

F.B.I. CHIEF CURBS INTELLIGENCE UNIT IN COMMAND SHIFT

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He Gives Its Responsibility on Domestic Radicals to Investigations Branch

RESPONSE TO CRITICISM

Kelley Plans a New Section to Study Charges Against Agents and Executives
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WASHINGTON, Aug. 11 — Responding to criticism of his agency's domestic intelligence operations, Clarence M. Kelley announced today the most extensive internal reorganization of the Federal Bureau of Investigation since the beginning of World War II.

At a news conference, Mr. Kelley, who is beginning his fourth year as director of the bureau, said that responsibility for the bureau's investigations of domestic radical and terrorist organizations was being transferred from its intelligence division to its general investigations branch, where they would be treated "like all other criminal cases in that division."

Disclosures of illegal and abusive techniques, such as burglaries and disruptive tactics, employed by the intelligence division against such domestic groups, have provoked sharp criticism of the bureau in Congress and elsewhere over the last year and led to the first criminal investigation of the bureau.

Long a Power Center

Mr. Kelley also disclosed in a prepared statement read to reporters that he was merging the bureau's inspection division, Long an independent power center in the bureau's hierarchy, with the management-oriented Office of Planning and Evaluation.

The inspection division, now headed by Harold N. Bassett, an assistant director, recently came under criticism from some Justice Department officials for not thoroughly investigating the possibility that some F.B.I. executives had re-

ceived kickbacks from suppliers.

Mr. Kelley, in what several bureau officials and observers privately termed among the most significant of his initiatives, announced that he would form a professional responsibility section within the bureau to conduct investigations of alleged wrongdoing by agents and executives.

Audience Surprised

One bureau historian said that that step marked the first official recognition by the agency of the need for an independent unit to deal with allegations of misconduct by its employees.

Mr. Kelley also disclosed that the bureau's legal counsel staff, until now an independent division, would be brought into the director's office, in the belief that such a shift would improve the quality of legal advice about, and scrutiny of, the

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bureau's policies and operations.

Mr. Kelley surprised his audience with the announcement that Thomas J. Jenkins, who has been in the bureau for 42 years and is one of its four highest officials, would retire toward the end of this month.

The departure of Mr. Jenkins, who is 63 years old, follows by less than a month Mr. Kelley's dismissal of Nicholas P. Callahan from his post as the bureau's No. 2 official. Mr. Kelley implied today that Mr. Callahan's dismissal was related to the Justice Department's criminal investigations of the bureau, but he cautioned against drawing the inference that Mr. Jenkins's retirement was also related to those investigations.

He pointed out that as soon as he filled Mr. Jenkins's position, every official at F.B.I. headquarters with the rank of assistant director or higher would be his appointee.

Although he again dismissed the notion that his attempts to revitalize the bureau had somehow been thwarted by bureau officials loyal to the memory of J. Edgar Hoover, his predecessor, Mr. Kelley conceded today the existence of "some who harbor a feeling that the good old days during the time that Hoover headed the organization will some day come back."

"They won't," he continued. He said that because of increasing disclosures and scrutiny of the bureau's operations "the sanctuary which we had in those days is no longer there."

Among the reforms made public by Mr. Kelley today was an internal review of the bureau's use of paid and unpaid

informers to gather information in criminal and domestic security cases.

The study group charged with that task was reportedly set up after the disclosure last month that Timothy Redfeare, an informer who reported to the bureau's Denver office, had burglarized the Socialist Workers Party headquarters there last July 7 and passed some of the stolen documents to the bureau.

Mr. Redfeare and at least one Denver F.B.I. agent are being investigated by the Justice Department's civil rights division, which is looking into a number of apparently illegal burglaries carried out by bureau agents within the past five years.

Mr. Kelley said today that inquiry, and a separate Justice Department inquiry into alleged financial irregularities involving some bureau funds had "seriously affected" the morale of "many" bureau employees. But he said that he did not know precisely how many of them would eventually be subjected to what he termed "disciplinary or prosecutive action."

Sources close to the burglary investigation have said that at least one of the individuals who are targets of the inquiry has been granted immunity from prosecution in exchange for his testimony about the bureau's practice of burglarizing homes and offices of radical political groups, but his identity could not be learned.

Many of the burglaries now under investigation occurred in the New York City area in 1972 and 1973 and were carried out by intelligence division agents of the bureau assigned to investigate the Weather Underground Organization, which has taken responsibility for a number of terrorist bombings in those years.

Under the reorganization announced today, the responsibility for investigating groups like the Weather Underground, the American Indian Movement and the Black Panther Party, none of which receive any ostensible direction or support from foreign elements, would shift to the general investigative division.

Under guidelines set up by Attorney General Edward H. Levi earlier this year and reiterated by Mr. Kelley today, such groups would become subjects of investigation only if they were believed to be violating, or about to violate, Federal law in attempting to overthrow the Government by force or in committing a limited number of other offenses.

The practical effect of the shift is the abolition of the internal security section of the intelligence division, which until recently maintained continuing investigations of those and other domestic groups that were not governed by such stringent criteria.

Observers compared the significance of the move, which will considerably narrow the circumstances under which domestic political organizations can come under the bureau's scrutiny, with the establishment by the bureau at the start of World War II of an intelligence apparatus to watch over Nazi spies, Communist sympathizers and other suspected "subversives."

The espionage and counterintelligence section of the intelligence division will remain in existence, bureau sources said today, and will take on responsibility for investigating, under a set of secret guidelines, groups with purported international connections like the American Communist Party and the Palestine Liberation Organization.