

# Congress holds unusual hearing on 'Echelon' spy operations

by Edward Spannaus

The Permanent Select Committee on Intelligence of the U.S. House of Representatives held an extraordinary hearing on April 12—a hearing explicitly held for the purpose of refuting charges and allegations made concerning the so-called “Echelon” surveillance program. (See “British Key in Echelon Controversy,” *EIR*, April 14.) The hearing’s featured witnesses were Director of Central Intelligence George Tenet, and the Director of the National Security Agency (NSA) Gen. Michael Hayden.

Rep. Porter Goss (R-Fla.), the chairman of the committee, which, along with its Senate counterpart, is charged with conducting oversight of the intelligence community, said that this is the first time that the committee has held a public session to discuss the activities of the NSA. It was also the first time that an NSA Director has testified publicly, since the 1975 Church Committee hearings which first disclosed NSA monitoring of U.S. citizens.

## Economic espionage

Both Hayden and Tenet were asked specifically about various charges made in the European and U.S. news media around the current Echelon controversy. Both flatly denied that the NSA spies on American citizens, or that the NSA and CIA conduct economic espionage on behalf of U.S. corporations, as charged in the recent report prepared for the European Parliament.

*The logo of the “UKUSA Community,” the five-nation global signals intelligence alliance, between Britain, Canada, Australia, New Zealand, and the United States. “Echelon” is a specific intelligence-gathering program operated by the U.S. National Security Agency and the British Government Communications Headquarters (GCHQ) through the UKUSA arrangement.*



“I recognize that it is standard practice for some countries to use their intelligence services to conduct economic espionage, but that is not the policy or practice of the United States,” Tenet said. He said that this is not the mission of the CIA, and that if the agency helped one corporation, it would quickly be charged with being unfair to other U.S. businesses.

Tenet said that SIGINT (signals intelligence) does provide economic information that is useful to the United States government. “It can provide insight into global economic conditions and trends, and assist policymakers in dealing with economic crises,” he said. Tenet also stated that on many occasions, “It has provided information about the intentions of foreign businesses, some operated by governments, to violate U.S. laws or sanctions, or to deny U.S. businesses a level playing field.” This was as close as Tenet came to referencing the recent column written by one of his predecessors—James Woolsey—who said that the CIA spies on foreign corporations that bribe other governments, so that they can get contracts or favored treatment.

Earlier that day, this reporter had occasion to ask a former high-ranking NSA official about the Woolsey commentary. He said that Woolsey had raised some interesting points, and that “there should be more introspection in Europe about these matters.” The former NSA official further suggested that Woolsey “was trying to make a point about the hypocrisy of some European countries.”

Another allegation which was fleetingly addressed in the House hearing, was the charge that the United States uses British intelligence agencies to circumvent restrictions on surveillance of Americans, or that Britain uses the U.S. and Canadian services to the same purpose. General Hayden said that U.S. agencies are forbidden from asking other countries’ agencies to do what U.S. agencies cannot do themselves. He cited a one-line provision of Executive Order 12333, which reads: “No agency of the Intelligence Community shall participate in or request any person to undertake activities forbidden by this Order.” Hayden did not point out that there are many ways around this provision, some of which were suggested in our April 14 *EIR* article.

During the April 12 hearing, General Hayden went through a legalistic description of what the

authority is for NSA activities, and of the legal restrictions which prohibit spying on “U.S. persons” (a term which refers to U.S. citizens, organizations, or resident aliens), unless there is probable cause to believe that they are agents of a foreign government.

Hayden said that no information is retained about U.S. persons unless legally authorized. If, for example, the NSA is collecting information concerning a person believed to be a foreign target, and it turns out to be a U.S. person, “we have to stop,” Hayden said. “That is no longer a legitimate target.”

If the NSA discovers that it has information about U.S. persons “that has no foreign intelligence value—that is not necessary to understand or assess the foreign intelligence—that information must be destroyed,” Hayden said. He insisted that such information is not retained in any manner.

In that light, it is highly curious why the NSA was found, during the 1980s, to have retained information on Lyndon LaRouche, and U.S. persons and organizations closely associated with him (see box).

## Princess Diana

The question of possible NSA monitoring of the late Princess Diana, or the collection of information concerning her, was also raised during the April 12 hearings. Committee chairman Goss raised the question of whether the “British Royalty” have been the subjects of NSA surveillance—a matter which has been raised by a number of sources, including *EIR* in our April 14 issue.

Goss asked Hayden about such reports, and Hayden answered that foreign intelligence targets who are under surveillance might mention the name of a person in the British royal family, and that this would then be overheard during NSA collection of signals intelligence. But, Hayden stated that this does not mean that the NSA is targeting any member of the royal family. Goss then specifically referenced Princess Diana, but in a very elliptical manner, asking the panel, that if someone (presumably not British or U.S. intelligence) were planning mischief or mayhem against Princess Diana, that would be handled one way by the NSA, and if it were something else that had no significance to

## NSA admitted it has documents on LaRouche

During the lengthy proceedings in the *USA v. Lyndon LaRouche et al.* case in Federal court in Boston during 1986-88, the U.S. government was forced to acknowledge that the NSA had documents in its possession pertaining to either Lyndon LaRouche or to associated individuals and organizations.

