President Eases Restrictions On Gathering of Intelligence

By George Lardner Jr.
Washington Post Staff Writer

President Reagan yesterday eased many of the restrictions imposed on U.S. intelligence agencies since the mid-1970s when he signed an executive order that he said is designed "to remove the aura of suspicion and mistrust that can hobble" their work.

The 17-page order, which supplants one signed by President Carter three years ago, authorizes the Central Intelligence Agency to use secret means to collect "significant foreign intelligence" from unsuspecting Americans here and abroad.

It also will allow the agency to mount covert operations in this country if they are designed to support "objectives abroad" and are "not intended" to influence U.S. politics, policies or the news media.

The executive order was issued after months of backstage debate,

punctuated by periodic leaks, about three earlier and more permissive drafts,

In a statement accompanying the order, Reagan said the final decree had been carefully drafted "to maintain the legal protection of all American citizens" while giving the U.S. intelligence community clear guidelines for its work.

"Contrary to a distorted image that emerged during the last decade, there is no inherent conflict between the intelligence community and the rights of our citizens," Reagan declared.

"This is not to say mistakes were never made and that vigilance against abuse is unncessary," he acknowledged. "But an approach that emphasizes suspicion and mistrust of our own intelligence efforts can undermine this nation's ability to confront the increasing challenge of espionage and terrorism."

The order reportedly incorporates at least portions of about 15 of 18 changes recommended this fall by alarmed members of the House and Senate Intelligence committees, but lawmakers and civil libertarians nevertheless issued mixed reviews yesterday.

House Intelligence Committee Chairman Edward P. Boland (D-Mass.) said he is gratified that the order "retreats from the worst departures from the Carter order" that had been proposed in earlier drafts.

Boland said he still is troubled by the provision for collection of "significant foreign intelligence" from American citizens even if they are not suspected of any wrongdoing or of employment by foreign powers. Boland promised close monitoring

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by his committee to guard against

"... The next few years, as the new order is implemented and interpreted, will be important ones for the oversight committees. If we do our job properly, we will be in a position to assure the American people that their rights are being safe-

guarded," Boland said.

Daniel Patrick Moynihan (D-N.Y.), acting chairman of the Senate Intelligence Committee, made a similar point. He said that he feels the order makes it clear that the CIA's mission is abroad but that "there are a very few provisions... which, if misinterpreted or stretched beyond the legitimate intent of their authors, could pose some problems."

The most outspoken criticism came from Rep. Don Edwards (D-Calif.), who said his House Judiciary subcommittee on constitutional rights would open hearings "right

away."

"It's really pretty bad," the former FBI agent protested. "It still puts the CIA smack into secretly operating within the United States . . . and

it permits them to enter into arrangements with state and local police... and Americans overseas are wide open to surveillance, regardless of any connection to foreign governments or criminal activity."

As a result of protests by the Intelligence committees, the White House abandoned a proposal that would have permitted the CIA to infiltrate and to influence purely domestic organizations. But the order would still allow the CIA and other intelligence agencies, aside from the FBI, to infiltrate such organizations for any one of a secret list of purposes to be prescribed by the attorney general.

Under the Carter order, CIA infiltration of domestic organizations was limited to a publicly stated set of purposes including recruitment of agents, development of cover, and undercover participation in technical society meetings not open to the

general public.

Reagan's order also differs from that of Carter in these respects:

 It changes the flat rule requiring the head of the CIA and all other intelligence agencies to report to the attorney general evidence of possible violations of federal law by their employes. Instead, such reports are to be made only when they would not interfere "with the protection of intelligence sources and methods."

It revises the definition of "U.S. persons" whose rights are to be protected. Officials said the safeguards no longer will extend to U.S. corporations "directed and controlled by foreign governments," such as the Soviet trading company, Amtorg.

In addition, because of the short-comings of Immigration and Naturalization Service records, only "known permanent resident aliens" will be considered U.S persons. The safeguards are now supposed to extend to all "permanent resident aliens" whether or not the INS knows about them.

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• It will allow the CIA and other agencies besides the FBI to use surreptitious methods, such as pretext interviews, and informants to collect "significant foreign intelligence" from Americans at home simply because they are believed to possess such information.

It allows Americans abroad to

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be subjected to physical surveillance for the same purpose. The Carter order allowed that only if the person under surveillance was "reasonably believed to be acting on behalf of a foreign power" or met other limited conditions.

In a separate executive order also issued yesterday, 'Reagan reestablished the dormant Intelligence Oversight Board as part of the executive branch and commissioned it to inform him "of intelligence activities that any member of the board believes are in violation of the Constitution or laws of the United States, executive orders or presidential directives."

It is a weaker mandate than that of the old IOB, which was established to alert the president to "any intelligence activities that raise serious questions of legality or propri-

After Reagan issued yesterday's order, White House counselor Edwin Meese III said Reagan disagreed with suggestions that the Carter order could have been left intact, "feeling that the old order was demeaning and unnecessarily restric-

tive toward our intelligence community."

Adm. Bobby Inman, CIA deputy director, said the Carter decree "led to such lengthy procedures that it virtually required a lawyer to decipher them." Richard K. Willard, Justice Department counsel for intelligence policy, called the new rules "shorter, simpler and designed to increase the effectiveness of lawful intelligence practices."

The American Civil Liberties Union said the orders is a welcome retreat in light of "public outrage over previous drafts" and of congressional pressures. ACLU officials Jerry Berman and John Shattuck said, however, that they regard it as "outrageous that important civil lib-

erties protections can be signed away with a stroke of the president's pen."

A coalition of 109 national organizations known as the Campaign for Political Rights protested that disclosure of intelligence agency abuses in the mid-1970s had never produced "adequate restrictions." "The Reagan order is a step backwards," it charged.

Senate Intelligence Committee Chairman Barry Goldwater (R-Ariz.) said he feels the new order strikes a "proper common-sense balance." He said he does not subscribe to "the notion that there are no enemies within the boundaries of our country."