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THE WHITE HOUSE
WASHINGTON

September 20, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: THE VICE PRESIDENT
HENRY A. KISSINGER
JAMES R. SCHLESINGER
PHILIP W. BUCHEN
JAMES T. LYNN

FROM: JAMES E. CONNOR *JEC*

SUBJECT: The Intelligence Community

The President reviewed your memorandum of September 18 and approved the following:

FIRST ISSUE: Oversight of the Intelligence Community

Option II: Approve Option I (Extend the Role of PFIAB to include Oversight), but Rename PFIAB.

SECOND ISSUE:

An Executive Order Restricting the Collection of Information on American Citizens

Option III: Restrict all intelligence agencies except the FBI.

THIRD ISSUE: Planning the Administration's Response to the Attack on the Intelligence Community

Approved Jack Marsh as the individual to plan and coordinate the response to the attack on the intelligence community.

FOURTH ISSUE: What Actions are Appropriate at this time
to Improve Your Supervision and Control
of the Intelligence Community

Option II: Defer decision on NSC Intelligence Committee

Please follow-up with appropriate action.

cc: Don Rumsfeld
Jack Marsh

Jim

No decisions made --

Any further action on this
original.

In any case, I
plan to keep here.

Trudy

following
decisions received
from Jim Connor

First - option 2

Second - option 3

Third - Jack Marsh
approved

Fourth - option 2

MB 4

9/19

THE PRESIDENT HAS SEEN . . .

THE WHITE HOUSE

WASHINGTON

September 18, 1975

MR. PRESIDENT:

Attached is a revised draft of the Intelligence Community memorandum which Dick gave to you earlier. It has been agreed to by the staffs of the Vice President, Secretary Kissinger, Secretary Schlesinger, Phil Buchen and Jim Lynn. The principals themselves, however, have not reviewed it yet. It is for discussion at your 9:45 a.m. meeting tomorrow.

Jim Connor

Attachment

THE PRESIDENT HAS SEEN....

THE WHITE HOUSE

WASHINGTON

September 18, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT
HENRY A. KISSINGER
JAMES R. SCHLESINGER
PHILIP W. BUCHEN
JAMES T. LYNN

SUBJECT: The Intelligence Community

This memorandum presents alternative courses of action for dealing with issues relating to the Intelligence Community:

---those presented in the reports of the Rockefeller and Murphy Commissions;

---those to be addressed in connection with the work of the Congressional Select Committees.

A. BACKGROUND

One of the most serious consequences of Watergate was that the intelligence community became a topic for Congressional investigation, as well as public and press debate. Starting with CIA links to Watergate, the issues have expanded to:

- . CIA involvement in domestic spying and foreign assassination plots.
- . FBI violations of civil liberties.
- . NSA monitoring of the telephone conversations of American citizens.
- . Insufficient control by Congress of the intelligence community pursestrings and insufficient knowledge of its operations.

- . Poor management and control of intelligence community activities and resources, and poor performance of the community in specific instances.

Your initial response, when the public issue was only the domestic activities of the CIA, was to appoint the Commission on CIA Activities Within the United States (the CIA Commission) to look into allegations that the CIA had violated statutory prohibitions on such activities.

The Commission completed its report in early June, and, after seeking the views of the intelligence community, you directed in August that 20 of the recommendations of the CIA Commission be implemented immediately. Public announcement of this decision has been withheld until your advisers could prepare and submit to you a memorandum which provides options and recommendations for the implementation of the balance of the CIA Commission's proposals.

Preparation of this memorandum, however, requires that you first resolve a number of major issues before work can go forward on the preparation of appropriate directives. Accordingly, after a brief discussion of the gravity of the situation in the intelligence community at the present time, the remainder of this memorandum will outline the issues--and the options for resolving them--which pose the most serious obstacles to the preparation of an action memorandum on intelligence for your review.

