CENTER for the STUDY of INTELLIGENCE
NEWSLETTER

Winter-Spring 1997
Issue No. 7

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The Center for the Study of Intelligence supports research and publishing on the intelligence profession and its various disciplines and declassifies historical records related to US intelligence operations during the Cold War. Center Fellows write on theoretical, practical, and historical intelligence issues. Historians write histories of the CIA and publish collections of declassified documents. The Academic Coordinator promotes exchanges with academic institutions and scholars through conferences and seminars and by arranging guest speakers and sponsoring CIA Officers-in-Residence at several universities. The Historical Review Group conducts declassification reviews of documents on subjects of historical interest. Monographs and videos prepared under Center auspices are available from the National Technical Information Service. Declassified Cold War records are available at the National Archives. The Center welcomes inquiries from intelligence professionals and scholars about its programs and publications. **Find us on the World Wide Web @ www.odci.gov/csi.**

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Editors Note

This edition of the *Newsletter* contains two important announcements. First, the Center for the Study of Intelligence (CSI) has a new home. After many years in Rosslyn, Virginia, we moved in November 1996 to the International Point Building in Chantilly, Virginia, near Dulles Airport. Please note the new telephone and fax numbers listed on the cover. Our mailing address remains the same: Center for the Study of Intelligence, Central Intelligence Agency, Washington, DC 20505.

The second announcement concerns the release in mid-May of CIA records on the 1954 covert action operation that resulted in the overthrow of President Jacobo Arbenz Guzman in Guatemala. This is the first major release of Cold War records dealing with covert action. The commitment to review the Guatemala records was announced by then DCI Robert M. Gates in 1992and reiterated by his successor, R. James Woolseyas part of the Agencys new "openness" policy.

The Guatemala records and the origins of "openness" are inseparably intertwined, and it is symbolically significant that they constitute the first sizable group of covert action records to be declassified and released. The story of their release began in 1972, when an Associated Press reporter decided to test a new Executive Order by requesting files on PBSUCCESS, the cryptonym for the Guatemalan operation. CIA rejected the request. When Congress decided several years later to strengthen the Freedom of Information Act, authors Stephen Schlesinger and Stephen Kinzer filed a new request for records they intended to use for a book on the 1954 coup. CIA also rejected that request, and the two journalists filed a suit with assistance from the American Civil Liberty Unions National Security Project. The suit was unsuccessful, but the two managed to obtain files from the Departments of State and Defense and the FBI, which they used in writing their 1982 expose, *Bitter Fruit: The Untold Story of the American Coup in Guatemala.*

The lawsuit prompted CIA to amass its records on the Guatemalan operation in one place. That collection was used to prepare a study entitled *Operation PBSUCCESS: The United States and Guatemala 1952*-1954, which is among the records released to the National Archives and Records Administration (NARA).

Times changeand so do attitudes. As was reflected in the CSIs September 1996 symposium on systematic declassification (see item on page 7 of this *Newsletter*), and especially in the remarks at that event by John Podestawho has since been named White House Deputy Chief of Staffthe issues of classification and secrecy are being reexamined in light of postCold War realities. The costs of excessive secrecy have increased, while the requirements have declined. The Center and the CIA as a whole are proud of being part of this declassification process and playing a key role in the "openness" policy that for us became a major commitment in 1992.

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Guatemala Covert Action Records Declassified

On 16 May, the Historical Review Group (HRG) of CIAs Center for the Study of Intelligence released to NARA the first group of declassified records on the CIAs 1954 covert action in Guatemala. This is a milestone in the Agencys declassification program. The review of the Guatemala records required HRG personnel to examine thousands of pages of hardcopy records as well as related material such as maps and audiotapes. HRG identified, described, and tracked these records and coordinated their release. The staff also reviewed, declassified, and released to the State Department Historians office a large number of documents requested for inclusion in a volume on Guatemala, 1952-1954, which is to be part of the *Foreign Relations of the United States* series.

The first release contains two heretofore classified studies of Operation PBSUCCESS, the covert action that brought about President Jacobo Arbenz Guzmans downfall. This release also includes 324 cassettes of magnetic tape recordings used in Operation SHERWOOD, in which a clandestine radio transmitter broadcast anti-Arbenz propaganda in Spanish; an English-language overview of the radio operation and synopses of each cassettes contents, prepared by the Center for the Study of Intelligence; and more than 1,000 pages of operational recordsmostly cablesdealing with the day-to-day conduct of PBSUCCESS.

The longer of the two studies, entitled *Operation PBSUCCESS: The United States and Guatemala 1952-1954*, was written by former CIA historian and now Indiana University professor Nicholas Cullather. It takes a critical look at CIAs first major covert action in Latin America. Cullathers controversial conclusion was that PBSUCCESS, which the Eisenhower White House hailed as a Cold War triumph over communism in Latin America, owed more to luck than to careful preparation and suffered from a number of blunders in planning and execution. Even so, because this covert action was judged a success, it became the model for future operations, including the Bay of Pigs fiasco. The study explains how "success" in one case led to failure in the other.

