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United States Senate

File #:

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6475February 27, 1990
'90 FEB-20 9:22 PM

SSCI #90-505

GEORGE MITCHELL, MAINE, EX OFFICIO
ROBERT DOLE, KANSAS, EX OFFICIO* GEORGE J. TENET, STAFF DIRECTOR
JAMES H. DIXON, MINORITY STAFF DIRECTOR
L. BRIT SHENK, GENERAL COUNSEL
KATHLEEN F. WHELAN, CHIEF CLERK

The Honorable James A. Baker, III
Secretary of State
Department of State
Washington, D.C. 20520

Dear Secretary Baker:

The Senate Intelligence Committee, as part of the annual budget authorization process, will hold a hearing on U.S. counterintelligence and security programs on May 10, 1990, in Room SH-219 of the Hart Senate Office Building. We request that you make available to testify at that hearing Mr. Ivan Selin, Undersecretary of State for Management. Other witnesses invited to testify are FBI Director William S. Sessions, Jr., Ted Price, the announced successor to Mr. Gordon Hathaway as CIA Associate Deputy Director for Operations and head of the CIA Counterintelligence Center; and Mr. Rich Haver, Special Assistant to the Secretary of Defense for Intelligence.

We are asking all witnesses to be prepared to discuss with the Committee the results of the Administration's review of counterintelligence and security programs for the 1990s, whether recent changes in the threat and operating environment require modifying objectives in the 1990s, and the implications for NFIP and non-NFIP resource allocation, program direction, and possible legislation. The hearing will also consider issues identified in testimony from a group of prominent citizens scheduled for March 22, and we will be in touch with you further on those matters.

We would like Mr. Selin to address in his written testimony and be prepared to discuss the following questions: (1) To what extent has political change in the Soviet Union and Eastern Europe affected their intelligence threat in the 1990s and the requirements for CI operations and security measures? (2) To what extent do other traditional threats, such as the PRC and Cuba, require greater attention in the 1990s? (3) What are the emerging threats in the 1990s from third world and "friendly" intelligence services, as well as narcotics traffickers and terrorists? (4) What new challenges do technological advances and transfers to criteria countries and terrorist groups pose in the 1990s? (5) What are the consequences of these changing threats for embassy security priorities and protection of diplomatic, military, and intelligence secrets?

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United States Senate

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-6478

LITIGATION SECTION

GEORGE MITCHELL, MANLY, EX OFFICIO
LOUISIANA ATTORNEY GENERAL

GEORGE A. TENET, STAFF DIRECTOR
JAMES H. DYKSTRA, MINORITY STAFF DIRECTOR
S. BRITT SINGER, GENERAL COUNSEL
KATHLEEN P. MCNEEL, CHIEF CLERK

February 7, 1990

SSCI #90-506

The Honorable William H. Webster
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Judge Webster:

The Senate Intelligence Committee, as part of the annual budget authorization process, will hold a hearing on U.S. counterintelligence and security programs on May 10, 1990, in Room SH-219 of the Hart Senate Office Building. We request that you make available to testify at that hearing Mr. Ted Price, the announced successor to Mr. Gardner Hathaway as Associate Deputy Director for Operations and head of the CIA Counterintelligence Center. Other witnesses invited to testify are FBI Director William S. Sessions, Undersecretary of State Ivan Selin, and Mr. Rich Haver, Special Assistant to the Secretary of Defense for Intelligence.

We are asking all witnesses to be prepared to discuss with the Committee the results of the Administration's review of counterintelligence and security programs for the 1990s, whether recent changes in the threat and operating environment require modifying objectives in the 1990s, and the implications for NFIP and non-NFIP resource allocation, program direction, and possible legislation. The hearing will also consider issues identified in testimony from a group of prominent citizens scheduled for March 22, and we will be in touch with you further on those matters.

postpones

We would like Mr. Price to address in his written testimony and be prepared to discuss the following questions: (1) To what extent has political change in the Soviet Union and Eastern Europe affected their intelligence threat in the 1990s and the requirements for CI operations and security measures against that threat? (2) To what extent do other traditional threats, such as the PRC and Cuba, require greater attention in the 1990s? (3) What are the emerging threats in the 1990s from third world and "friendly" intelligence services, as well as narcotics traffickers and terrorists? (4) What new challenges do technological advances and transfers to criteria countries and terrorist groups pose in the 1990s? (5) What are the consequences of these changing threats for operations and security at CIA stations, embassy security priorities, and protection of military, diplomatic, and intelligence secrets? (6) Are US computer and communications security efforts

communications security efforts
62-116392-1739
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SAFARI, GEORGIA
EMERY A. HUGHES, SOUTH CAROLINA
TILK, NEW JERSEY
ALAN CRANSTON, CALIFORNIA
BENJAMIN S. GORDON, ARIZONA
HOWARD M. HETZEL, SAUL, OHIO
JOHN K. GLENN, JR., OHIO