B. CURRENT SITUATION

Two Congressional committees are currently investigating allegations concerning intelligence community activities ranging from expenditures to assassinations. Other Committees and Subcommittees of the Congress are also investigating separate parts of the Community. These "band-wagon" efforts are increasingly partisan.

The scrutiny of the past, and the certainty of further disruptive scrutiny in the future, has had several seriously adverse effects:

- . Intelligence targets, particularly in the Soviet Union, have been sensitized to our collection methods and appear to have taken measures to restrict the gathering of data by technical means.

- . Human sources of intelligence, foreign and domestic, now fear to cooperate with our intelligence agencies.
- . Cooperation of foreign intelligence agencies has been impaired.
- . Morale in the intelligence community, and cooperation among its components, has been damaged.

The situation promises to become even worse. The Congressional investigations are likely to turn even more hostile as we enter an election year. By next Spring or early Summer one can foresee legislation which presents a series of Hobson's choices--for example, any veto in the name of national security will be portrayed as a repressive act, unleashing the secret agencies of government to compile dossiers on the American people.

Your principal problem is how to meet this political challenge while preserving the capabilities of the intelligence community under acceptable oversight arrangements.

C. SUMMARY OF ISSUES AND OPTIONS

Under these circumstances, you must develop strategies in two broad (and partially interrelated) problem areas:

- . Political. How should you counter the build-up of momentum behind activities which will result in permanent damage to our intelligence community?
- . Supervision and Control. What mechanisms should you employ for the supervision and control of the intelligence community so that the intelligence product is responsive to your needs and the community conducts its activities efficiently and effectively?

Your advisers have under discussion a number of major initiatives which fall into the category of political responses. Your advisers agree that if you wish to go forward with any of these initiatives you should do so promptly. While you should consider that Congress may attempt to use your proposals

as a jumping off point for more extensive legislative initiatives of their own, there is also the possibility that the implementation of your reforms will prevent the development in Congress of a consensus that reform legislation is necessary.

The following are four major proposed initiatives under consideration by your advisers, and your guidance is necessary on each:

- . Where in the Executive Branch should responsibility for oversight of the propriety of intelligence activities be placed;
- . Should you issue an Executive Order restricting the activities of the CIA, or the intelligence community as a whole, with respect to American citizens, or, alternatively, a more comprehensive Executive Order which also incorporates a full statement of positive duties and responsibilities for the agencies of the intelligence community;
- . Should there be a single person to plan and coordinate a response to the attack on the intelligence community.
- . What actions are appropriate at this time to improve your supervision and control of the intelligence community.

FIRST ISSUE: Oversight of the Intelligence Community

The CIA Commission recommended that the President's Foreign Intelligence Advisory Board be given additional authority to inquire into the propriety of CIA actions, and to report its conclusions to the President.

There is general agreement among your advisers that an independent oversight body of private citizens would be an appropriate mechanism for inquiring into the propriety of the conduct of the intelligence community as a whole.

However, there is some question among your advisers as to whether PFIAB would be the appropriate vehicle for these responsibilities; some believe that it would be better to create a wholly new body, either to perform both the present functions of PFIAB and the oversight function, or to discharge the oversight function alone, with PFIAB retaining its present role as an independent evaluator of intelligence product.

Discussion

Option I: Extend the Role of PFIAB to Include Oversight

Those who favor this option argue that it is the simplest and cleanest way to create an oversight capacity in the Executive Branch. (It is also the approach suggested by the CIA Commission and supported by the so-called Murphy Commission, the joint Executive-Legislative Commission on the Organization of the Government for the Conduct of Foreign Policy.) PFIAB is already in place, the intelligence agencies are familiar with it, and its assumption of new responsibilities can be achieved with little administrative disruption.

Those who favor this course also believe that some changes in the membership of PFIAB will be necessary if it is to transcend its image as a body primarily concerned with technical aspects of intelligence collection. If you choose this option, an implementing Executive Order can be ready within one week.

