THE WHITE HOUSE

WASHINGTON

TOP SECRET/SENSITIVE/NODIS

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

President Ford

William E. Colby, Director, Central Intelligence

Agency

FBI, DOJ Review Completed

Philip W. Buchen, Counsel to the President

John O. Marsh, Jr., Counsellor to the President Lt. General Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME:

Friday, January 3, 1975

5:30 p.m.

PLACE:

The Oval Office

The White House

SUBJECT:

Allegations of CIA Domestic Activities

President: I asked Phil and Jack to analyze the [Colby] report for me, but first, why don't you tell me where we are.

We have a couple of problems -- one within the agency and one with Congress. Already the two Armed Services committees, the two Appropriations committees, and Muskie want me to testify.

I think we have a 25-year old institution which has done some things it shouldn't have. On the dissidents, the major effort was to check if there were any foreign connections. But we held it so close there was unease within the Agency -- was it really done for the foreign connections or was it anti-dissident?

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We passed the information

to the FBI and they passed information to us. But what happened is we would file the reports the FBI gave us. That, together with our reports from overseas, amounts to about 10,000. So we can't deny that, but I will have to try to clarify it. ON-FILE NSC RELEASE INSTRUCTIONS

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President: When were the names gathered?

Colby: Beginning in '67. It was formally terminated in March '74.

President: When was the Schlesinger directive?

Colby: In May 1973. Schlesinger was concerned when things popped upthe psychological profiles, and letters from McCord about CIA and Watergate. So, to find everything, he put out this directive. My report has some of it; I will cover the others now. I briefed Nedzi in July 1973; I gave Stennis a general briefing and Symington a detailed one. [He showed the President a looseleaf book.]

President: What did the three say?

Colby: I said "Here it is; we are not going to do it again." I then gave specific instructions to the Department. In March 1974, we stopped the program and I put it together with the dissident program and treated them as one. He mentions mail opening. We did have a New York and Los Angeles program in the 50's of opening first-class airmail from the IISSR

= the	USSR.

President: Were these former employees, or people on the payroll?

Colby: Former employees.

President: Had they been fired?

Colby: One had just left -- he wasn't fired.

President: Who would approve such operations?

Colby: I would think only the Director, but possibly at these times the Director of the Office of Security.

The third area is the fact that we surveilled some people to find out why they had classified information. Some of the names are pretty hot. [He mentioned a couple of reporters.]

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Colby: I said at my confirmation that I have	ve the duty but no	t the authori	ity.
I would go to the FBI or somewhere like th	at.		, J.
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[The President leaves.]

Buchen: The last directives are undated. Why?

Colby: They were all issued at the same time.

Marsh: They will try to get this all linked with Watergate. Do you think there is a connection?

Colby: Watergate is a code word. Only that concern about dissidents and leaks may have been hypoed by political concerns.

[Buchen and Marsh asked a series of questions. The President then returned.]

<u>President:</u> Is counterintelligence work suffering because of a lack of coordination with the FBI?

Colby: No. We are cooperating very well. I think NSCID 9 will formally regularize the arrangement we've had with the FBI since 1966.

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No Objection to Declassification in Part 2010/07/27: LOC-HAK-509-5-9-2

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President: We plan to do three things: One, early next week, all the Intelligence chiefs will come in and I will say "You know what the law is and I expect you to obey." Two, I'm going to appoint a Blue Ribbon Committee to look into all of this. Three, I am going to suggest to the Hill that a joint committee is the best way for them to go to investigate.

We don't want to destroy but to preserve the CIA. But we want to make sure that illegal operations and those outside the charter don't happen.

Colby: We have run operations to assassinate foreign leaders. We have never succeeded. [He cited Castro, Trujillo, General Sneider of Chile, et al]

There's another skeleton: A defector we suspected of being a double agent we kept confined for three years.

There is one other very messy problem: After the ITT-Chile Congressional investigation, there was an allegation that our testimony was not all kosher. I don't think there was any criminal action, but there was some skating on thin ice. There is an old rule that to protect sources and information you could stretch things.

But the White House hasn't been told about my book of skeletons.