ORRIN HATCH, UTAH
FRANK MURKOWSKI, ALABAMA
ARLEN SPECTER, PENNSYLVANIA
JOHN WARNER, VIRGINIA
ALFONSO M. S. FARIAS, NEW YORK
JOHN C. DANFORTH, MISSOURI

UNITED STATES SENATE
Intelligence Community Staff
Washington, D.C. 20510-8475

OFFICE OF THE
SECRETARY OF DEFENSE

30 FEB 13 AM 11:29

February 7, 1990

ICS 0845-95
30 March 1990

The Honorable Dick Cheney
Secretary of Defense
The Pentagon
Washington, D.C. 20301

MEMORANDUM FOR Distribution

FROM: The Senate Intelligence Committee, as part of the annual budget authorization process, will hold a hearing on "counterintelligence and security programs on May 10, 1990, in Room SH-219 of the Hart Senate Office Building. We request that you make available to testify at that hearing Mr. Richard Haver, Special Assistant to the Secretary of Defense for Intelligence. Other witnesses invited to testify at this hearing are FBI Director William S. Sessions, Mr. Ivan Selin, Undersecretary of State for Management, and Mr. Ted Price.

SUBJECT: Coordination of SSCI Testimony—10 May 1990

1. Attached for information and action are copies of Senate Select Committee on Intelligence (SSCI) letters of request to principals scheduled to testify before the SSCI on 10 May 1990. The materials are provided, with the consent of respective addressees, to facilitate interagency awareness and coordination. Also outlined below for your concurrence is a recommended procedure intended to further promote optimum coherence in all intended testimony.

2. As reflected in the attachments, it is clear that many of the specific questions asked of individual respondents also have relevance to the missions and interests of other agencies providing testimony. It would seem mutually beneficial therefore to coordinate testimony in advance, to the general direction of intended individual positions.

3. As an aid to further promotion of improved Community coordination, we would like Mr. Haver to address the following questions:

(1) What are the results of his review of DoD counterintelligence which you stated was an early and high priority in your letter of May 21, 1989? To what extent has he been able to change the DoD's view on counterintelligence and its impact on the DoD's mission? (2) To what extent does the DoD's view on counterintelligence impact on the DoD's mission? (3) To what extent do other traditional threats, such as the PRC and GDR, require coordination with other agencies? (4) How do these agencies coordinate with the DoD? (5) How do these agencies coordinate with the DoD? (6) What are the consequences of these changing threats for

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APR 3 12 48 PM '90

Memorandum to Director, FBI 4 3 11 '90

12. ISSUE: The Committee believes the FBI does not share all information contain in its files with other members of the intelligence community when asked and that a centralized file would ensure full information is available to all intelligence agencies.

QUESTION: What are the advantages and disadvantages of a single database for CIA, FBI, and DOD?

RECOMMENDATIONS: 1. That the INTD, ASD, CID, and RMD prepare responses for the questions identified above and submit those questions to the Congressional Affairs Office by close of business April 5, 1989 in the format currently in use classified as appropriate with a heading for issue, question, summary response, details, and approval signed by the appropriate Assistant Director or Deputy Assistant Director and date signed.

APPROVED: *[Signature]* Adm. Servs. *[Signature]* Off. of Cong. & Public Affs. *[Signature]*
 Director *[Signature]* Ident. *[Signature]* Off. of Lia. & Intl. Affs. *[Signature]*
 Exec. AD-Adm. *[Signature]* Inspection *[Signature]* Rec. Mgmt. *[Signature]*
 Exec. AD-Inv. *[Signature]* Intell. *[Signature]* Tech. Servs. *[Signature]*
 Exec. AD-LES *[Signature]* Laboratory *[Signature]* Training *[Signature]*
 Legal Coun. *[Signature]*

2. That the Congressional Affairs Office coordinate the preparation of briefing materials and prepare the Director's opening statement and briefing book.

APPROVED: *[Signature]* Adm. Servs. *[Signature]* Off. of Cong. & Public Affs. *[Signature]*
 Director *[Signature]* Ident. *[Signature]* Off. of Lia. & Intl. Affs. *[Signature]*
 Exec. AD-Adm. *[Signature]* Inspection *[Signature]* Rec. Mgmt. *[Signature]*
 Exec. AD-Inv. *[Signature]* Intell. *[Signature]* Tech. Servs. *[Signature]*
 Exec. AD-LES *[Signature]* Laboratory *[Signature]* Training *[Signature]*
 Legal Coun. *[Signature]*

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SECRET/SENSITIVE**United States Senate****SUBJECT: Coordination of SSCI Testimony - 10 May 1990**SENATE COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20510-8475

#88-3613

GEORGE TENET, STAFF DIRECTOR

JAMES H. DIXON, MINORITY STAFF DIRECTOR

KATHLEEN R. MURPHY, STAFF COUNSEL

4. Request addressees provide telephonic notification to CCISCMO indicating approval of the proposals outlined in paragraph 3 above as well as the identity of attendee(s). A response to Mr. Waldo Webb at 351-2001 (STU III) or secure 34176 by 5 April 1990 would be greatly appreciated.