Option II: Approve Option I, but Rename PFIAB

The advisers that favor this option argue that retaining PFIAB's name will fail to communicate the significance of the change you have made. If you choose this option, an implementing Executive Order can be ready within one week.

Option III: Retain PFIAB and Create a New Body Solely for Oversight

Some of your advisers argue further that there is an inconsistency between the oversight role, which implies an adversary relationship with the intelligence agencies, and a role in evaluating intelligence product, which requires the cooperation and support of the intelligence agencies. Accordingly, these advisers believe, you should leave PFIAB in place as an independent evaluator of intelligence, but create a new oversight body which would be concerned solely with the conduct of the intelligence community agencies. If you choose this option, an implementing Executive Order can be ready within one week.

DECISION

- _____ Option I: Extend the Role of PFIAB to Include Oversight; recommended by the Vice President, Jim Lynn and Henry Kissinger.
- _____ Option II: Approve Option I, but Rename PFIAB; recommended by
- _____ Option III: Retain PFIAB and Create a New Body Solely for Oversight; recommended by Jim Schlesinger and Phil Buchen.

SECOND ISSUE: An Executive Order Restricting the Collection of Information on American Citizens

The CIA Commission proposed an Executive Order limiting CIA's collection of information about the domestic activities of U. S. citizens and the clandestine collection of foreign intelligence from American citizens. There are four options here:

Option I: Issue an Executive Order establishing restrictions on the domestic activities of the CIA only, applying the standards enunciated by the CIA Commission.

Option II: Issue an Executive Order applying the standards enunciated by the CIA Commission to the domestic activities of the entire intelligence community.

Option III: Issue an Executive Order applying these standards to the entire intelligence community except the FBI.

Option IV: Issue a comprehensive Executive Order incorporating duties and responsibilities as well as restrictions.

Discussion

The advantages of Option I, an Executive Order limited to the CIA, are:

- . The issue involved, as well as the particular restrictions, have been extensively studied by the CIA Commission and

are agreed to by the Director of Central Intelligence. The advisers who favor this option believe that the issues raised in the case of other intelligence agencies (NSA, DIA, and the FBI) are substantially different and require additional study.

- . Additional Executive Orders can be issued later as to the domestic activities of other intelligence agencies after better identifying the kinds of restrictions needed.
- . An Executive Order covering only the CIA can be ready in one week.

The advantages of Option II, an Executive Order applicable to the entire intelligence community, are:

- . In concluding that the CIA should not collect and analyze information on the domestic activities of U. S. citizens, the Commission recommended restrictions which most Americans would agree should be applicable to any of the secret foreign intelligence or counter-intelligence agencies of the Government; there is no reason, in principle, for precluding the CIA from collecting and analyzing such information while permitting NSA to do so.
- . An Order limited to the CIA would leave your Administration open to the charge that only a small sector of a large problem has been dealt with. This is particularly true if Congress and the media continue to uncover instances of abuses similar to those involving the CIA in other intelligence agencies.
- . Subsequent Executive Orders applicable to the other agencies will invite comparisons to the CIA Order; any "discrepancies" will be characterized as "glaring loopholes." Those of your advisers who favor this option believe it is possible to frame a set of restrictions which will satisfy the American people and would not unduly restrict the other agencies engaged in foreign intelligence and counter-intelligence.
- . A comprehensive Executive Order will probably take three weeks to prepare, particularly to resolve FBI objections.

The advantages of Option III, an Executive Order applicable to all intelligence agencies except the FBI, are:

- . Most of the advantages of Option II also apply to Option III.
- . The FBI, which has law enforcement as well as counter-intelligence functions, has been the major stumbling block in preparing an Executive Order which covers the entire intelligence community. The major problem is to develop regulations which effectively limit the FBI's counter-intelligence role while not impairing its law enforcement activities.
- . The Department of Justice has been studying the activities of the FBI for the past year, and is in the process of preparing guidelines which, when completed, might be embodied in a separate Executive Order for the FBI.
- . An Executive Order which does not cover the FBI can be prepared in about two weeks.

