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Q and A

Furor Hits CIA Sources, Colby Says

William Colby, director of the Central Intelligence Agency, was interviewed by Washington Star Staff Writer Jeremiah O'Leary.

Question: Clark Clifford, who as counsel to President Truman participated in writing the law which established the CIA, said recently that the ground rules need to be updated, to be renovated. Do you concur with that view?

Colby: Well, I've made certain recommendations for changing our act already. A year and a half ago when I was confirmed, I suggested that we add the word "foreign" to the word "intelligence" wherever it appears in our act so it's clear it's foreign intelligence that's the job of this agency and not domestic. I recommended other things to clarify exactly what the CIA ought to be able to do in the United States and what it should not be able to do in the United States.

Q: That requires an act of Congress?

A: Yes. It hasn't been passed, but there was legislation last year — I supported it — and I'm sure these (congressional investigating) committees will get into a rather fundamental look at some of these questions.

Q: Would you ever go out of the business of operating in terms of your own security within the United States, in places like New York where the U.N. is located, or in places like Miami, where there are many Cubans?

A: Well, I think, in the first place, that we ought to be able to collect foreign intelligence in America. I think we ought to collect it voluntarily from Americans, and we ought to be able to collect it from foreigners.

Q: Interviewing returned travelers?

A: That sort of thing, yes. We do a great deal of that, and there are an awful lot of Americans who very kindly help us and support us on this. We do make commitments that we won't expose them as our sources. That's going to be one of the things I'm insisting on — that we not expose them in the course of these investiga-

tions. And I think I've received a very sympathetic response from Sen. Church on this. If there's a reasonable basis for our withholding an identity or something, he certainly has given every indication that he will give full consideration to that.

Q: Given the scrutiny by the Rockefeller commission, by several committees of Congress, by the press — can the CIA operate effectively as a clandestine service under these conditions?

A: Well, it's having a hard time. We have a number of individual agents abroad who have told us that they really don't want to work for us anymore.

Q: Agents?

A: Foreigners, working foreigners. We have had a number of Americans who have indicated that they don't want to work with us anymore — not employees, but Americans who have helped us in various ways. We have a number of foreign intelligence services that have indicated great concern about collaboration with us — whether this will be exposed, and they will be subjected to intense criticism in their country. I think this is a very serious problem for our country. We are in the process of losing some of the information that otherwise we would be getting.

Q: You mean that some of these other services and other individuals are no longer confident?

A: They're beginning to pull back, or some of them have just stopped working with us. And, of course, more serious and yet not measurable is the number who would have agreed to work with us, but now won't agree to work with us. I have seen a couple of cases where individuals had indicated they thought they would work with us, and then came around here very recently and said, "I know I did agree, but I don't think I will."

Q: Have your actual operations overseas been affected by the current furor?

A: Oh, yes, I think the current furor has laid a particular problem on us in that people exaggerate CIA. I see that in Mexico there was an accusation this week that we organized the excitement at the university, which, of course, we had nothing to do with. We also

have the problem that CIA is used as a shibboleth to shout about in various countries around the world. And I think we have a more serious problem: We have to consider carefully whether we want to help somebody and take a risk of destroying him in the process of helping him. Because if it leaks that we helped him at this stage, we may destroy his political position entirely.

Q: What has been the effect of books like that of Philip Agee which give names and a great number of identities?

A: Well, I think that's absolutely unconscionable and reprehensible for an officer who served with us, accepted our discipline, agreed with our activities, signed a very warm and friendly letter on his resignation indicating that he valued highly his association with us, and that he would forever maintain the relationship as one of pride and trust, that if he could ever do anything for us he would be happy to . . . I've got an idea or so as to what he might do. He has named every name he could think of that was anyhow associated with us. There is at least one family who has been put under considerable pressure as a result of this. A girl hounded out of school because her father's name appears in it. We have had to make rather massive changes in our situation in that area to prevent people being subjected to hardships because of this revelation. And the danger is that this kind of thing can go into the whole action of various terrorist movements. Mr. Mitronie, as you know, was murdered in Latin America. There is a school of thought that says that was a patriotic act because he was alleged to be a CIA officer. He was not a CIA officer. And I contend that that kind of a murder is totally unjustifiable. But Mr. Agee has put a number of people under direct threat of exactly that thing happening to them.