Honorable William Sessions
Director
Federal Bureau of Investigation
Washington, D.C. 20535

R. S. Beyea, Jr.
Richard S. Beyea, Jr.

Attachments:
1. Post Director Sessions:
8/5

The Senate Select Committee on Intelligence is conducting a comprehensive review of U.S. counterintelligence and security programs and capabilities. Included in this review will be Executive branch efforts to stem the flow of sensitive technology and equipment to foreign governments.

Recent press reporting has alleged that such transfers have been made by the military offices of Egypt and Israel. Accordingly, I request that the FBI brief the Committee staff on any unauthorized transfer of technology and equipment from the United States by the Egyptians and by the Israelis. For the latter, we are particularly interested in any role played in these transfers by the Israeli Defense Procurement Mission and Trade Center in New York.

Sincerely,

David L. Boren

David L. Boren
Chairman

William S. Cohen
William S. Cohen
Vice Chairman

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102-116295-1729

UNCLASSIFIED

MEMORANDUM

SUBJECT: Coordination of SSCI Testimony--10 May 1990

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Distribution of ICS 0843/90 (w/atts)

- 1 - Mr. Rich Haver, OGD
 1 - Amb Ivan Selin, State
 1 - Mr. William Sessions, FBI
 1 - Mr. Hugh Price, CIA

Date 4/20/88

Subject: SENATE SELECT COMMITTEE ON INTELLIGENCE (SSCI)
 REQUEST TO DISCUSS THE OFFICE OF LIAISON AND
 INTERNATIONAL AFFAIRS (OLIA) AND THE
 COUNTERINTELLIGENCE SITUATION IN WEST BERLIN

Exec AD Adm. _____
 Exec AD Inv. _____
 Exec AD LES _____
 Asst. Dir.:
 Adm. Servs. _____
 Crim. Inv. _____
 Ident. _____
 Insp. _____
 Intell. _____
 Lab. _____
 Legal Coun. _____
 Off. Cong. &
 Public Affs. _____
 OLIA _____
 Rec. Mgnt. _____
 Tech. Servs. _____
 Training _____
 Telephone Rm. _____
 Director's Sec'y _____

This communication is classified SECRET.

Reference memorandum captioned as above dated 4/14/88.

PURPOSE:

To set forth results of briefing of John Eliff, Professional Staff, SSCI, conducted by Office of Congressional Public Affairs Supervisory Special Agent John S. Hooks, Jr., Unit Chief Roland O. L'Allier, Jr., Intelligence Division, and OLIA Deputy Chief Martin V. Hale on the issue of Federal Bureau of Investigation (FBI) representation in Berlin.

RECOMMENDATION:

None, for information only.

APPROVED:	Adm. Servs. _____	Off. of Cong. & Public Affs. _____
	Crim. Inv. _____	Off. of Lia. & Int. Affs. _____
	Ident. _____	Rec. Mgnt. _____
Director _____	Inspection _____	Tech. Servs. _____
Exec. AD-Adm. _____	Intell. _____	Training _____
Exec. AD-Inv. _____	Laboratory _____	
Exec. AD-LES _____	Legal Coun. _____	

(CONTINUED - OVER)

- 1 - S. M. McWeeney
 1 - J. H. Geer
 Attn: J. E. Tomlinson
 1 - J. K. O'Brien
 Attn: J. S. Hooks, Jr.
 1 - S. A. Pimentel
 1 - T. E. Crosson
 1 - M. V. Hale

MVH: [initials] (7)

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Classified by: 3642
 Declassify on: OADR

62-116395-1739

UNCLASSIFIED

ENCLOSURE

18 DEC 22 1988

SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, DC 20512-4775

SSCI #90-508

MEMORANDUM FOR THE SECRETARY OF DEFENSE
 FROM: M. V. Hale to Mr. S. M. McWeeney
 SUBJECT: Senate Select Committee on Intelligence (SSCI)
 Request to Discuss the Office of Liaison and
 International Affairs (OLIA) and the
 Intelligence Situation in West Berlin

We would like Mr. Haver to address in his written testimony and be prepared to discuss the following questions: (1) What are the results of his review of DOD counter-intelligence which you stated was "an early and high priority" in your letter of May 31, 1989? (2) To what extent has political change in the Soviet Union and Eastern Europe diminished their intelligence threat in the 1990s and the requirements for CI operations and security measures against that threat? (3) To what extent do other traditional threats, such as the FRC and Cuba, require greater attention in the 1990s? (4) What are the emerging threats in the 1990s from third world and "friendly" intelligence services, as well as narcotics traffickers and terrorists? (5) What new challenges do technological advances and transfers to criteria countries and terrorist groups pose in the 1990s? (6) What are the consequences of these changing threats for

Stg Def Cont.Nr.