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Anticipated Release of Bay of Pigs Documents

The Center for the Study of Intelligence anticipates making a first release of documents later this year on the 1961 Bay of Pigs covert action. Our objective is to include the Agencys official history of the operation, the supporting research, and the CIA Inspector Generals post-mortem assessment. As CSI completes its review of remaining documents in the collection, subsequent releases will be scheduled.

The release of CIA official records opens to historians and the public significantly more detail than has previously been disclosed on the planning and implementation of the covert operations in Guatemala. The general outlines of the 1952-54 events, however, have been available for some time in published accounts. This also applies to some extent to discussionsreflected in these records as well as briefly documented in several public accountsof unimplemented contingency planning to assassinate Guatemalan leaders. The shorter of the two historical accounts in this release, written by former CIA historian Gerald K. Haines, seeks to place this issuethe most sensitive aspect of the collectionin the context of the early Eisenhower administrations determined effort to check the expansion of communism around the world.

More records on Guatemala will be released in the future. Those currently being reviewed deal with political assessments of the Guatemalan situation, strategic planning for PBSUCCESS, and policy discussions among

the various agencies concerned with US policy toward Guatemala. The records slated for release provide a comprehensive view of PBSUCCESS, including summaries of the operation, post-mortems, and debriefings of the officials and officers involved.

Released Guatemala records will be available at the National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20704; telephone (301) 713-6800.

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Assassination Records Review Boards Annual Report

The Assassination Records Review Board (ARRB), an independent federal agency created under the 1992 President John F. Kennedy Assassination Records Collection Act (generally known as the JFK Act), has issued its annual report for fiscal year 1996. The report noted that, by the end of FY 1996, the Review Board had acted to declassify nearly 10,000 documents and release them to the JFK Collection at the National Archives and Records Administration (NARA). Releases have continued apace since then.

The report stated that the JFK Act "was the first attempt to place the effective power [for] declassifying Government records outside of the originating agencies." It asserted that, "for the most part, the agencies as a whole have made strong

and significant efforts to cooperate with the Review Board to bring about the goals of the JFK Act."

CIAs substantial participation in this undertaking reflects the combined efforts of various components. John Pereira and Barry Harrelson of the Historical Review Group represent CIA with the Assassination Records Review Board and oversee the declassification of relevant documents. Representatives of the Office of General Counsel and all CIA directorates, particularly the Directorate of Operations, are making important contributions to the Agencys efforts to comply with the JFK Act.

The report included the following statement on CIA cooperation in this declassification effort:

"Throughout the past year, the Review Board has experienced a high level of cooperation with the Central Intelligence Agency. The CIA has proved willing to release records of great operational sensitivity on issues of immediate relevance to the Oswald story as well as . . . documents that are less closely connected to the JFK assassination or to Oswald. In addition, the CIA has taken upon itself to release in full to NARA large numbers of previously redacted documents from its Oswald file and JFK records. The CIAs efforts to cooperate with the spirit of the JFK Act were solidly demonstrated by its willingness, under Review Board auspices, to send a team of reviewers to the JFK Library in Boston to clear for release a large body of Cuba-related records from President Kennedys National Security Files. It appears to the Review Board that the declassification process has produced more internal agency difficulties for the CIA than for any other federal agency. The identification, discussion, and resolution of issues pertaining to classified information [have] imposed a significant challenge on the CIA and on the Review Board. Although the CIA has not agreed with many Review Board determinations, it nevertheless has undertaken significant efforts to cooperate with the Review Board to satisfy the standards of the JFK Act."

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OSS and CIA Records at the National Archives

Issue No. 6 of the *Newsletter* provided an overview of the National Archives Record Group (RG) 226, which includes records of the Coordinator of Information, the Office of Strategic Services (OSS), and the Strategic Services Unit. The CIA began transferring these records--known generically as the OSS Archives--in the 1970s, and work continued for some 20 years on what was the largest CIA declassification effort to date. Thanks to appeals and reviews over the years and the new "openness" policy, CIA was able to release far more material than had been planned when the project began. The transfer is nearly complete, and RG 226 now contains more than 6,500 cubic feet of textual records at Archives II in College Park, Maryland.**(1)**

RG 226 is a primary source of records dealing with US intelligence operations in World War II and with wartime and early postwar US-Soviet tensions that led to the Cold War. Records Group 263--Records of the Central Intelligence Agency--contains more than 1,000 cubic feet of textual records. Although small by National Archives standards, RG 263 includes a wide range of US intelligence records. For example, it contains reports by the CIAs Foreign Broadcast Information Service (FBIS) and by FBISs precursor organization, the Foreign Broadcast Information Division, which was created in 1941 and thus predated the OSS.

