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CITE DIRECTOR SECTION 01 OF 02.

TO: IMMEDIATE TEHRAN.

COLBY TO HELMS

IN VIEW OF SOME OF THE HEADLINES WHICH GAVE A DIFFERENT CAST TO THE DIRECTOR'S TESTIMONY, HERewith IS FULL OPENING STATEMENT. WE WILL SEND THE FULL TEXT OF THE TRANSCRIPT AS SOON AS IT IS AVAILABLE.

✓ "MR. CHAIRMAN, I AM HERE TO DISCUSS THE QUESTIONS WHICH HAVE ARISEN O^VER CIA'S REAL AND ALLEGED ROLE IN EVENTS THAT OCCURRED IN 1971 AND 1972. I HAVE OPENED A DETAILED INVESTIGATION INTO THE PRECISE NATURE OF THAT ROLE. I CAN REPORT TO YOU ON WHAT AGENCY RECORDS, NOW BEING INTENSIVELY REVIEWED, REVEAL AT THIS JUNCTURE. HOWEVER I DO NOT YET KNOW THAT I HAVE ALL THE FACTS IN THE MATTER. NONETHELESS, I AM PLEASED TO PRESENT TO YOU SUCH FACTS AS ARE NOW AVAILABLE, AND I WILL CERTAINLY PROVIDE YOU WITH ANY FURTHER DETAILS AS THEY COME TO MY ATTENTION.

"LET ME START WITH THE AGENCY'S RELATIONSHIP WITH MR. HOWARD HUNT, WHOSE TESTIMONY HAS RECENTLY BEEN MADE PUBLIC. MR. HUNT WAS A STAFF EMPLOYEE OF THE AGENCY FROM 8 NOVEMBER

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1949 TO 30 APRIL 1970. AT THAT TIME HE RETIRED FROM THE AGENCY. HE PERFORMED ONE EDITORIAL JOB OF WRITING UP A RECOMMENDATION FOR AN AWARD FOR ONE OF OUR OFFICERS IN NOVEMBER 1970. HE WAS NOT PAID FOR THESE SERVICES, ALTHOUGH THE AGENCY PLACED THE SUMS OF \$200.00 AND \$50.00 IN TWO CHARITABLE ORGANIZATIONS FOR THE SERVICE PERFORMED.

"IN EARLY JULY 1972, GENERAL CUSHMAN, THEN THE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, RECEIVED A TELEPHONE CALL FROM THE WHITE HOUSE. HE WAS INFORMED THAT MR. HUNT HAD BECOME A CONSULTANT ON SECURITY AFFAIRS FOR THE WHITE HOUSE, AND A REQUEST WAS MADE THAT MR. HUNT RECEIVE ASSISTANCE FROM THE AGENCY. THE MINUTES OF THE AGENCY MORNING MEETING OF 8 JULY 1971 INDICATE THAT THE DDCI (GENERAL CUSHMAN) REPORTED A CALL BY JOHN EHRLICHMAN STATING THAT HOWARD HUNT HAD BEEN APPOINTED A WHITE HOUSE SECURITY CONSULTANT.

"ON 22 JULY 1971 MR. HUNT VISITED GENERAL CUSHMAN AT THE CIA BUILDING. ACCORDING TO THE RECORDS, MR. HUNT STATED THAT HE HAD BEEN CHARGED WITH A HIGHLY SENSITIVE MISSION BY THE WHITE HOUSE TO VISIT AND ELICIT INFORMATION FROM AN INDIVIDUAL WHOSE IDEOLOGY HE WAS NOT ENTIRELY SURE OF, AND FOR THAT PURPOSE HE

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SAID HE WAS ASKED TO COME TO THE AGENCY TO SEE IF HE COULD GET THE TWO THINGS: IDENTIFICATION DOCUMENTS IN ALIAS AND SOME DEGREE OF PHYSICAL DISGUISE, ^{FOR A} ONE-TIME OPERATION. HE STRESSED THAT HE WANTED THE MATTER TO BE HELD AS CLOSELY AS POSSIBLE AND THAT HE WOULD LIKE TO MEET THE AGENCY PEOPLE IN AN AGENCY SAFEHOUSE. AGENCY RECORDS INDICATE THAT, IN THE COURSE OF THE CONVERSATION, MR. HUNT REFERRED TO MR. EHRLICHMAN BY NAME AND GENERAL CUSHMAN ACKNOWLEDGED AN EARLIER CALL FROM MR. EHRLICHMAN TO HIM. THE COMMITTEE MAY DESIRE TO QUERY GENERAL CUSHMAN WHOSE KNOWLEDGE WOULD NOT COME FROM SUCH SECONDARY SOURCES.

