NBC NIGHTLY NEWS 20 May 1986

7:00 P.M. The Pelton Case and the Press

BROKAW: U.S. Government prosecutors gave no indication today whether they plan to act on a request by CTA Director William Casey to file charges against NBC News.

As NBC's law corpespondent Carl Stern reports now, the case involves a man accused of spying and what he might have given to the Soviet Union.

CARL SIERN: Ioday's newspaper headline told the story, CIA Director William Casey again threatening prosecution of a news agency for talking about intelligence operations. At issue this time, a report on NBC's Ioday Show about a spy trial.

Ronald Pelton, who worked for the National Security Agency, is accused of selling secrets to the Russians, which NBC said might include details of a submarine eavesdropping program code named Ivy Bells.

A law passed during the Korean War bars descriptions of intelligence techniques. The law has been cited in warnings to news agencies several times now by Casey, but a lawyer for the news media says the law has never been applied to the press.

BRUCE SANFORD: It would be unprecedented in American history to apply this criminal law to the press. We don't have an Official Secrets Act in this country, never have had up to this point. And I think trying to apply this law to the press would essentially do that.

STERN: Facts about this submarine operation have been known for years. It was described in the news media in 1975. It was discussed a year ago in two books whose author

say Casey is complaining about things that aren't secret at all.

JEFFREY RICHELSON: been known at least, publicly, since 1975 that the United States was conducting these type of operations. They were then known as Holly Stone operations and involved going into Soviet harbors, like Vladivostok, to signals and to take photographs intercept of the underside of Soviet ships.

SIERN: At the CIA today, Casey would not be interviewed. NBC News said it was studying the matter.

The former top lawyer for the National Security Agency, Daniel Silver, did comment.

DANIEL SILVER: I find it very hard to believe that the Justice Department actually will prosecute NBC News. I think most people perceive it as a certain amount of bluster with a hope, if not an intent, that the press will be more careful in the future.

SIERN: A Justice Department official said the department agrees with Casey that leaks are a problem, but it disagrees that prosecuting the press is a way to solve it.

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