RG 263 has become the repository for an increasing number of CIA declassified documents. In addition, the Agency has released its own in-house histories, such as *Donovan and the CIA*, by Thomas F. Troy, as well as other information concerning the Agencys formation and the first Directors of Central Intelligence. Additional such materials are located at NARA in the "History Staff History Source Collection."

RG 263 is eclectic. It includes, for example, records of the Shanghai Municipal Police, which provide a fascinating picture of revolutionary China in the first half of the 20th century. The Murphy Collection on International Communism, 1917-1958, which was assembled by a State Department official and then given to CIA, contains historical material. Also included are released records relating to the assassination of President John F. Kennedy, such as CIAs file on Lee Harvey Oswald. In addition, RG 263 contains two boxes of files on Raoul Wallenberg, the Swedish diplomat and rescuer of Hungarian Jews who disappeared into the gulag after World War II. Oswalds was the first and Wallenbergs the second CIA file on an individual to be declassified and released. Congress requested this release because it had made Wallenberg an honorary US citizen in order to aid efforts to persuade the Soviet Union to reveal his fate.

Researchers interested in US intelligence and the CIAs role in the Intelligence Community can gain access to formerly classified articles from *Studies in Intelligence.* The Agency also has released a large number of other intelligence reports and studies, including 459 National Intelligence Estimates related to the Soviet Union and international communism. Such material can be consulted in connection with declassified reports on the 1962 Cuban Missile Crisis and the recently released CORONA satellite imagery and associated reports; these reports are available in other Record Groups at NARA. RG 263 will continue to expand in coming years, making it an even more important archive of records on USand especially CIAintelligence collection and analysis.

Please note that RG 263 does *not* contain material released under the Freedom of Information Act (FOIA) or the Privacy Act. Researchers interested in such material should contact the CIAs Information, Privacy, and Classification Office at (703) 613-1287. The National Security Archives at George Washington University in Washington, DC, maintains a library of declassified CIA and other Federal Government records released under FOIA. Its telephone number is (202) 994-7076.

For further information about textual records in Record Groups 226 and 263 at the National Archives at College Park, Maryland, please contact Larry H. McDonald at (301) 713-7186, extension 379, or Research Archivists John E. Taylor or Ken Schlessinger at (301) 713-7250.

Kevin Ruffner
CIA History Staff

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Helping the Hunt for Nazi Gold

CSIs History Staff recently completed six months of research in support of an interagency report on US and Allied efforts to recover gold and other assets looted by Nazi Germany during World War II. The interagency documentgenerally known as the Eizenstat reportwas issued in early May. CSI historians focused on participation by the OSS and the postwar Strategic Services Unit (SSU) in Project SAFEHAVEN (later renamed Project JETSAM), a government-wide operation to identify Nazi assets of all kinds held in neutral and nonbelligerent countries around the world.

Documentation for the CIAs contribution to this report comprises some 254 unclassified documents found by CIA historians in the National Archives. Eleven of these documents are appended to the report itself, along with another 22 documents declassified specifically for the Eizenstat report. Another 30 or so peripherally relevant documents have been released together with 300 cubic feet of OSS documents being transferred by CIA to NARA. Apart from sensitive personnel files, this collection comprises the last major holding of OSS records at CIA.

The report shows that the US Government, and the OSS in particular, were assiduous in tracking down gold and other assets stolen by the Nazis. The search was continued by the SSU after the war, especially in Switzerland, where the SSU supported the State Departments efforts to negotiate restitution for the millions of dollars of Nazi war loot that had made its way into Swiss banks. In December 1945, the SSU reported on 260 truckloads of gold that had been stolen by the Germans from occupied countries and shipped into Spain with the alleged connivance of Swiss officials. In March 1946, the SSU was able to tap into a source close to the Swiss Foreign Minister to report in some detail on the instructions being passed to the Swiss negotiator in Washington.

Finally, the Army Security Agency (forerunner of the National Security Agency) routinely intercepted Swiss diplomatic communications for about a year after the end of the war. The record is unclear as to whether this intelligence was made available to American negotiators. NSA recently declassified this material and made it available to researchers at the Archives.

The report includes a footnote debunking statements that CIA diverted gold stolen from victims of the Holocaust to use in covert actions in Italy. CIA has been able to document that the covert action was funded legally by Congressional appropriations.

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Oral History Program Inaugurated

The Center for the Study of Intelligence (CSI) has launched an oral history program. This endeavor will involve tapping the memories of retired Agency officers, especially those who recall the Agencys earliest days, to augment and preserve the historical record of CIAs role in US foreign policy. CSI personnel will record interviews with former officers, without regard to rank, who have special knowledge of important Agency activities, issues, or programs, particularly those for which the documentary record is incomplete or in some other way inadequate.

Constraints on resources will require us to prioritize carefully our choices of topics and interviewees, particularly during the first phase of the program. Even so, this program has the potential to make a substantial contribution to preservation of the Agencys history.