The advantages of Option IV, an Executive Order that would incorporate the duties and responsibilities of the community as well as the restrictions, are:

- . Imposing restrictions only is an excessively negative approach.
- . Restrictions on intelligence activities should be imposed in a context which recognizes and reaffirms the positive duties and responsibilities of each intelligence agency.
- . The existing NSC Intelligence Directives provide a good starting point and should reduce the time required to draft the Order.
- . The time estimate for completion of such an Executive Order ranges from one to three months.

DECISION

- _____ Option I: Restrict domestic activities of CIA only;
recommended by Jim Schlesinger
- _____ Option II: Restrict domestic activities of the entire
intelligence community; recommended by
- _____ Option III: Restrict all intelligence agencies except the
FBI; recommended by the Vice President,
Henry Kissinger and Jim Lynn.
- _____ Option IV: An Executive Order incorporating duties and
responsibilities as well as restrictions;
recommended by Phil Buchen
(some of your advisers would also recommend
this option if you decided that you could wait
up to three months before announcing action)

THIRD ISSUE: Planning the Administration's Response to the Attack
on the Intelligence Community

Since the Congressional inquiries began almost nine months ago, the Administration has consistently been placed in the position of reacting to initiatives on the Hill. There has been no coordinated political strategy to protect the intelligence community from continued disruption, to adequately explain the issues and stakes to the American people, and to provide leadership to those in Congress who are sympathetic to your position, or to deter unwise legislation from emerging in Congress.

In order to develop such a plan, and to make clear to the American people that there are formidable issues at stake in the Congressional hearings, many of your advisers believe you should consider designating or appointing a person to develop and implement a strategy of response.

Discussion

Those who favor this course argue that it is essential to develop and implement a strategy to limit the damage to the intelligence community. These advisers contend that the American people do not understand the extent to which normal intelligence activities have been disrupted, and the threat this poses to national security.

Those of your advisers who favor appointing a single individual argue that the job requires full-time attention from a senior adviser and that your other senior advisers are otherwise engaged on a full-time basis.

Those who oppose the appointment or designation of a single individual argue that it is difficult to separate the political aspects of the challenges made by the Congressional inquiries from those aspects which involve legal questions, tactical relationships on a day-to-day basis with Committee staff members, and ongoing Congressional relations as conducted from the agencies as well as from the White House. Visibly trying to centralize and control the political responses to the Committees and Congress may reduce the effectiveness and speed with which the other and related problems with the Congressional inquiries and in Congress are met on a day-to-day basis.

The advisers who oppose the concept of a central point for political coordination believe that the Administration's response can be adequately coordinated through use of the existing White House staff framework.

DECISION

Appoint or designate a single individual to plan and coordinate the response to the attack on the intelligence community.

_____ Approve

_____ Disapprove

FOURTH ISSUE: What Actions are Appropriate at this time to Improve Your Supervision and Control of the Intelligence Community.

Option I. Announce now the formal authorization of the NSC Intelligence Committee to evaluate the programs and product of the intelligence community.

Option II. An internal review of the organization of the intelligence community, the respective responsibilities and duties of its components, and the mechanisms for supervision and control of the community by the President.

These options are not mutually exclusive.

Those who favor Option I argue that the NSC already has the statutory authority to supervise the intelligence agencies of the United States Government, and that this Option would simply charge the NSC Intelligence Committee with these responsibilities.

This Option can be implemented with little administrative disruption and no new funds. It also indicates positive Presidential action on the question of supervision and control of the intelligence community.

If you choose this Option, it can be implemented by Executive Order within one week.

Those opposed to Option I argue that it represents a major change in the assigned functions of the NSC Intelligence Committee. This Committee, they note, was created in 1971 solely to provide guidance to the intelligence community on the needs of top level policy makers, and was not to have any responsibility for more generally directing or monitoring community programs or activities. It is further contended that any change in this committee's responsibility should be part of a broader reorganization of the community.

