

1st story AP 2/7/75

Project Jennifer: CIA/Hughes - NYTimes 3/14/75 "C.I.A. Link to Hughes Reported
Disclosed by Burglary on Coast, by James Phelan EW 3/25/75

I was not aware that a James Phelan was a Times staffer. It is interesting that one of the same name as the man who was first to debunk Harrison and then was an activist against him during the Shaw trial should write this story and one in which it can be believed there is not the best reporting.

There are questions this story raises.

The police and Hughes officials believed it was an inside job yet there was no police-Hughes cooperation.

The story does not say what a good reporter could have said, that by 6/5/74, time of the robbery of what is said to have led to knowledge of this project, it was not secret that there had been a Hughes-CIA connection. I wrote of it before then.

Woolbright the intermediary vanished but he hadn't vanished, and not getting him is attributed to police understaffing. Would Hughes have been this indifferent with the blackmail demand for \$1,000,000?

The story can be read to say that there was no Hughes-CIA connection prior to that laid out in this one memo said to have been stolen.

When Phelan writes that federal funds were to have been paid the blackmailers, he doesn't even speculate which agency.

Nor is the ultimate coming out of this story as easily attributed to the grand jury proceeding as Phelan says. With all that national security, there need not have been any grand jury on it. And there is no reason to believe the grand jury leaked. There could have been a full trial without disclosure of what was in the stolen papers.

There may be no basis for it, but why ignore the possibility that this was another kind of "inside job," one designed as a defense against the scandalous Hughes-CIA involvements in WG?

I see no reason for disclosure after Feb. 9, when a demand for the money was "confirmed" by a Hughes security agent. But 2/9/75 was a critical time for the CIA. It needed some good p.r. desperately, more than during WG.

Suddenly there has been a campaign around this story to say how great the CIA is, how wrong to emphasize their few minor misdeeds when they are so vital to the national security and do such marvellous things, yet there is no evidence of any benefit from the entire project.

It is doubtful that the code book, if retrieved, could have had the value attributed to it. It appears that the greatest value would have been in writing history through it, by translating all those tapes of intercepts of Russian communications of the dim and altered past. It is certain that the project was not secret from the Russians, as even Mel Laird said. The secrets were withheld from the people here only. So the Russians knew anyway and there was no real secret to give away. This alone would seem to destroy the basis for the whole yarn.

The one visible result is p.r. benefit to the CIA. It also provided a basis for demands that it not be exposed and a means of pressuring those who were supposed to expose it. Pressure against the press.

All this indicates makes Phelan's connection with it much more interesting.