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CORONA Materials at the National Archives

On 1 August 1996, NARAs Cartographic and Architectural Branch completed the transfer of some 17,000 cans of original negative film, a similar number of cans of duplicative positive film, and related collateral data on the CORONA programthe first US reconnaissance satellite system. NARA also has custody of all collateral data from the KH-1 through KH-6 series. This includes mission coverage plots with graphic plots for all frames, photomosaics on world area charts (satellite passes), photographic evaluation reports with synopses of missions and information on recovery of reentry vehicles and camera operation, and orbit and frame ephemeral data. The collection also contains camera calibration data, KH-system capability reports, camera manuals, reproduction methods manuals, and assorted interpretative and evaluation reports. Some documents are available in hardcopy and microfilm, but some are in microfiche only.

CORONA material is available at:

Cartographic and Architectural Branch (NNSC)
National Archives and Records Administration
8601 Adelphi Road
College Park, MD 20704

General Reference (College Park) (301) 713-6800
National Archives Fax-on-Demand (301) 713-6905
Cartographic and Architectural References
Reference inquiries:
Debbie Lelansky (301) 713-7030, extension 242,
or fax (301) 713-7488; E-mail: carto@arch2.nara.gov

Office Hours
Monday and Wednesday 8:45 a.m. - 5:00 p.m.
Tuesday, Thursday, Friday 8:45 a.m. - 9:00 p.m.
Saturday 8:45 a.m. - 4:45 p.m.
Closed Sunday

CIA provided funds to NARA for four workstations with direct access to the Global Land Information System maintained by the US Geological Survey. This electronic index includes reduced-resolution pictures and can be used to order reproductions on line.

NARA accepts requests by mail and fax. Requests must include a specific description of the required material, exact latitude and longitude information, date(s), and geographic descriptions (that is, place or feature names).

Photocopiers and a self-service Polaroid copier that can make black and white or color copies are available in NARAs Still Picture Research Picture Room. Reproductions of CORONA film can be ordered only from the US Geological Survey, EROS Data Center, Customer Services, Sioux Falls, SD 57198; (605) 594-6151.

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CIA Opens Door on the Craft of Analysis

CIAs Directorate of Intelligence has issued a reprinted and revised edition of *A Compendium of Analytic Tradecraft Notes, Volume I (Notes 1-10).* The Tradecraft Notes have become a standard reference within CIA for practitioners and teachers of intelligence analysis. The revised compendium contains 10 *Tradecraft Notes* issued to analysts during March-December 1995, plus a new Foreword by John Gannon, Deputy Director for Intelligence. CIA has made this edition of the

compendium available to the public to help shed light on how the Directorate of Intelligence meets the daily challenges of providing timely, accurate, and rigorous analysis to intelligence consumers.

Requests for copies of *A Compendium of Analytic Tradecraft Notes*, or the DI Strategic Plan (August 1996), should be sent by fax to (703) 874-3875 to the attention of the DI Communications Staff.

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Conferences

Conference on "Sharing Secrets With Lawmakers"
Georgetown University's Institute for the Study of Diplomacy (ISD) and CIAs Center for the Study of Intelligence (CSI) sponsored a one-day public conference on the Georgetown campus on 20 March 1997. The centerpiece of this event was a new study entitled "Sharing Secrets With Lawmakers: Congress as a User of Intelligence," by L. Britt Snider. Speakers included a former chairman of the House Permanent Select Committee on Intelligence (HPSCI), current and former senior intelligence officials and Congressional staff professionals, and prominent individuals from the academic community and the press corps.

Mr. Snidera former General Counsel of the Senate Select Committee on Intelligence (SSCI) who has held a number of other senior posts in the legislative and executive branchesdrafted his study in 1996-97 as a Visiting Senior Fellow at CSI. As part of this project, he interviewed more than 50 knowledgeable individuals, including present and former members of Congress and staffers, intelligence professionals, and executive branch officials outside the Intelligence Community (IC).

Although much has been published in the past on Congressional *oversight* of US intelligence agencies,

Mr. Sniders study is the first comprehensive and authoritative look at *intelligence-sharing* with Congress. This groundbreaking monograph:

- Traces the development of intelligence-sharing from the late 1940s to the present.
- Compares and contrasts Congressional consumers with executive branch policymakers as users of intelligence.
- Assesses the impact of intelligence-sharing on the work of both the executive and legislative branches.
- Examines problems and pitfalls in the relationship for all concerned.
- Offers specific recommendations as to how the relationship between the IC and Congress might be made less contentious and more predictable and, at the same time, better meet the needs of both branches.