"GENERAL CUSHMAN DIRECTED THE APPROPRIATE TECHNICAL SERVICE OF THE AGENCY TO BE OF ASSISTANCE TO MR. HUNT, BASED ON THE ABOVE REQUEST. ON 23 JULY 1971 MR. HUNT WAS GIVEN ALIAS DOCUMENTS, INCLUDING A SOCIAL SECURITY CARD, DRIVER'S LICENSE, AND SEVERAL ASSOCIATION MEMBERSHIP CARDS, IN THE NAME OF "EDWARD JOSEPH WARREN" SIMILAR TO MATERIAL HE HAD BEEN FURNISHED FOR OPERATIONAL USE WHILE HE HAD BEEN AN AGENCY EMPLOYEE, UNDER THE NAME OF "EDWARD V. HAMILTON." THE SAME DAY MR. HUNT WAS ALSO GIVEN DISGUISE MATERIALS (A WIG, GBLASSES, AND A SPEECH

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ALTERATION DEVICE).

"BY CALLING AN UNLISTED TELEPHONE NUMBER GIVEN HIM, MR. HUNT ARRANGED SEVERAL ADDITIONAL MEETINGS WITH AGENCY TECHNICAL OFFICERS, THE DATES OF WHICH CANNOT BE PROVIDED WITH PRECISION. IN THESE, HE REQUESTED AND WAS PROVIDED A COMMERCIAL TAPE RECORDER (IN A TYPEWRITER CASE) AND A COMMERCIAL TESSINA CAMERA DISGUISED IN A TOBACCO POUCH. HE ALSO BROUGHT IN A THEN-UNIDENTIFIED ASSOCIATE (LATER IDENTIFIED FROM PRESS PHOTOS AS MR. G. GORDON LIDDY) AND SECURED FOR HIM A DISGUISE (WIG AND GLASSES) AND ALIAS DOCUMENTS IN THE NAME OF "GEORGE F. LEONARD."

"THE AGENCY TECHNICAL OFFICERS MET THESE REQUESTS DESPITE THE ABSENCE OF THE PROCEDURAL STEPS AND APPROVALS NORMALLY REQUIRED BY AGENCY REGULATIONS. HOWEVER, THEY BECAME INCREASINGLY CONCERNED AT THE ESCALATION OF MR. HUNT'S REQUESTS FOR ASSISTANCE. THESE FINALLY INCLUDED A REQUEST FROM MR. HUNT TO BE MET ON THE MORNING OF 27 AUGUST 1971, UPON HIS RETURN FROM CALIFORNIA, TO HAVE A FILM DEVELOPED AND RETURNED TO HIM. THIS WAS DONE THE SAME DAY. HE ALSO ASKED FOR A NEW YORK MAIL ADDRESS AND TELEPHONE-ANSWERING SERVICE FOR OPERATIONAL USE.

1 "THE TECHNICAL OFFICERS RAISED THEIR CONCERN WITH SENIOR

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OFFICERS, WHO NOTED THE POSSIBILITY THAT THESE ACTIVITIES COULD INVOLVE THE AGENCY IN OPERATIONS OUTSIDE ITS PROPER FUNCTIONS. AS A RESULT, AGAIN ACCORDING TO AGENCY RECORDS, GENERAL CUSHMAN TELEPHONED MR. EHRLICHMAN AT THE WHITE HOUSE ON 27 AUGUST 1971 AND EXPLAINED THAT FURTHER SUCH ASSISTANCE COULD NOT BE GIVEN. MR. EHRLICHMAN AGREED. THE REQUEST FOR MAIL ADDRESS AND TELEPHONE ANSWERING SERVICE WAS NOT HONORED. ON 31 AUGUST 1971, MR. HUNT CONTACTED THE TECHNICAL OFFICERS AGAIN, REQUESTING A CREDIT CARD, BUT THIS WAS REFUSED. MR. HUNT HAD ALSO MADE A REQUEST ON 18 AUGUST 1971 FOR THE ASSIGNMENT OF A SECRETARY HE HAD KNOWN DURING HIS AGENCY CAREER. THIS WAS ALSO REFUSED. THE EARLIER FURNISHED ALIAS DOCUMENTS AND OTHER MATERIAL WERE NOT RECOVERED, HOWEVER, EXCEPT FOR THE TESSINA CAMERA WHICH WAS RETURNED ON 27 AUGUST AS UNSUITABLE. SINCE THE END OF AUGUST 1971, THE TECHNICAL SERVICES DIVISION HAS HAD NO FURTHER ASSOCIATION WITH MR. HUNT. AS A POINT OF REFERENCE, I WOULD NOTE THAT THE BREAK-IN OF THE OFFICE OF MR. ELLSBERG'S PSYCHIATRIST TOOK PLACE ON OR ABOUT 3 SEPTEMBER 1971.

