and assessments of foreign developments. [emphasis added]

We seek the voluntary and witting cooperation of individuals who can help the foreign policy processes of the United States. Those who help are expressing a freedom of choice. Occasionally

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such relations are confidential at our request, but more often they are discreet at the scholar's request because of his concern that he will be badgered by those who feel he should not be free to make this particular choice.

More recently, in a draft set of guidelines prepared for the DCI, relationships with academics were considered as follows:

c. The CIA will seek witting relationships with scholars and students in order to fulfill the Agency's responsibility to provide the government the best possible advice about the complex aspects of international relations and national security. When the CIA initiates a relationship with an academician, it will not use any form of "cover." Whether the relationship is to continue on a public or confidential basis will be determined by the academician and the CIA together. In either case, the decision to inform the head of the institution where he or she is employed will be left to the scholar. Under no circumstances will the CIA seek to influence the teaching responsibility of a scholar, the content of his or her courses.

5. With this background in mind, we can summarize the situation and respond to your problem in the following manner. It seems clear that a written statement from each academic associated with the Agency or with the Agency acting for the Community is not necessary from a legal standpoint and may not be from a policy standpoint. One could argue, moreover, that even if such statements are required for CIA, they are not for relationships directly between Intelligence Community organizations and academics, although the general public would probably have difficulty with the distinction. Under present circumstances in which the DCI's policy in this area is somewhat unsettled, it appears that it would be prudent to obtain assurances from each academic. Ideally, such assurances would take the form of a letter which the individual obtains from the head of his department or the dean of the university or college. However, there is no reason why a simple written statement prepared by the academic to the effect that appropriate management officials are aware of the relationship would not be appropriate. In certain cases, even an oral assurance may be sufficient so long as a written record of such assurance is made. The fact that a particular association is occasional rather than continuing should not make a difference, so long as it is contractual in nature. In cases where a specific individual refuses or objects to such a requirement, there is no requirement that he be coerced. In approving the original Guidelines, the DCI approved the proposal that "[a]ny action, however, that requires the disclosure of CIA's interests in a contract...to someone previously unaware of our interest will be taken only after concurrence to make the disclosure

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is obtained from all parties to the present arrangement." The particular individual, however, might be asked to furnish a written statement that he does not wish to apprise officials at his institution.

6. If these recommendations are not entirely satisfactory, it is because DCI policy in this area is unclear. Perhaps, a formal statement of DCI policy is called for. We intend to make an appropriate recommendation in this regard.

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cc: ADDA

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