Panelists at the conference included Tobi Gati, Assistant Secretary of State for Intelligence and Research and a former National Security Council Senior Director; Richard Giza of the ICs Community Management Staff, formerly a senior Congressional staffer; John Helgerson of CIA, a former Deputy Director for Intelligence and former Director of Congressional Affairs; Richard Kerr, formerly Deputy Director of Central Intelligence; Ellen Laipson of the US Mission to the UN, who has held senior positions in the executive branch and at the Congressional Research Service; Mark Lowenthal, who most recently was the HPSCIs Staff Director; Ernest May, longtime Harvard University professor, dean, and authority on the history of international relations; James McCullough, professor of international studies at the University of South Carolina and a 34-year CIA veteran; David McCurdy, now a business executive, who chaired the HPSCI during much of his 14-year career in the House of Representatives; Walter Pincus, a veteran *Washington Post* journalist who has written on a wide array of international, intelligence, and other topics; Christopher Straub, SSCI minority staff director and a longtime Congressional staffer and former US Army career officer; and Casimir Yost, whoin addition to his current position as Director of Georgetowns ISDhas served at various times as a Senate staff specialist in foreign policy and as a member or senior executive of private foundations and other organizations involved in international affairs.

After opening remarks by CSI Director Brian Latell and ISD Director Yost, CIA Deputy Director for Intelligence John Gannon delivered the keynote address. Drawing in part on his long experience in briefing Congressional audiences as a DI officer, Mr. Gannon discussed the importance, the value, and some of the foibles of the Intelligence Communitys relationship with the Hill. The conference panelists explored various topics treated in Mr. Sniders study and debated such issues as whether formal *rules of the road* should be established to govern intelligence-sharing with Congress; the responsibilities of intelligence agencies and Hill staffs to provide *context* to members of Congress in addition to presenting specific intelligence information; and the need for IC representatives to understand, but refrain from commenting on, *policy* issues relating to their briefings of Congress.

Mr. Sniders study is available on the Internets World Wide Web at www.odci.gov/csi.

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Conference on Systematic Declassification
On 13 September 1996, CSI sponsored a symposium at the National War College on "The State of the Intelligence Communitys Historical Declassification Program." Participants included declassification specialists from throughout the Intelligence Community and elsewhere in the government, as well as persons from the academic community, Congress, and the National Archives. The purpose of the one-day affairthe first of its kindwas to share experiences, give status reports on systematic declassification, and discuss the role of systematic declassification as mandated by Executive Order 12958. John Podesta of the Commission on Protecting and Reducing Government Secrecy ("Moynihan Commission") addressed the symposium; excerpts from his address begin on page 8.

Mr. Podesta noted that Sen. Daniel Patrick Moynihan introduced legislation in 1994 creating the Commission and served as its chair. Mr. Podesta was one of 12 Commissioners, who were chosen on a bipartisan basis and appointed to two-year terms. Approximately one-third of the 14 staff members were detailed from US Government agencies that have substantial collections of classified material. Rep. Larry Combest, who chaired the House Permanent Select Committee on Intelligence, served as vice chairman of the Commission. Other members included former DCI John Deutch, Sen. Jesse Helms, Rep. Lee Hamilton, and Ellen Hume, director of the PBS Democracy Project.**(2)**

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Venona Conference
The Center for the Study of Intelligence, the National Security Agency, and the Center for Democracy co-sponsored the highly successful Venona Conference held 3-4 October 1996 at the National War College in Washington, DC. The conference was timed to coincide with the final release of Venona messagesenciphered Soviet telegrams from the 1940s that US and allied intelligence intercepted and decrypted over a 37-year period. Venona was a turning point in the Cold War; it revealed the scope and magnitude of Soviet intelligence operations, especially operations directed at stealing the secrets of the atomic bomb. The decrypted messages, along with other information, opened the way for US and allied counterintelligence to launch a counteroffensive against Soviet espionage.

The 300 guests and participants included several of the American codebreakers who worked on Venona as well as scholars, journalists, and intelligence analysts. The conference featured five panels and both opening and closing remarks by Sen. Daniel Patrick Moynihan. The most hotly debated topic was Venona&s &role &and importance in exposing atomic espionage in the United States. Participants agreed that the Venona cables will require years of patient study (and additional declassification) before they are fully analyzed and comprehended by scholars and the public.

CSI Publication

Venona: Soviet Espionage and the American Response 1939-1957
Edited by Robert Louis Benson and Michael Warner

Then-DCI John Deutch declassified the Venona program in July 1995. This volume was published in conjunction with the 1996 conference on Venona and is intended as a handbook for those interested in the Venona program and its place in US intelligence history. Important documents on the American response to Soviet espionage and 99 of the most important Soviet intelligence messages are included. The volume is available on CSIs Web Site (see the inside front cover of this *Newsletter*).

Mr. Benson is with the Office of Security, National Security Agency, and is a recognized expert on Venona. Dr. Warner is Deputy Chief of the CIA History Staff and previously worked in the Directorate of Intelligence.