1 "THE AGENCY OUTLINED THE ABOVE EVENTS TO MR. PATRICK

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GRAY, ACTING DIRECTOR OF THE FBI, IN LETTERS DATED 5 AND 7 JULY 1972, AND A MEETING ON 28 JULY 1972. A SERIES OF QUESTIONS WERE ~~TRANSMITTED~~

ASKED THE AGENCY ON 11 OCTOBER 1972 BY MR. EARL SILBERT, PRINCIPAL ASSISTANT UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA. ON 24 OCTOBER 1972, ATTORNEY GENERAL KLEINDIENST AND ASSISTANT ATTORNEY GENERAL PETERSEN REVIEWED ~~THE 5 AND 7 JULY~~ ^{USED} ~~THE 5 AND~~

7 JULY TRANSMITTALS TOGETHER WITH ADDITIONAL, MORE ^{DE}TAILED BUT UNDATED MATERIALS, THAT HAD BEEN PROVIDED TO ACTING FBI DIRECTOR GRAY ON 18 OCTOBER 1972. THE AGENCY IS AWARE THAT THIS MATERIAL WAS REVIEWED ON 27 NOVEMBER 1972 BY MR. SILBERT, WHO ASKED ADDITIONAL QUESTIONS ON THAT DATE AS WELL AS ON 29 NOVEMBER 1972. WRITTEN RESPONSES TO THE FOREGOING QUESTIONS WERE ~~RESPONSES~~ PROVIDED ON 13 DECEMBER 1972. AN ADDITIONAL SUBMISSION WAS MADE TO THE ASSISTANT ATTORNEY GENERAL PETERSEN ON 21 DECEMBER 1972. THIS MATERIAL WAS DISCUSSED AT A MEETING HELD WITH ASSISTANT ATTORNEY GENERAL PETERSEN AND MR. SILBERT ON 22 DECEMBER 1972. ALL OF THE FOREGOING MATERIALS CAN BE MADE AVAILABLE TO THE COMMITTEE IF IT SO DESIRES.

AS A SEPARATE MATTER, WHICH WAS NOT KNOWN BY THOSE WHO PREPARED THE MATERIAL FOR ^THE DEPARTMENT OF JUSTICE IN

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THE FALL OF LAST YEAR, THE OFFICE OF MEDICAL SERVICES OF THE AGENCY PREPARED AND FORWARDED TO THE WHITE HOUSE TWO INDIRECT PERSONALITY ASSESSMENTS OF MR. DANIEL ELLSBERG. THE AGENCY HAS HAD A PROGRAM OF PRODUCING, ON A SELECTIVE BASIS, SUCH ASSESSMENTS OR STUDIES ON FOREIGN LEADERS FOR MANY YEARS. IN JULY 1971 MR. HELMS, THEN DIRECTOR, INSTRUCTED AGENCY OFFICERS TO WORK WITH MR. DAVID YOUNG OF THE WHITE HOUSE STAFF RELATIVE TO SECURITY LEAKS IN THE INTELLIGENCE COMMUNITY.

