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SUSPECTED DUPLICATE

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10051 GOVT NF WASHINGTON DC 903 05-03 422P EST
PMS THE HONORABLE PHILIP W MANHARD
AMBASSADOR, MICRONESIAN STATUS NEGOTIATIONS
INTERIOR BUILDING ROOM 3360
WASHINGTON DC 20240

ON BEHALF OF THE SENATE SELECT COMMITTEE ON INTELLIGENCE,
I SUBMIT HERewith A COPY OF THE STATEMENT BY THE SENATE
SELECT COMMITTEE ON INTELLIGENCE AND SUMMARY FINDINGS OF ITS
INVESTIGATION INTO CIA INVOLVEMENT IN MICRONESIA.

ALONA,

DANIEL K INOUE

CHAIRMAN

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STATEMENT BY THE SENATE SELECT COMMITTEE ON INTELLIGENCE AND
SUMMARY FINDINGS OF ITS INVESTIGATION INTO CIA INVOLVEMENT
IN MICRONESIA

OVER THE PAST FOUR MONTHS, THE SENATE SELECT COMMITTEE ON
INTELLIGENCE HAS CONDUCTED AN INVESTIGATION OF CIA ACTIVITIES
IN MICRONESIA. THE INVESTIGATION INCLUDED EXTENSIVE INTER-
VIEWS WITH PRINCIPALS FROM THE CIA, THE STATE DEPARTMENT, THE
DEPARTMENT OF THE INTERIOR, AND THE NATIONAL SECURITY COUNCIL,
EXAMINATION OF DOCUMENTS, AND THREE DAYS OF EXECUTIVE SESSION
HEARINGS. CIA INTELLIGENCE REPORTS ON MICRONESIA WERE STUDIED,
AND LEGAL OPINIONS FROM CIA, JUSTICE, AND STATE DEPARTMENT
ATTORNEYS WERE REVIEWED. THE INVESTIGATIONS AROSE FROM
ALLEGATIONS WHICH SUGGESTED THAT THE CIA HAD CONDUCTED ELEC-

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(1622)(4-321995A123007) 3/10

TRONIC SURVEILLANCE OVER THE PERIOD FROM 1973 TO 1976 AGAINST MICRONESIAN OFFICIALS. THE COMMITTEE'S PRELIMINARY FINDINGS INCLUDE THE FOLLOWING:

-- THE CIA ENGAGED IN CLANDESTINE INTELLIGENCE COLLECTION OPERATIONS IN MICRONESIA FROM EARLY 1975 UNTIL DECEMBER, 1976. THE PROGRAM INCLUDED RECRUITMENT OF MICRONESIAN RESIDENTS, SOME WITH AFFILIATIONS WITH MICRONESIAN POLITICAL ENTITIES AND SOME OF WHOM WERE PAID FOR THEIR INFORMATION. NONE WAS INFORMED THAT THEY WERE REPORTING TO THE CIA. AT LEAST ONE OF THE PERSONS SERVED ON ONE OF THE ISLAND GOVERNMENT ENTITIES INVOLVED IN DEVELOPING A COMPACT WITH THE UNITED STATES AS TO FUTURE STATUS.

-- THE CIA CONDUCTED ONE MICROPHONE SURVEILLANCE

FOR THREE MONTHS DURING THIS PERIOD INTENDED TO PRODUCE INFORMATION BEARING ON THE STATUS NEGOTIATIONS. CIA'S RECORDS REFLECT THAT THIS OPERATION WAS WHOLLY UNPRODUCTIVE AND THAT NO INFORMATION RESULTING THEREFROM WAS EVER MADE AVAILABLE TO THE AMERICAN NEGOTIATORS. THE PRESIDENT'S PERSONAL REPRESENTATIVE TO THE MICRONESIAN FUTURE STATUS COMMITTEE FROM MARCH 1971 UNTIL JULY 1976, F. HAYDN WILLIAMS, TESTIFIED BEFORE THE COMMITTEE THAT HE WAS UNAWARE OF THE MICROPHONE SURVEILLANCE OPERATION AND THAT TO HIS KNOWLEDGE HE NEVER RECEIVED ANY INFORMATION THEREFROM. ACCORDING TO A DECEMBER 1976 MEMORANDUM IN CIA FILES, THE SURVEILLANCE TAPES WERE DESTROYED AS WORTHLESS IN OCTOBER 1976 IN ACCORD WITH REGULAR PROCEDURES.

-- CONSIDERABLE GENERAL POLITICAL AND ECONOMIC

(1688)(4-021995A123007) 5/10

INTELLIGENCE ABOUT MICRONESIA WAS PROVIDED TO A LIMITED NUMBER OF AMERICAN OFFICIALS BY THE CIA. HOWEVER, IN THEIR TESTIMONY BEFORE THE COMMITTEE, AMBASSADOR WILLIAMS AND OTHER AMERICAN OFFICIALS STATED THAT THEY RECEIVED NO CIA REPORTS CONCERNING THE MICRONESIANS' STRATEGY, TACTICS, OR NEGOTIATING POSITIONS. THE SAME ASSURANCES WERE GIVEN BY PHILIP MANHARD, WILLIAMS' SUCCESSOR.