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"Intelligence in Partnership" Conference
The Joint Military Intelligence College will sponsor a conference on "Intelligence in Partnership" on 26 and 27 June 1997 at the Defense Intelligence Analysis Center, Bolling Air Force Base, Washington, DC. Participants will include senior members of the USand foreignnational security, defense, and intelligence communities. The purpose of the conference is to examine intelligence and military operations in the postCold War era. Specific panel topics are to include Lessons from Cambodia, Organizing for and Operating in Bosnia, Intelligence Support to Military Operations, and Intelligence in Coalition Warfare. Discussions will focus on lessons learned and on the evolving role of intelligence as a full partner in crisis management, peacekeeping, peacemaking, and coalition warfare.

Those interested in attending the conference can obtain further information by calling (202) 231-3315 (DSN prefix is 428) or by sending a fax to (202) 231-8652, Attn: Lt. Col. Miles.

Remarks (Excerpts) of John D. Podesta, Commissioner, Commission on Protecting and Reducing Government Secrecy, at Conference on Systematic Declassification, 13 September 1996

As you can tell from the name, our mandate from Congress is to look at how to best "protect" governments true secrets and "reduce" unnecessary government secrecy as we move into the next century. Our investigation has focused on the issues of classification, declassification, and the personnel security system governing who has access to sensitive information. We are also looking at the link with new and ever-changing information technologies, including how technology can be used to protect information as well as help reduce secrecy. Our investigation has broadly reached out to Federal agencies, industry, present and former government officials, and Congress, as well as historians, journalists, and public interest advocates. We conducted two roundtable discussions with industry representatives [in 1996] to hear their views on how government secrecy affects them and how the system can work better. We also convened a public access roundtable at the National Archives in May with historians, journalists, scientists, and government officials to discuss secrecy and how to increase public access to government information.

My fellow Commissioners and I see a great need for a security apparatus that supports policymakers with timely and meaningful information to assist in their decisionmaking. We see a need for an effective and efficient infrastructure that supports our nations defense and protects our nations true secrets. The American people are generally supportive of those functions that further our national security, but that support has been shaken substantially in recent years for reasons such as the end of the Cold War, shrinking budgets, and the simple fact that we often hear more of our failures than our successes in the classified world.

But let me suggest another reason why public confidence in this area is dwindlingthe ongoing, major problem of excessive secrecy. The results are costly, both qualitatively and quantitatively, to the American public: a lack of public trust in government and too much money and time devoted to protection that is not properly gauged to real threats.

So that you understand just how expensive secrecy is, here are some figures. A recent survey of classification costs within government agencies, reported to Congress last April by the Information Security Oversight Office, estimated that $2.7 billion was spent in 1995 on security classification-related costs. And this figure does not include the CIA, which separately submitted its cost numbers in classified form to Congress, so the real number is certainly larger. Just last month ISOO received from the Defense Department numbers collected on industry classification costs. This report, based on an admittedly small sample of companies, estimates that industrys costs for 1995 were at least $2.9 billion and could be as high as $4.3 billion. In other words, the US taxpayer is spending from **$5.6 to $7 billion annually** on secrecy. That is a **lot** of money by anyone's calculationsand it almost certainly greatly understates the actual costs.

It was the qualitative and quantitative costs of secrecy that spurred the issuance of what we now know as Executive Order 12958. In our democratic society, a constant balance must be struck between protecting and providing access to information. As the President said when signing that Order almost a year and a half ago:

This order . . . will sharply reduce the permitted level of secrecy within our Government, making available to the American people and posterity most documents of permanent historical value that were maintained in secrecy until now . . . [It also] enables us to safeguard the information that we must hold in confidence to protect our nation and our citizens.

E.O. 12958 thus recognizes and tries to provide ways to help strike the balance between secrecy and openness. And the work you are and will be doing to implement the Order is vitally important.

The Orders framework is based on the understanding that what happens when a document is classified has a great effect on how and when it moves through and out of the classification system. Thus, it mandates important changes in classification policy. But more importantly for all of you here today, it also is a direction from the President that moving information out

of the system and into the public domain is an important part of the equation, and should be a government priority. Not a more important part, but an equally important part.

In its spirit of openness and to encourage common-sense, cost-effective ways to effectively deal with the chronic problem of older classified records, this Order is patterned in part on another executive order of President Clintons. As part of the commemoration of the 50th anniversary of the end of World War II, in 1994 President Clinton signed E.O. 12937, which with the stroke of a pen declassified over 40 million pages of agency records at the National Archives. These records were selected in consultation with the affected agencies. Sensitive intelligence and weapons system information was removed by those agencies before the order went into effect, and declassification of the rest was done automatically without the costly line-by-line review that was the almost universal method of declassification up until then.

Despite the positive example of this high-volume declassification, implementation of Executive Order 12958s declassification requirements has not occurred as smoothly as one would have hoped. With the realization that there are not millions but billions of pages to be processed, different agencies are approaching the task in very different ways. Many agencies are broadly applying the exemptions from automatic declassification, with the result that there will be far more material to deal with through systematic declassification than was previously expected. Many reject using sampling and other methods for high-volume review (a term that is more accurate than the widely used but poorly understood phrase "bulk declassification"), but offer no useful alternative.