Q: A couple of years ago, there was a similar furor and public investigation involving the agency and ITT in Chile. What is the truth about the agency's role in Chile?

A: Well, the fact is, as I've said many times — I don't want to talk about the details of our activity there — CIA had nothing to do with the coup that overthrew Mr. Allende. It had nothing to do with the military at that time. We had a program of trying to support and assist some of the democratic forces looking to the elections of 1976, which we hoped they would win against Mr. Allende. The fact was, however, his policies were such that he generated so much confusion in the country — not created by CIA — that the military did move against him. If you ask whether that was a CIA success or failure, I would say it was a failure, because the program we had in mind did not take place, which was that the democratic forces would succeed eventually through elections in Chile.

Q: Was the agency aware that the Chilean armed forces intended to move when they did?

A: We had certain intelligence coverage of it and we had a series of alerts indicating that it was about to happen. They key to it was whether several different forces would get together to do it, and we had several indications that they would on a certain date and then they didn't. And then they would on another date, and then they didn't. And then that they would in September and they did.

Q: Did the junta ask the United States or the CIA whether the new regime would be recognized?

A: They certainly did not ask the CIA, and I don't know of any other requests.

Q: There have been a number of reports that you gave a verbal addendum to President Ford after submitting your 50-page report involving the word "assassination." Did you make such a report?

A: I think I'll let the President speak for himself on that. He has spoken on it, and I think it's appropriate. Otherwise, I frankly think that this is a subject that I would like to just stay in a total no comment position.

Q: Well, there have been a number of allegations that the agency either had knowledge or discussions involving assassinations, the ones that took place involving Trujillo and Lumumba, and plans or plots involving Castro and Duvalier. What's your response to that?

A: Well, again, I really don't want to comment about that subject. It will be reported fully to the select committees. This is not a subject that I think we would do any good to the United States by talking about.

Q: Can you say flatly that the CIA has never planned the assassination of any foreign leader?

A: Again, I just don't want to comment at all on it.

Q: You've discounted reports of sweeping CIA domestic activity but the issue remains very much alive. What's likely to be the upshot of that?

A: I think that the results of the investigation will rather clearly show that I'm right, that the program that we undertook to identify foreign links with American dissident movements was not a massive one, in the numbers involved; was not a domestic one, because it was basically foreign; and it wasn't illegal because it was under our charter and our National Security Act. So it was neither massive, illegal nor domestic. It was an intelligence operation.

Q: A great deal of the controversy focuses on files with the names of U.S. citizens. What steps have been taken, if any, to cleanse these files?

A: Well, some time ago — for the last three years — we have been cleansing some of these records. Some of our security files, some of the other things that had material in it that really should not have been in it. We obviously cannot do that now, because the investigations are under way and we cannot be in the position of destroying potential evidence for these investigations. But I have directed that this kind of

material still be segregated. And I look forward to the day after the investigations when we have one large bonfire and destroy it all. Because I don't think that we ought to have it and I think that the best disposition is to get rid of it.

Q: Under the Organization Act of 1947, is mail cover in the United States illegal?

A: In my view, we should not do it. And that is why I recommended its termination in 1973 and it was terminated by Dr. Schlesinger.

Q: But that's not quite responsive. Is it illegal under the mandate?

A: Opening mail is, I believe, illegal. Reading the addresses off mail I think would depend on the authority of the organization in question. We're not doing it — but I could imagine that it would be legitimate to look at the addresses of people in contact with known foreign intelligence services or something of that nature.

Q: But is a mail cover a possible subject for criminal prosecution?

A: I do not believe so. And I do not believe that the people who are involved even in the opening will be prosecuted.

Q: Is the maintenance of files containing the names of Americans illegal under the mandate?