Those who favor Option II argue that any decision about NSCIC should be considered in the context of a broader study of roles and missions in the intelligence community.

DECISION

Option I: Announce NSCIC functions now; recommended by the Vice President, Henry Kissinger

_____ Approve

_____ Disapprove

Option II: Defer decision on NSCIC functions; recommended by Jim Schlesinger.

_____ Approve

_____ Disapprove

No matter which Option you choose of those listed above, your advisers unanimously recommend that you authorize an internal review of the organization of the intelligence community, the respective responsibilities and duties of its components, and the mechanism for supervision and control of the community by the President.

Approve _____

Disapprove _____

THE WHITE HOUSE

WASHINGTON

September 19, 1975

MEMORANDUM FOR

THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR, CENTRAL INTELLIGENCE AGENCY
PHILIP W. BUCHEN
JOHN O. MARSH, JR.

As a result of our meeting on intelligence matters, I have decided to designate a group specifically responsible for coordinating our response to matters dealing with the intelligence community. This group will be chaired by Jack Marsh. Each of the addressees of this memorandum shall serve as a member of the group.

I expect the group to function over the next several weeks and possibly months in a manner similar to the Energy Resources Council and Economic Policy Board, that is:

1. The group should meet daily to review problems, discuss strategy, agree on assignments and prepare issues for my decision.
2. The group will meet with me regularly, as often as twice a week, in order for me to decide issues and review progress.
3. I expect the group to produce by the middle of next week a time table of its actions over the next month including:

Due dates for decision papers;
Development of a comprehensive plan for dealing
with Congress and the press; and
Identification of individuals charged with specific
responsibilities.

Herold R. Ford

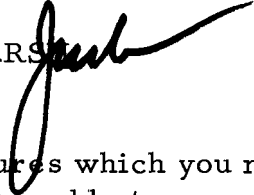
THE WHITE HOUSE

WASHINGTON

September 19, 1975

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK MARS 

This is to suggest some procedures which you might wish to set up in order to insure that I am able to carry out the charge you gave me regarding coordination of our responses on the intelligence community.

1. Designate a group specifically to work with me as Chairman and Jim Connor as staff. The group must include principals: The Secretary of State, the Secretary of Defense; the Director of CIA; the Director of OMB, and Phil Buchen.
2. It will have to meet daily until we have a good solid position--probably one to three months--to review problems, discuss strategy, agree on assignments, and prepare issues for your decisions.
3. It must have a regularly scheduled time, perhaps as often as twice a week for the next one to three months, to meet with you to get decisions and to review its plans.
4. Its first task should be to produce for you a time table of its actions over the next month, including:

Due dates for decision papers;
Development of a comprehensive plans for dealing with the Congress and the press; and
Identification of individuals charged with specific responsibilities.

If you approve, I will draft a memorandum from you to the principals laying out this assignment.

September 18, 1975

MR. PRESIDENT:

Attached is a revised draft of the Intelligence Community memorandum which Dick gave to you earlier. It has been agreed to by the staffs of the Vice President, Secretary Kissinger, Secretary Schlesinger, Phil Buchan and Jim Lynn. The principals themselves, however, havannot reviewed it yet. It is for discussion at your 9:45 a.m. meeting tomorrow.

Jim Connor

Attachment

THE WHITE HOUSE

WASHINGTON

September 18, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT
HENRY A. KISSINGER
JAMES R. SCHLESINGER
PHILIP W. BUCHEN
JAMES T. LYNN

SUBJECT: The Intelligence Community

This memorandum presents alternative courses of action for dealing with issues relating to the Intelligence Community:

- those presented in the reports of the Rockefeller and Murphy Commissions;
- those to be addressed in connection with the work of the Congressional Select Committees.