Declassification is not a mystical thing. According to Websters dictionary, to "classify" means simply "to organize or arrange according to class or category." Your job, then, is to separate the class of materials that dont need protection from those that do. I know it is easier said than done. And for some of you, it will take a real shift from the way you have been trained to work until nowin closed environments where the public point of view did not have to be considered. It is easy to operate within the classification system, but for the systematic declassification program to work effectively, some of the secrecy-based habits of the past will have to be broken.

The Orders intent is for release of information; the exemptions are to be the exception, and not the rule.

Clearly, there are ways to do low-risk declassification for large amounts of information at low cost, as the declassification of the World War II documents illustrated. But broadly exempting information only postpones the declassification that will eventually take place. And it leaves your agency open to criticism that it is not doing its job.

One solution to how to systematically declassify large volumes of material is to adopt a "risk management" rather than a "risk avoidance" approach. Just as there is nothing mystical about declassification, neither is there anything mystical about risk management. Many from your agencies have told the Commission staff that your agency has been practicing risk management all along. But what I am referring to, and what E.O. 12958 contemplates, is not the approach used in the past. What the Order contemplates is thoughtful risk assessment based on realnot presumedthreat information about what damage is likely to occur. Risk assessment like I am talking about is really no different than what your colleagues in government who regulate the food we eat, the water we drink, and the air we breathe must do all the time. They do not make decisions based on zero tolerance of risk, butrecognizing that we do not live in a perfect world and that resources to control risks are limited on assessments of what the tolerable levels of risk might be.

Systematic declassification also has a very close relationship to your agencies Freedom of Information program and, if done well, should provide real cost savings to your agency by easing the burden of processing FOIA requests for older documents. If you can get out to the public large quantities of older records in which the public has demonstrated an interest, individuals will not need to file repeated FOIA requests for the informationwhich is what happens now.

Because past agency systematic declassification efforts have been irregularly implemented or were small in scope, the FOIA usually is the only means available for the public to get access to information. The more information that is released from your systematic review programs, the fewer historical records there will be that need to be processed under the FOIA. Your agency will benefit from the resource savings; the public will benefit from speedier and more consistent approaches to access.

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"Mr. Guver": Anonymous Soviet Letter to the FBI

The strangest document in the Venona collection is a letter rather than a decrypted message. (See Document No. 10, pp. 51-52 in *Venona: Soviet Espionage and the American Response 1939-1957*." (FBI Director J. Edgar Hoover), mailed near the Soviet Embassy in Washington, and delivered the same day. It was nothing less than an expose of the Soviet *rezidenturas* that stretched from New York and Washington to California, identifying intelligence officers and operations that stretched from Canada to Mexico. This windfall proved to be a counterintelligence Rosetta stone, enabling the FBI to track Russian spies and later helping Western cryptanalysts corroborate data in the Venona traffic.

But there is more to the story. The letter mixed fact with fantasy, alleging that the KGB *rezident*& in Washington, Vassili M. Zarubin (a.k.a. Zubilin), and his wife were working for Japanese and German intelligence as well as spying for Stalin. The apparent purpose of this falsehood was to grab FBI attention at a time when official and popular US opinion was in "wide-eyed adulation of Stalin after the Nazis invaded Russia in June 1941."**(3)** The anonymous author apparently reasoned that exposing Soviet intelligence operations would not by itself be enough to trigger FBI action.

The author went further, asserting that Zarubin and his deputy Markov (in alias as Lt. Col. Vassili D. Mironov while in the United States) were directly implicated in two of Stalins most heinous crimes against the Polish nation: the bloody occupation of eastern Poland during the Nazi-Soviet alliance of 1939-41 and the murder of some 15,000 Polish soldiers--officers and NCOs, regulars and reservists--captured by the Red Army.**(4)** This is perhaps the most intriguing assertion in this remarkable letter. Zarubin and Markov may have been innocent of the specific charges relating to the massacre, but the letter provided accurate and early confirmation of Soviet complicity in the executions in the Katyn Forest, where German occupation forces in April 1943 accidentally discovered a mass grave containing 4,300 Polish corpses.**(5)** Only someone "in the know" could have revealed that Polish soldiers had been interned at Kozelsk and Starobelsk and that Polish soldiers had been killed "near Smolensk.**(6)** This information was known to only a handful of people in 1943 and was carefully concealed for almost 50 years by Soviet authorities.

What was the authors motive? Apparently he hoped to strengthen his case against Zarubin and Markov--he called them butchers--by linking them, however unfairly, to the anti-Polish atrocities. His charges almost certainly fell on deaf ears. The United States, like Britain, was more concerned with preserving wartime unity against Hitler than with getting at the truth of competing Soviet and German accusations. The Western allies also feared that the Polish government-in-exile in London would precipitate a crisis with Moscow by insisting on an international investigation of the killings. Stalin in fact broke relations with the London Poles, opening the way for him to recognize a pro-Soviet group in 1944 that became the nucleus of the postwar Polish Government.

