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SECRECY & GOVERNMENT BULLETIN

To Challenge Excessive Government Secrecy and
To Promote Public Oversight and Free Exchange
In Science, Technology, Defense, and Intelligence

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Commission on Gov't Secrecy Established

In new legislation, Congress has established a Commission on Protecting and Reducing Government Secrecy. The bi-partisan Commission, proposed by Senator Daniel P. Moynihan, was mandated by the Foreign Relations Authorization Act for FY 1994 and 1995. (H. R. 2333, title IX, sections 901-910). It was signed into law by the President on April 30.

The declared purpose of the Commission is "(1) to examine the implications of the extensive classification of information and to make recommendations to reduce the volume of information classified and thereby to strengthen the protection of legitimately classified information; and (2) to examine and make recommendations concerning current procedures relating to the granting of security clearances."

Over a two year period, the Commission is supposed to conduct "an investigation into all matters in any way related to any legislation, executive order, regulation, practice, or procedures relating to classified information or granting security clearances." Thereafter, it will submit a report to Congress containing its recommendations, "including proposals for new procedures, rules, regulations, or legislation."

The Commission, which will be housed at the State Department, will have a staff of three and a rather hefty budget of \$700,000 per year. It will be composed of twelve Commissioners, to be appointed in a somewhat byzantine procedure by the President, the Senate Majority and Minority leaders, and the House Speaker and Minority leader. Half the members must be non-government employees.

The Commission was first conceived by Senator Moynihan years ago, long before the current frenzy of ostensible reform initiatives. Today, there is little need for further study of the "implications" of excessive secrecy. And the two-year duration of the Commission could provide a new pretext for deferring the corrective actions that are so long overdue.

Nevertheless, the Commission could still serve an important function if it helps to effectively monitor the implementation of the pending executive order, and if it promptly identifies follow-on steps such as modification or elimination of the dysfunctional National Security Act of 1947.

Intelligence Budget Disclosed by Mistake

While the government continues to pretend that the size of the intelligence budget is a secret, the 1994 total budget request for intelligence activities was inadvertently disclosed to the public in a recently published hearing record.

Intelligence spending is subsumed in the budget for Command, Control, Communications and Intelligence

(C3I) programs. In Senate hearings on *DOD Appropriations for FY 1994*, part 3, page 691, the total budget request for C3I programs was deleted from the written testimony on the subject, as is usually the case. However, on page 689 of the same document, government censors overlooked the appearance of the budget request figure in the oral testimony and neglected to delete it: It totalled \$53.5 billion for all C3I programs.

The testimony also helpfully provided the size of the "C3" portion of the C3I request: \$16.0 billion. That leaves a budget request of \$37.5 billion for the intelligence or "I" portion.

"I" here refers to the National Foreign Intelligence Program (NFIP), Tactical Intelligence and Related Programs (TIARA), as well as information technology programs, and counterintelligence and security countermeasures programs. The latter categories are often not included in discussions of "the intelligence budget," which usually refers only to NFIP and TIARA and which totals in the neighborhood of \$28 billion.

This kind of careless mistake might have damaged the credibility of the intelligence budget process, if that were still possible. Otherwise, needless to say, no damage to national security from this disclosure has been identified.

Special Access Oversight Blocked

Rep. Patricia Schroeder, who chairs the House Armed Services Research and Technology Subcommittee, said recently that she had asked the Defense Department for a list of highly classified special access programs (SAPs) along with their costs. "I've been told that this is probably impossible," Schroeder said. (*Defense Daily*, 4/19/94, p. 106). Anita Jones, the Pentagon director of defense research and engineering, claimed that providing the requested list to Chairwoman Schroeder-- whose subcommittee authorizes spending for such programs-- would pose too great a national security threat.

This is grotesque but not surprising. In the special access world the normal provisions of constitutional democracy do not apply and government accountability is considered a subversive idea.

In response to Schroeder's criticism, Jones said the DOD is again revisiting SAP oversight procedures, which it seems to do every few months to no avail. See for example a January 5 letter from then-Under Secretary Perry to Senator Nunn (available from S&GB).

Security Manuals Circulate

A new draft security manual for special access programs (SAPs) is now circulating in the public domain on a samizdat basis. The January 1994 SAP

supplement to the National Industrial Security Program Operating Manual provides a few interesting glimpses into the security-intensive culture of these hyperclassified and largely unaccountable programs (along with lots of innocuous boilerplate).

For example, procedures are mandated to guard against those desperate souls who would poke around in a used laser printer toner cartridge in order to glean information about a particular program. Toner cartridges may be disposed of only "after running 5 pages of randomly generated unclassified text through the machine."

In the category of "off-hook telephone security," the Manual explains: "When a telephone is left unattended during the course of a call (to retrieve a file, for example), others may not realize that the telephone is off-hook and engage in a sensitive conversation, causing the conversations to be transmitted out of the SAPF [SAP facility] on the open telephone line." The recommended solution: put the caller on hold!