A. BACKGROUND

One of the most serious consequences of Watergate was that the intelligence community became a topic for Congressional investigation, as well as public and press debate. Starting with CIA links to Watergate, the issues have expanded to:

- . CIA involvement in domestic spying and foreign assassination plots.
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B. CURRENT SITUATION

Two Congressional committees are currently investigating allegations concerning intelligence community activities ranging from expenditures to assassinations. Other Committees and Subcommittees of the Congress are also investigating separate parts of the Community. These "band-wagon" efforts are increasingly partisan.

The scrutiny of the past, and the certainty of further disruptive scrutiny in the future, has had several seriously adverse effects:

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Your principal problem is how to meet this political challenge while preserving the capabilities of the intelligence community under acceptable oversight arrangements.

C. SUMMARY OF ISSUES AND OPTIONS

Under these circumstances, you must develop strategies in two broad (and partially interrelated) problem areas:

- Political. How should you counter the build-up of momentum behind activities which will result in permanent damage to our intelligence community?
- Supervision and Control. What mechanisms should you employ for the supervision and control of the intelligence community so that the intelligence product is responsive to your needs and the community conducts its activities efficiently and effectively?

Your advisers have under discussion a number of major initiatives which fall into the category of political responses. Your advisers agree that if you wish to go forward with any of these initiatives you should do so promptly. While you should consider that Congress may attempt to use your proposals

as a jumping off point for more extensive legislative initiatives of their own, there is also the possibility that the implementation of your reforms will prevent the development in Congress of a consensus that reform legislation is necessary.

The following are four major proposed initiatives under consideration by your advisers, and your guidance is necessary on each:

- Where in the Executive Branch should responsibility for oversight of the propriety of intelligence activities be placed;
- Should you issue an Executive Order restricting the activities of the CIA, or the intelligence community as a whole, with respect to American citizens, or, alternatively, a more comprehensive Executive Order which also incorporates a full statement of positive duties and responsibilities for the agencies of the intelligence community;
- Should there be a single person to plan and coordinate a response to the attack on the intelligence community.
- What actions are appropriate at this time to improve your supervision and control of the intelligence community.

FIRST ISSUE: Oversight of the Intelligence Community

The CIA Commission recommended that the President's Foreign Intelligence Advisory Board be given additional authority to inquire into the propriety of CIA actions, and to report its conclusions to the President.

There is general agreement among your advisers that an independent oversight body of private citizens would be an appropriate mechanism for inquiring into the propriety of the conduct of the intelligence community as a whole.

However, there is some question among your advisers as to whether PFIAB would be the appropriate vehicle for these responsibilities; some believe that it would be better to create a wholly new body, either to perform both the present functions of PFIAB and the oversight function, or to discharge the oversight function alone, with PFIAB retaining its present role as an independent evaluator of intelligence product.

Discussion

Option I: Extend the Role of PFIAB to Include Oversight

Those who favor this option argue that it is the simplest and cleanest way to create an oversight capacity in the Executive Branch. (It is also the approach suggested by the CIA Commission and supported by the so-called Murphy Commission, the joint Executive-Legislative Commission on the Organization of the Government for the Conduct of Foreign Policy.) PFIAB is already in place, the intelligence agencies are familiar with it, and its assumption of new responsibilities can be achieved with little administrative disruption.

Those who favor this course also believe that some changes in the membership of PFIAB will be necessary if it is to transcend its image as a body primarily concerned with technical aspects of intelligence collection. If you choose this option, an implementing Executive Order can be ready within one week.

Option II: Approve Option I, but Rename PFIAB

The advisers that favor this option argue that retaining PFIAB's name will fail to communicate the significance of the change you have made. If you choose this option, an implementing Executive Order can be ready within one week.

Option III: Retain PFIAB and Create a New Body Solely for Oversight

Some of your advisers argue further that there is an inconsistency between the oversight role, which implies an adversary relationship with the intelligence agencies, and a role in evaluating intelligence product, which requires the cooperation and support of the intelligence agencies. Accordingly, these advisers believe, you should leave PFIAB in place as an independent evaluator of intelligence, but create a new oversight body which would be concerned solely with the conduct of the intelligence community agencies. If you choose this option, an implementing Executive Order can be ready within one week.