During pre-trial proceedings in August 1987, Mary Lawton, who was the head of the Justice Department’s Office of Intelligence Policy and Review (which handles applications for surveillances made to the super-secret Foreign Intelligence Surveillance Court), personally travelled to NSA Headquarters at Fort Meade, Maryland, to examine two classified documents mentioning the Schiller Institute—an organization founded by Helga Zepp-LaRouche three years earlier. In a subsequent affidavit, Lawton described her review of the two documents, which she stated were classified “Top Secret/Codeword,” and “are derived from sensitive intelligence sources and methods of the National Security Agency, an agency within the Department of Defense designated by the President as the Executive Agency of the Government for conducting the communications security and signals intelligence activities of the United States.”

About a month later, NSA sent a courier to the U.S. Justice Department with five more classified documents

mentioning the Schiller Institute. According to a second affidavit by Lawton, she said that the NSA had advised her that the documents were not found previously because of “a computer program malfunction.” Lawton declared again that all the documents were classified to the level of “Top Secret/Codeword,” and were “derived from sensitive intelligence sources and methods of NSA.” And, predictably, the Justice Department said that the documents did not contain any information that was exculpatory (i.e., tending to show the innocence of the defendants), or relevant to the issues of the Boston trial.

During the trial itself, the judge ordered a further “all-agency search” for government documents, after a telex message had been found in Oliver North’s safe by the Iran-Contra independent counsel, Lawrence Walsh. The message, sent to North by Richard Secord, stated that a source “had collected info on LaRouche.” A report later filed by prosecutors, in March 1988, included the following statement with respect to the NSA:

“Prosecutors caused a search to be made of all the files of the National Security Agency for any files which are indexed to any of the defendants, any related individuals, or any of the individuals or organizations mentioned in [one of the defendants’ Freedom of Information Act] FOIA request. . . . This search was completed and the results do not indicate any exculpatory materials.”

In other cases, where an agency had no documents, that was forthrightly stated, so again, this was a clear statement that documents referring to LaRouche, or to individuals and organizations “related” to him, were in fact being maintained by the NSA.

national security, it would be handled another way. The entire exchange was remarkably devoid of any substance.

## U.S. privacy rights

The only dissenting note at the House Intelligence Committee hearing was that raised by Rep. Bob Barr (R-Ga.), regarding privacy of U.S. citizens. Because he is not a member of the Intelligence Committee, Barr appeared briefly as the first witness, preceding the CIA and NSA Directors. Barr stressed that U.S. laws regarding foreign intelligence surveillance were last updated in the late 1970s, and he said that, in light of technological advances, "it is long past due to examine these statutes." He stressed that it is much more difficult today to draw the line between domestic and international intercept activities, because of new technologies.

"While Americans remain solidly in support of a strong foreign intelligence-gathering capability, they are not willing to do so at the expense of their domestic civil liberties," Barr (himself a former CIA officer) stated. The issue of the relationship between foreign intelligence gathering and constitutional domestic law enforcement "demands more than stock answers and boiler plate explanations," he said. Barr promised that the House Government Reform Committee will also take up these issues in future hearings.

# Who is funding the new Jacobins?

by Scott Thompson

According to Metropolitan D.C. Police Chief Charles Ramsay, in his 30 years of policing, he has seen larger demonstrations, but he has never seen any as well-organized as those against the World Trade Organization (WTO) summit in Seattle, on Nov. 30-Dec. 3, 1999, and against the International Monetary Fund (IMF) and World Bank, in Washington, D.C., on April 8-17. Whereas the Seattle protests against the WTO turned, briefly, into riots, trashing and looting, by well-organized "affinity groups" of anarchist and eco-terrorists, the sterling efforts of the Washington Police and allied law enforcement agencies prevented a replay in the nation's capital. Police, throughout the week of planned anti-IMF disruptions, acted pre-emptively, with a minimum use of force, to stymie those among the protesters who entertained the idea of provoking social chaos.

As *EIR* made the point in last week's issue, the appropriate historical referent to these riots was how Lord Shelburne's chief of intelligence for the British Foreign Office, Jeremy Bentham, through the Duke of Orléans (Philippe Egalité), micro-managed the July 14, 1789 Jacobin riots in Paris, even writing the speeches of Marat, Danton, Robespierre, and other leaders of that "Revolution." The purpose of the storming of the Bastille, and the events that followed, was to destroy the pro-Constitutional Monarchy forces, grouped around such friends of the American Revolution as the Marquis de La-Fayette, as well as to install Jacques Necker, who had nearly bankrupted France, as Prime Minister, on behalf of the Jacobin mobs.

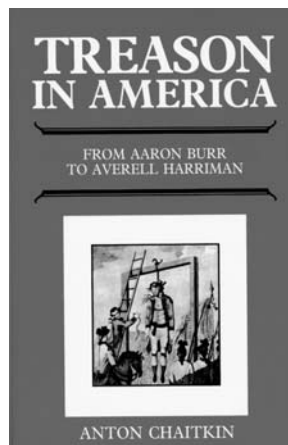
So, the question is: Who were the funders of the April 8-17 foiled riots in Washington, D.C.?

## 'You are going to get a revolution'

**Edward "Teddy" Goldsmith:** This "green billionaire," the British-based brother and heir of the late Sir James Goldsmith, used his money to send a group of rioters to both Seattle and to Washington. Teddy Goldsmith is the "Jeremy Bentham of April 2000," as *EIR* reported. Goldsmith, who launched the Green Party movement in Britain, is the owner of *The Ecologist* magazine, through which he has peddled the "Gaia Thesis," that anyone who breaks the "deep ecology" rules of the "Earth Mother Goddess" is doomed. Both he and his brother funded the Gaia Foundation in London, through which they worked with pagans, including Royal Consort Prince Philip and Prince Charles. Teddy is also the leading

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