The New York Times and the *Times of London* both waited until Radio Berlin and Radio Moscow had exchanged accusations before reporting the story of the atrocities. US media, while generally sympathetic to the Poles, played up Soviet countercharges against the Germans. In May 1943, the head of the US Office of War Information delivered a radio address that condemned the Katyn story as German propaganda. In 1952--at the height of the Cold War--a House select committee rebuked him and concluded that the Soviets were responsible. The Soviet Union officially refused to admit culpability until 1990, and it was not until 1992 that Moscow released a document showing that Stalin himself had approved the executions of the POWs.

This strange combination of (accurate) revelations about intelligence and agent-of-influence operations in the United States**(7)** with (probably false) allegations suggests the August 1943 letter to Hoover was motivated by a personal vendetta. But the letter also may have been aimed at provoking a rift in US-Soviet relationseven though the primary beneficiary of such a breach would have been Hitler.

Was there method to the anonymous authors madness? Or did his personal hatreds blind him to the potentially momentous consequences of his charges? What little evidence we have suggests that the author may have been mentally disturbed. Former KGB spymaster Pavel Sudoplatov has revealed that, in 1943 or 1944, Markov sent Stalin a note denouncing Zarubin as an FBI agent.**(8)** Zarubin was eventually cleared, but Markov was recalled from Washington, arrested, tried, and declared "schizophrenic" by a Soviet court. Either Markov was the author of both letters or Zarubin had more than one enemy in his rezidentura. Markovs letter to Stalin lends weight to the view that he was responsible for both denunciations. (He may have implicated himself in the Hoover letter to cover his tracks.) We probably will never know the truth, but this tale suggests that good intelligence can have bizarre origins.

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Footnotes

(1) RG 226 textual records are not, as we inadvertently stated in Issue No.6, located in the Cartographic and Architectural Branch. However, maps from the Research and Analysis Branch of the OSS are located in the Cartographic and Architectural Branch.

(2) The Moynihan Commission issued its report in March 1997. It recommended nine broad actions and 16 more specific measures aimed at "protecting and reducing secrecy in an era when open sources make a plenitude of information available as never before in history." The report concluded that "the best way to ensure that secrecy is respected, and that the most important secrets remain secrets, is for secrecy to be returned to its limited but necessary role. Secrets can be protected more effectively if secrecy is reduced overall." The entire report is available on the Internet, via the home page for the Government Printing Office.

(3) Robert Nisbet, Roosevelt and Stalin: The Failed Courtship (Washington DC: Regency Gateway, 1988), p.11.

(4) After the USSR invaded eastern Poland in 1939, the NKVD launched a reign of terror, arresting, torturing, and killing hundreds of thousands of Polish citizens and inciting national and ethnic violence among Poles, Jews, Ukrainians, and Belorussians. During 1940-41 the Soviets deported an estimated 1.2 million to 1.5 million Polish civilians to Siberia and Central Asia, where 300,000 to 750,000 died. See Jan T. Gross, Revolution From Abroad: The Soviet Conquest of Poland's Western Ukraine and Western Belorussia (Princeton, NJ: Princeton University Press, 1988).

The Red Army took some 200,000 POWs and deported 15,000 of them to camps at Kozelsk, Starobelsk, and Ostashkov in the USSR. Their fate was a mystery until Germans found the Katyn grave site (the Poles killed there were from Kozelsk). The existence of the other two camps and the fate of their inmates were not confirmed until 1990, when the USSR finally admitted responsibility for the atrocity.

(5) KGB officer Pavel Sudoplatov, a friend of Zarubin, claims that Zarubin and other interrogators assigned to recruit Poles to the Soviet cause "did not know what was in store for the prisoners they did not take with them." See Pavel Sudoplatov and Anatoli Sudoplatov with Jerrold L. and Leona P. Schechter,The Special Tasks: The Memoirs of an Unwanted Witness--A Soviet Spymaster (Boston: Little, Brown and Company, 1994), pp.277-278. Polish sources present a fleeting and rather benign image of Zarubin as an NKVD officer who was kind to the POWs and won their respect. See Allen Paul, Katyn: Stalin's Massacre and the Seeds of Polish Insurrection (Annapolis, MD: Naval Institute Press, 1996), pp. 77-78.

(6) The letter refers to 10,000 killed "near Molensk." This is probably a typographical error. Katyn Forest is about 10 kilometers west of Smolensk. The total killed there was about 4,300, not 10,000.

(7) According to Sudoplatov, Stalin dispatched Zarubin to Washington in 1941, as the Germans were approaching Moscow, with the mission of monitoring US military intentions and finding agents who could influence US policy. Special Tasksp.173. The anonymous letter claimed that Zarubin had an agent in the "office of the White House."

(8) Ibid., p.197. Sudoplatov refers to Markov by his alias Mironov, but it is not unusual for one intelligence officer to know another who is not a personal friend in pseudonym rather than true name.