DECISION

- _____ Option I: Extend the Role of PFIAB to Include Oversight; recommended by the Vice President, Jim Lynn and Henry Kissinger.
- _____ Option II: Approve Option I, but Rename PFIAB; recommended by
- _____ Option III: Retain PFIAB and Create a New Body Solely for Oversight; recommended by Jim Schlesinger and Phil Buchen.

SECOND ISSUE: An Executive Order Restricting the Collection of Information on American Citizens

The CIA Commission proposed an Executive Order limiting CIA's collection of information about the domestic activities of U. S. citizens and the clandestine collection of foreign intelligence from American citizens. There are four options here:

Option I: Issue an Executive Order establishing restrictions on the domestic activities of the CIA only, applying the standards enunciated by the CIA Commission.

Option II: Issue an Executive Order applying the standards enunciated by the CIA Commission to the domestic activities of the entire intelligence community.

Option III: Issue an Executive Order applying these standards to the entire intelligence community except the FBI.

Option IV: Issue a comprehensive Executive Order incorporating duties and responsibilities as well as restrictions.

Discussion

The advantages of Option I, an Executive Order limited to the CIA, are:

- The issue involved, as well as the particular restrictions, have been extensively studied by the CIA Commission and

are agreed to by the Director of Central Intelligence. The advisers who favor this option believe that the issues raised in the case of other intelligence agencies (NSA, DIA, and the FBI) are substantially different and require additional study.

- . Additional Executive Orders can be issued later as to the domestic activities of other intelligence agencies after better identifying the kinds of restrictions needed.
- . An Executive Order covering only the CIA can be ready in one week.

The advantages of Option II, an Executive Order applicable to the entire intelligence community, are:

- . In concluding that the CIA should not collect and analyze information on the domestic activities of U. S. citizens, the Commission recommended restrictions which most Americans would agree should be applicable to any of the secret foreign intelligence or counter-intelligence agencies of the Government; there is no reason, in principle, for precluding the CIA from collecting and analyzing such information while permitting NSA to do so.
- . An Order limited to the CIA would leave your Administration open to the charge that only a small sector of a large problem has been dealt with. This is particularly true if Congress and the media continue to uncover instances of abuses similar to those involving the CIA in other intelligence agencies.
- . Subsequent Executive Orders applicable to the other agencies will invite comparisons to the CIA Order; any "discrepancies" will be characterized as "glaring loopholes." Those of your advisers who favor this option believe it is possible to frame a set of restrictions which will satisfy the American people and would not unduly restrict the other agencies engaged in foreign intelligence and counter-intelligence.
- . A comprehensive Executive Order will probably take three weeks to prepare, particularly to resolve FBI objections.

The advantages of Option III, an Executive Order applicable to all intelligence agencies except the FBI, are:

- . Most of the advantages of Option II also apply to Option III.
- . The FBI, which has law enforcement as well as counter-intelligence functions, has been the major stumbling block in preparing an Executive Order which covers the entire intelligence community. The major problem is to develop regulations which effectively limit the FBI's counter-intelligence role while not impairing its law enforcement activities.
- . The Department of Justice has been studying the activities of the FBI for the past year, and is in the process of preparing guidelines which, when completed, might be embodied in a separate Executive Order for the FBI.
- . An Executive Order which does not cover the FBI can be prepared in about two weeks.

The advantages of Option IV, an Executive Order that would incorporate the duties and responsibilities of the community as well as the restrictions, are:

- . Imposing restrictions only is an excessively negative approach.
- . Restrictions on intelligence activities should be imposed in a context which recognizes and reaffirms the positive duties and responsibilities of each intelligence agency.
- . The existing NSC Intelligence Directives provide a good starting point and should reduce the time required to draft the Order.
- . The time estimate for completion of such an Executive Order ranges from one to three months.