The Honorable Dick Cheney
February 7, 1990
Page two

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DoD counterintelligence needs and protection of military, diplomatic, and intelligence secrets in the 1990s? (7) How will DoD and security programs cope with increased Soviet emigres and visitors, arms control negotiators, and US-Soviet commercial contacts? (8) Are US computer and communications security efforts adequate for the 1990s? (9) How serious is the CI impact of counterpolygraph techniques and NSA's loss of access to certain targets? (10) What national policy initiatives are required for the 1990s, i.e., personnel security standards, actions to deter leaks? (11) Is a national counterintelligence budget needed? (12) What should be done to improve multi-agency organizations such as OPM, the SEC and JNSC?

Technical surveillance and mail openings. Mr. Eliff stated that, as an occupying power, the U. S. military, much like the FBI domestically, is the entity which conducts telephone monitoring of certain country establishments and personnel in the U. S. 5-10 minutes. Agency representatives should contact Committee staff members Mary Sturtevant or John Eliff at 224-1700 regarding this hearing.

However, there is no overheard of a U. S. national or whenever there is mention made of a U. S. national in a piece of correspondence, that U. S. national's name is not disseminated to any other U. S. intelligence agency. This lack of dissemination is as a result of a lawsuit in the early 1970s against the U. S. Army which, at that time, had in fact been monitoring the activities of U. S. nationals. As a consequence of this lawsuit, very stringent guidelines were written which caused the U. S. military to use the Foreign Intelligence Surveillance Court to monitor Americans including stringent guidelines for minimizing overhears of U. S. nationals when monitoring non U. S. nationals.

The net results of these restrictions is that, according to Mr. Eliff, 15 years worth of overhears of U. S. nationals as well as the like potential collection of names of U. S. persons via mail openings has been lost.

Mr. Eliff advised it was his belief these minimization restrictions were too stringent and should be amended to allow for dissemination. He however stated that he thought the issue should be brought up after the upcoming elections in that he did not believe a "lame duck" administration would be interested in undertaking the issue.

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The Honorable James A. Baker
February 7, 1990
Page two

(6) How will the State Department assist CI and security programs to cope with increased Soviet emigres and visitors, arms inspectors, and US-Soviet commercial contacts? (7) Are US computer and communications security efforts adequate for the 1990s? (8) What national policy initiatives are required for the 1990s, i.e., personnel security standards, actions to defend leaks? (9) Is a national countermeasures budget needed? (10) What should be done to improve the multi-agency organizations such as OPM, SEC and JSPO in the 1990s? (11) Are organizational changes in State Department security, counterintelligence, construction, and foreign missions programs needed for the 1990s?

Witnesses are asked to submit their written testimony a week in advance and to make informal opening remarks of about 5-10 minutes. Agency representatives should contact Committee staff members Mary Stertevant or John Elliff at 224-1700 regarding this hearing.

SHOULD ENSURE WITH REGARD TO COVERAGE OF OR PROBLEMS ENCOUNTERED WITH COVERAGE OF NON-HOSTILE TARGETS. Sincerely,

THE RELATIONSHIP BETWEEN FBI AND CIA SHOULD BE CHARACTERIZED AS "EXCELLENT." SSCI STAFFER REQUESTS THAT IDENTIFICATION BE EXTENDED TO [NEW YORK CIA FOREIGN RESOURCE DIVISION (FRD)] REPRESENTATIVE TO ATTEND THIS PORTION OF THE DISCUSSIONS. THIS REQUEST HAS BEEN DENIED, AND SSCI STAFFERS HAVE BEEN ASKED TO CONTACT CIA [FRD] INDEPENDENTLY.

2) UNDERCOVER OPERATIONS AND PROPOSED LEGISLATION BEFORE CONGRESS. SSCI STAFFERS HAVE EXPRESSED INTEREST IN KNOWING VIEWS OF FIELD ON UNDERCOVER OPERATIONS; PROBLEMS, VALUE, ETC.? INTD SUGGESTS DISCUSSION BE CONFINED TO DESCRIBING "SHOPRITE"

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