Employees are advised that "If the SAP is unacknowledged [i.e. the program's existence is not admitted by the government], there can be no reference to participation in the program in any future applications for security clearances or in a personal resume."

The extravagant security measures employed in these programs have significant financial consequences. Whereas security in "normal" classified programs consumes about 1% of total contractor operating costs, security costs for "special programs" (i.e. SAPs and intelligence programs) "range from 7% to 14% of total operating costs, with one facility manager estimating costs as high as 40% of the total operating costs," according to a December 1993 National Industrial Security Program report.

Some of the more exotic provisions for cover and deception that were described in the first May 1992 draft have been deleted from the latest draft and may have been absorbed into separate DCI Directives.

One memorable technique described in the 1992 draft is what is called "cover music," which means turning up the radio to foil eavesdroppers. "Masking of sound which emanates from a SAP facility discussion area is commonly done by the cover music method. A cover music system employs a tape, disc or record player, an amplifier, and speakers.... To be effective, the masking device must produce sound at a higher volume on the exterior of the SAP facility than the voice conversation within the SAP facility. In some installations, speaker placement may be incorrect, resulting in cover music being played at a relatively high volume inside the SAP facility. This forces persons within the SAP facility to speak loudly in order to be heard over the sound level of the sound cover system [!]. This creates higher sound levels outside of the SAP facility, and defeats the sound cover system," the Manual explained.

An unauthorized release of the National Security Agency Employee's Security Manual (official use only) was posted on internet March 30 in a publication called Phrack, issue no. 45, available at ftp.netsys.com, and was then circulated in various electronic conferences. It is a moderately interesting document and contains a few valuable clues for close students of NSA organizational structure. A related document-- NSA security guidelines for contractors-- is available from S&GB.

Secret Environmental Assessments

The notion of a classified environmental impact statement (EIS) may seem counter-intuitive but it is an established option for certain government agencies. In 1991, for example, even the existence of a 500 page EIS for a nuclear rocket test facility in Nevada was classified. In new draft regulations, the Air Force has expanded and elaborated its guidelines for classifying environmental impact data (*Federal Register*, 4/11/94, at

p. 17068).

"Where the proposed action is classified and 'unavailable' to the public, the Air Force may keep the entire NEPA [National Environmental Policy Act] process classified and protected under the applicable procedures for the classification level pertinent to the particular information," the Air Force draft states.

"If an Environmental Impact Analysis Process document must be classified, the Air Force may modify or eliminate associated requirements for public notice (including publication in the Federal Register) or public involvement in the [process]...."

The Air Force will accept public comments on its new draft regulations through June 10. Further details are provided in the April 11 Federal Register notice.

Bulletin Board

- A major symposium on "**Openness and Secrecy: Establishing Accountability in the Nuclear Age**" will be held at the National Press Club on May 18-19. For details contact the Fund for Constitutional Government at (202)546-3799.
- The Center for Defense Information is offering a videotape of their PBS program on "**Lifting the Veil of Military Secrecy**" which ran last February. The 30 minute video includes an overview of secrecy issues and reform efforts and features "exclusive footage" of the unacknowledged military base at Groom Lake. It is available to S&GB readers at a discounted price of \$19.00 from CDI, 1500 Massachusetts Ave, NW, Washington, DC 20005, tel. (202)862-0700.
- A new Pentagon-sponsored study says that "Secrecy is the most lasting, visible, and destructive feature of the Cold War ethos.... Obsessive secrecy has had the unintended effects of disguising government abuse, obscuring accountability, and engendering public distrust, fear, alienation, and apathy." The study, entitled "**In Search of A Post-Cold War Security Structure**," was written by Professor Gregory D. Foster of the Industrial College of the Armed Forces and published by the Pentagon's National Defense University Institute for National Strategic Studies. Foster poses fundamental questions about the meaning of national security, examines the changing security environment, and provides specific recommendations for reform of the national security bureaucracy. Copies of the study may be requested from the publications directorate at Fort McNair (202-475-1913; ask for McNair Paper 27) or purchased from the U.S. Government Printing Office.
- "Contemporary imaging intelligence satellites are generating roughly an order of magnitude more images each day than was the case throughout most of the Cold War.... Paradoxically, this order-of-magnitude increase in capability has coincided with an order-of-magnitude decrease in high priority targets," notes FAS space policy project director John Pike. In a new paper entitled "**The National Reconnaissance Office: Is There Life After the Cold War?**" Pike examines the NRO and NSA budgets, and reviews current and projected intelligence satellite programs. In view of post-Cold War security requirements, Pike calls for a 50% reduction in the NRO budget, "reduced to the level of spending at the time the Soviet Union invaded Afghanistan." A copy of the 45 page paper is available from FAS for \$5 to cover postage and duplication.

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