"MR. YOUNG REQUESTED A STUDY ON MR. ELLSBERG IN THE LATTER PART OF JULY 1971, WHICH AGENCY ACTIVITY WAS APPARENTLY APPROVED BY MR. HELMS. AT THAT TIME, MR YOUNG SUPPLIED RAW MATERIAL CONSISTING PRINCIPALLY OF NEWSPAPER AND MAGAZINE ARTICLES TOGETHER WITH SOME STATE DEPARTMENT AND JUSTICE DEPARTMENT PAPERS. THE FIRST ASSESSMENT DELIVERED TO THE WHITE HOUSE DATED 9 AUGUST 1971, WAS JUDGED INSUFFICIENT. AS A RESULT, THERE WERE SEVERAL MEETINGS BETWEEN DR. MALLOY, MR. HUNT, AND MR. LIDDY, IN WHICH CLASSIFIED INFORMATION OF THE JUSTICE AND STATE DEPARTMENTS WAS INTRODUCED. ONE SUCH MEETING OCCURRED ON 12 AUGUST 1971. ADDITIONAL MATERIAL WAS TRANSMITTED BY MR. HUNT ON 12 OCTOBER, AND ANOTHER MEETING

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WAS HELD ON 27 OCTOBER. THESE MEETINGS LED TO A SECOND VERSION OF THE ASSESSMENT, DATED 9 NOVEMBER 1971. THIS DOCUMENT WAS DELIVERED TO THE EXECUTIVE OFFICE BY DR. MALLOY ON 12 NOVEMBER 1971. AGENCY RECORDS INDICATE THAT MR. HELMS HAD PREVIOUSLY COMMUNICATED WITH MR. YOUNG INDICATING HE HAD READ BOTH REPORTS.

"IN ANOTHER CONTACT 'ABOUT OCTOBER 1971,' AN AGENCY OFFICER ARRANGED TO PROVIDE MR. HUNT CERTAIN UNCLASSIFIED MATERIALS FROM CIA FILES RELATIVE TO A 1954 FRENCH CASE OF LEAKAGE OF GOVERNMENT DOCUMENTS. THESE WERE DELIVERED TO HIS OFFICE AT THE WHITE HOUSE.

"IN CLOSING, I WOULD LIKE TO STRESS SEVERAL CONCLUSIONS OF MY INVESTIGATION SO FAR:

A. CIA HAD NO AWARENESS OF THE DETAILS OF MR. HUNT'S ACTIVITIES. THE AGENCY'S IMPRESSION WAS THAT MR. HUNT WAS ENGAGED IN AN ACTIVITY RELATED TO IDENTIFYING AND CLOSING OFF THE SECURITY/LEAKS THAT WERE SO MUCH A PREOCCUPATION OF THE GOVERNMENT AT THE TIME.

"B. THE AGENCY CLEARLY WAS INSUFFICIENTLY CAUTIOUS IN THE INITIATION OF ITS ASSISTANCE TO MR. HUNT. LATER,

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WHEN THE NATURE OF MR. HUNT'S REQUESTS FOR ASSISTANCE BEGAN TO INDICATE A POSSIBLE ACTIVE INVOLVEMENT BY THE AGENCY IN ACTIVITIES BEYOND ITS CHARTER, THE AGENCY TERMINATED THE RELATIONSHIP AND REFUSED FURTHER ASSISTANCE.

"C. THE PREPARATION OF A PROFILE OF AN AMERICAN CITIZEN UNDER THESE CIRCUMSTANCES LIES BEYOND THE NORMAL ACTIVITY OF THE AGENCY. IT SHALL NOT BE REPEATED--AND I HAVE SO INSTRUCTED THE STAFF. THIS SHALL BE MADE A PART OF THE REGULATIONS GOVERNING SUCH ACTIVITIES.

"D. AS DIRECTOR, I HAVE CALLED FOR A REVIEW OF ALL AGENCY ACTIVITIES AND THE TERMINATION OF ANY WHICH MIGHT BE CONSIDERED OUTSIDE ITS LEGITIMATE CHARTER. IN ADDITION TO REQUESTING THIS REVIEW FROM MY SUBORDINATES, I HAVE DIRECTED EACH EMPLOYEE AND INVITED EACH EX-EMPLOYEE TO SUBMIT TO ME ANY CASES WHICH THEY MAY QUESTION. I AM DETERMINED THAT THE AGENCY WILL NOT ENGAGE IN ACTIVITIES OUTSIDE OF ITS CHARTER BUT WILL CONCENTRATE ITS ENERGIES ON ITS IMPORTANT INTELLIGENCE

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MISSION." E2, IMPDET.

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