A: No, it's not. It depends on why. As I told Mrs. Abzug, if we were watching a foreign organization overseas and she ran into contact with it and it was reported, I would probably have her name in the files. And we so did. We had her name for that reason. We have coverage of foreign meetings, things like that abroad. A certain number of Russians, a certain number of Frenchmen, a certain number of something else — and maybe five Americans will go and the names of all will come back and be carded and be recorded. We would not do anything with them. But in any indication of any security problem, we would pass them to the FBI. At that time, as a counter-intelligence program, we were vigorously looking to see whether any foreign countries had support or manipulation of our antiwar and various other dissident movements. We concluded after our investigations that they did not. There wasn't any substantial foreign assistance coming to this. But we did look into it to see whether that was so or not.

years. After that, MCC can license the results to anyone.

Said Inman: "Our job is to develop the technology. How the companies use it commercially is up to them. There is certainly no guarantee that all companies will profit equally."

No matter which companies eventually profit, however, much of the credit must go to Inman, most observers said. Inman is said to have shepherded many skittish companies through the sometimes-traumatic experience of sharing technology with their competitors, and was ultimately responsible for persuading them to provide some of their more talented researchers.

Inman minimized such competitive problems, but he acknowledged that some companies were initially afraid that participation in MCC would lead to the loss of trade secrets. Moreover, he allowed that some firms "undoubtedly" offered their best researchers financial incentives for not joining MCC.

"There is always a tendency to send who's available, not who's best," he said.

But Inman apparently solved that problem by hiring officials who were not employees at shareholder firms. Six of MCC's seven project directors were "outside hires," he said, as are about 60 percent of MCC's 188 researchers. In all, the company has 269 employees.

"That was unexpected," he said. "At first, we expected that our talent would come from the shareholder companies."

Talented researchers from non-shareholder companies gave Inman leverage. Several of the shareholding companies were reported to have expressed concern that those outside hirings would dilute their influence within MCC. Inman would not comment directly, but noted that the percentage of MCC employees from shareholder companies has risen during the last year.

Despite some fears to the contrary, Inman said he had never encountered a situation in which an employee of a shareholding company was poaching on a project in which that company was not involved.

"The price for joining MCC is too high for companies to join just to find out what the competition is up to," said Inman, who, in addition to his CIA work, also served as director of the National Security Agency. "And if we did find someone collecting information on a project that they were not a party to, we'd send them home immediately."

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Inman has also been credited with easing early concerns about possible antitrust problems with MCC. In the developmental stages, those worries may have frightened away companies such as Westinghouse, Burroughs and Xerox, according to some observers. But Inman, through his contacts in Washington, helped push legislation that eliminated that threat.

In spite of his successes so far, Inman was cautious about the fate of MCC. He noted that some of the leading companies in computer research — most notably, IBM and AT&T — have not joined MCC, apparently because their research efforts could profit little from information from other companies. Too, he said, many of MCC's projects could be risky.

"Sometimes I wonder if our goals are too ambitious," he said. "In many areas, we are trying to leapfrog out into technologies that are decades away. There will be failures."

"But I'm confident that we can develop technology as good as the Japanese and their Fifth Generation project," he said, referring to the Japanese computer-development plan. "In something like this, you're never as far along as you'd like to be, but we're certainly ahead of where I thought we'd be 15 months ago."

Certainly, there is no disappointment among state officials and residents of Austin, a central Texas city that is bracketed by the Colorado River and a series of lakes known as the Highlands. Gov. White is among the many Texas officials who are promoting Austin and the University of Texas as a Southern alternative to Stanford University and Silicon Valley — Silicon Hills is the Texas catchword — and MCC was the crown jewel in that campaign.

Wilson, the governor's adviser, said an economic survey done by

Texas Commerce Bancshares, a Houston bank-holding company, estimated that MCC could directly create as many as 10,000 new jobs in electronics in the Austin area with the next seven years.

Lee Cooke, president of the Austin Chamber of Commerce, said MCC already had begun to show the expected "magnet effect," drawing other high-technology firms and their employees into the area. The city's population is now 400,000, Cooke said, compared with 341,000 in 1980. Cooke estimated that MCC's economic ripple effect could reach \$500 million.

Indeed, Austin's economic boom has produced some unwanted side effects.

"Real estate prices are soaring in Austin," Inman said. "In fact, that's the only down note."