-- THE OVERALL CIA PROGRAM IN MICRONESIA WAS CONDUCTED UNDER EXECUTIVE BRANCH AUTHORIZATION AND RECEIVED NORMAL PROCEDURAL REVIEW. THE DEPUTY ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS, GENERAL BRENT SCOWCROFT, ASKED THE CIA TO INITIATE CLADESTINE COLLECTION ACTIVITIES IN MICRONESIA. A LEGAL OPINION WAS SOUGHT BY CIA PRIOR TO INITIATION OF ITS COLLECTION ACTIVITY, AND SUCH ACTIVITY

WAS FOUND TO BE LAWFUL BY THE THEN GENERAL COUNSEL OF THE CIA--AN OPINION DISPUTED IN MAY 1976 BY THE STATE DEPARTMENT LEGAL ADVISER. THE CIA SOUGHT AND RECEIVED IN OCTOBER 1973 FROM THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS, DR. HENRY KISSINGER, APPROVAL FOR COLLECTION OPERATIONS IN MICRONESIA AS WELL AS PERMISSION "TO ASSESS THE POSSIBILITY OF EXERTING COVERT INFLUENCE ON KEY ELEMENTS OF THE MICRONESIAN INDEPENDENCE MOVEMENT AND ON THOSE OTHER ELEMENTS IN THE AREA WHERE NECESSARY TO PROMOTE AND SUPPORT UNITED STATES STRATEGIC OBJECTIVES."

-- ACCORDING TO CIA RECORDS AND PERSONNEL, AND SO FAR AS THE COMMITTEE CAN DETERMINE FROM OUR INVESTIGATION, THE CIA UNDERTOOK NO COVERT ACTION OR INFLUENCE IN MICRONESIA.

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-- APPROPRIATE CONGRESSIONAL COMMITTEES OF THAT TIME WERE INFORMED IN JULY AND OCTOBER 1973 OF THE PLANS TO INSTITUTE INTELLIGENCE COLLECTION ACTIVITY. THE COMMITTEES WERE NOT LATER INFORMED OF THE MICROPHONE SURVEILLANCE WHICH WAS APPROVED BY THE DIRECTOR OF CENTRAL INTELLIGENCE IN 1975; NOR WAS ANY EXECUTIVE BRANCH OFFICIAL OUTSIDE OF THE CIA INFORMED OF THE MICROPHONE SURVEILLANCE. THE CIA ADVISED THE COMMITTEE THAT IT WAS NOT THE PRACTICE AT THAT TIME TO REPORT SUCH ACTIVITIES TO CONGRESSIONAL COMMITTEES.

-- THE STATUS LIAISON OFFICERS OF THE OFFICE OF MICRONESIA STATUS NEGOTIATIONS, STATIONED ON SAIPAN, DID NOT ENGAGE IN ANY CLANDESTINE INTELLIGENCE COLLECTION ACTIVITIES.

CF-1201 (R5-69)

OVERALL, THE COMMITTEE QUESTIONS SEVERAL ASPECTS OF THE DECISION TO ENGAGE IN CLANDESTINE COLLECTION ACTIVITIES IN MICRONESIA:

(1) INSOFAR AS THE INFORMATION COLLECTED BY THE CIA WAS OF GENERAL POLITICAL AND ECONOMIC NATURE, IT IS THE COMMITTEE'S JUDGMENT THAT IT WOULD HAVE BEEN MORE PROPERLY OBTAINED OPENLY BY OTHER GOVERNMENT AGENCIES SUCH AS THE DEPARTMENT OF STATE OR THE DEPARTMENT OF THE INTERIOR.

(2) THE EXECUTIVE BRANCH SHOULD HAVE SOUGHT OPINIONS FROM THE DEPARTMENTS OF STATE AND JUSTICE AS WELL AS FROM THE CIA AS TO WHETHER THE PROPOSED ACTIVITIES WOULD VIOLATE THE SPIRIT OF THE 1947 TRUSTEESHIP AGREEMENT BEFORE INSTRUCTING CIA TO UNDERTAKE SUCH ACTIVITIES. THE COMMITTEE BELIEVES THAT THIS NECESSITY TO SEEK OPINION IS ESPECIALLY

CF-1201 (R5-69)



Telegram

(1600)(0-021995A123007) 9/10

SO WITH RESPECT TO SUCH A HIGHLY INTRUSIVE TECHNIQUE AS MICROPHONE SURVEILLANCE WHICH, IN OUR JUDGEMENT, IN FUTURE CASES OF THIS SENSITIVITY, SHOULD WARRANT APPROPRIATE CONGRESSIONAL CONSULTATION AS WELL.

(3) RESPONSIBLE OFFICIALS FAILED TO DIFFERENTIATE BETWEEN INTELLIGENCE TECHNIQUES APPROPRIATE FOR USE AGAINST AN ARMED ADVERSARY AND THOSE PROPER FOR USE AGAINST A PEOPLE UNDER U.S. ADMINISTRATION AND PROTECTION.

THE COMMITTEE BELIEVES THAT NO INFORMATION OBTAINED BY THE CIA INFLUENCED THE COURSE OF THE STATUS NEGOTIATIONS OR ANY OF THE AGREEMENTS WHICH HAVE BEEN REACHED.

WE ARE SATISFIED THAT THE AGENCY'S OPERATIONS HAVE BEEN COMPLETELY TERMINATED AND THAT ALL PARTIES SHOULD MAKE EVERY EFFORT TO RESTORE THOSE VITAL ELEMENTS OF MUTUAL TRUST AND

SF-1201 (R5-69)

CONFIDENCE WHICH ARE ABSOLUTELY ESSENTIAL TO A SUCCESSFUL RESOLUTION OF THE TALKS.

END

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