DECISION

- _____ Option I: Restrict domestic activities of CIA only; recommended by Jim Schlesinger
- _____ Option II: Restrict domestic activities of the entire intelligence community; recommended by
- _____ Option III: Restrict all intelligence agencies except the FBI; recommended by the Vice President, Henry Kissinger and Jim Lynn.
- _____ Option IV: An Executive Order incorporating duties and responsibilities as well as restrictions; recommended by Phil Buchen (some of your advisers would also recommend this option if you decided that you could wait up to three months before announcing action)

THIRD ISSUE: Planning the Administration's Response to the Attack on the Intelligence Community

Since the Congressional inquiries began almost nine months ago, the Administration has consistently been placed in the position of reacting to initiatives on the Hill. There has been no coordinated political strategy to protect the intelligence community from continued disruption, to adequately explain the issues and stakes to the American people, and to provide leadership to those in Congress who are sympathetic to your position, or to deter unwise legislation from emerging in Congress.

In order to develop such a plan, and to make clear to the American people that there are formidable issues at stake in the Congressional hearings, many of your advisers believe you should consider designating or appointing a person to develop and implement a strategy of response.

Discussion

Those who favor this course argue that it is essential to develop and implement a strategy to limit the damage to the intelligence community. These advisers contend that the American people do not understand the extent to which normal intelligence activities have been disrupted, and the threat this poses to national security.

Those of your advisers who favor appointing a single individual argue that the job requires full-time attention from a senior adviser and that your other senior advisers are otherwise engaged on a full-time basis.

Those who oppose the appointment or designation of a single individual argue that it is difficult to separate the political aspects of the challenges made by the Congressional inquiries from those aspects which involve legal questions, tactical relationships on a day-to-day basis with Committee staff members, and ongoing Congressional relations as conducted from the agencies as well as from the White House. Visibly trying to centralize and control the political responses to the Committees and Congress may reduce the effectiveness and speed with which the other and related problems with the Congressional inquiries and in Congress are met on a day-to-day basis.

The advisers who oppose the concept of a central point for political coordination believe that the Administration's response can be adequately coordinated through use of the existing White House staff framework.

DECISION

Appoint or designate a single individual to plan and coordinate the response to the attack on the intelligence community.

_____ Approve

_____ Disapprove

FOURTH ISSUE: What Actions are Appropriate at this time to Improve Your Supervision and Control of the Intelligence Community.

Option I. Announce now the formal authorization of the NSC Intelligence Committee to evaluate the programs and product of the intelligence community.

Option II. An internal review of the organization of the intelligence community, the respective responsibilities and duties of its components, and the mechanisms for supervision and control of the community by the President.

These options are not mutually exclusive.

Those who favor Option I argue that the NSC already has the statutory authority to supervise the intelligence agencies of the United States Government, and that this Option would simply charge the NSC Intelligence Committee with these responsibilities.

This Option can be implemented with little administrative disruption and no new funds. It also indicates positive Presidential action on the question of supervision and control of the intelligence community.

If you choose this Option, it can be implemented by Executive Order within one week.

Those opposed to Option I argue that it represents a major change in the assigned functions of the NSC Intelligence Committee. This Committee, they note, was created in 1971 solely to provide guidance to the intelligence community on the needs of top level policy makers, and was not to have any responsibility for more generally directing or monitoring community programs or activities. It is further contended that any change in this committee's responsibility should be part of a broader reorganization of the community.

Those who favor Option II argue that any decision about NSCIC should be considered in the context of a broader study of roles and missions in the intelligence community.

DECISION

Option I: Announce NSCIC functions now; recommended by the Vice President, Henry Kissinger

_____ Approve

_____ Disapprove

Option II: Defer decision on NSCIC functions; recommended by Jim Schlesinger.

_____ Approve

_____ Disapprove

No matter which Option you choose of those listed above, your advisers unanimously recommend that you authorize an internal review of the organization of the intelligence community, the respective responsibilities and duties of its components, and the mechanism for supervision and control of the community by the President.

Approve _____

Disapprove _____