

# Investigating the Puzzle Palace: An Interview with James Bamford

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*QUESTION:* Do you consider clandestine intelligence gathering a legitimate activity for a modern nation-state?

*BAMFORD:* I think it is very legitimate; I just think that it should be directed externally. It is unrealistic not to have clandestine activities, though to some extent NSA isn't even really engaged in clandestine collection. Thousands of signals are just falling down outside right now, and all they're doing is putting out a dish and collecting them. There's not really anything clandestine about it. A listening post is a large thing with big antennae that can be seen from the road. It's just technical collection gathering, and I don't think there's anything really wrong with that as long as they're concentrating on foreign countries. We assume foreign countries can do the same thing to the United States. The Soviet Union, I'm sure, has a big listening post in Cuba. I don't see anything wrong with that.

*QUESTION:* In his book, *The Codebreakers*, David Kahn shows that intelligence gathering by nations is as old as civilization. In the nineteenth century, Clausewitz described "intelligence" as the "basis . . . of our own plans and operations" and posited that "unreliable and transient intelligence results in a flimsy structure that can easily collapse and bury us in its ruins." What, in your opinion, is the role of intelligence today?

*BAMFORD:* The role of intelligence is to provide a government with a third eye to see what is going on in places where it can't otherwise see; it has expanded tremendously from thirty years ago when the concentration was on human intelligence. A spy would go to Vladivostok with a camera and photograph a nuclear submarine, for example. Today, the situation has changed entirely. The National Security Agency [NSA] is the largest intelligence agency in the world, with the possible exception of the KGB, and its role is entirely technical. The second largest intelligence agency, in terms of budget, in the United States is probably the National Reconnaissance Office [NRO], which is, again, a technical agency. In 1975, the Senate Intelligence Committee [the Church Committee] said that the CIA represents less than 10 percent of America's intelligence community and that the most influential figure in the American intelligence community

is the director of the NSA. I quote both Helms and Colby in *The Puzzle Palace* as saying that their influence has decreased greatly and that they feel they don't have much influence in intelligence making because most of it comes under the Secretary of Defense. The Secretary of Defense is the major intelligence figure in the country, not the Director of the Central Intelligence Agency, because both the NRO and the NSA come under his jurisdiction.

*QUESTION:* To what degree has the NSA eclipsed the CIA, and what have been the ramifications for the structure of the intelligence community?

*BAMFORD:* The role of intelligence has switched from cloak and dagger to a technical business where people with engineering degrees and optical science degrees, cryptologists and mathematicians, are the major spy people today. Vice-President Mondale once said that the most valuable intelligence for this nation comes from the NSA, and this is true. The CIA was eclipsed a long time ago simply because it is more time-consuming, more expensive and more difficult logistically to send a spy to collect information than it is to have a photo satellite or a SIGINT (signals intelligence) satellite turn its cameras or receivers on once every three revolutions over the country a day. These technical systems are more efficient and more effective, so they have greatly eclipsed the CIA [methods]. The chief repository of the technical systems is the NSA which is why it has eclipsed the CIA.

The CIA is not a technical collection agency; rather, it is the agency responsible for analysis, though even that [functional exclusivity] is diminishing somewhat now. For example, the NSA has a very secret facility called DEFSMAC (Defense Special Missile and Astronautics Center), a joint DIA/NSA (Defense Intelligence Agency/NSA) facility for analyzing Soviet space activities. In Washington, very few people understand or realize the diminished role of the CIA, especially the press corps. With all of their resources, they have never had a decent article on the NSA. But that is their fault — they're not doing their homework. The information has always been there.

*QUESTION:* As your book shows, the U.S. intelligence community has always been decentralized, leading to both competition and duplication of effort. What impact does the decentralization of the intelligence community have on our intelligence gathering activities today?

*BAMFORD:* There is not that much duplication. Each agency gathers a specific type of intelligence. The CIA, leaving aside covert actions, has

human collection responsibilities, so they recruit a Soviet agent or send out a spy. The SIGINT side, which is the NSA, includes eavesdropping, codebreaking and collecting signals from the air. The NRO is responsible for controlling satellite espionage, although the CIA is the recipient of the photo side of satellite intelligence and the NSA is the recipient of the signal side of [satellite] intelligence. The DIA is responsible for military analysis and military intelligence. Their prime espionage people are the American attachés, who are, in essence, military spies. The State Department has an intelligence facility. Most of these functions are fairly well separated and are not duplicated. There is, though, some duplication in analysis. People in various agencies don't have access to intelligence in other agencies unless they have a need to know, so a number of different agencies will analyze the same information to get intelligence out of it. I'd say the situation is a lot better than it was a long time ago.

*QUESTION:* How much control does the Department of Defense retain over the activities of the NSA?

*BAMFORD:* Theoretically, the Secretary of Defense retains total control over the NSA. He is what is called the United States Executive Agent for Signals Intelligence and is head of NSA.<sup>1</sup>

In practice, the director of the NSA controls an awful lot — Bobby Inman looked at it as a demotion to go from the Director of NSA to the Deputy Director of the CIA, so he quit. The Secretary of Defense has very little direct control over the NSA. I interviewed Clark Clifford and he hardly had any contact at all with NSA. It was out there and he supposed it did its job; but there was very little day-to-day contact. There are some lower-level officials in Defense that have more control. The NSA comes under the Assistant Secretary for Research and Development or the Deputy; this Defense liaison changes under different administrations. But the NSA is very autonomous, controlling its own operations almost totally. It only goes to the Secretary of Defense and the Department of Defense for budget control. But for day to day operations, “which targets,” and “where are we going to build our listening posts,” it's pretty much NSA's responsibility, not DOD's.

*QUESTION:* Does the role of the director of the NSA include advising the President?

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1. On July 1, 1948, the United States Communications Intelligence Board promulgated the first charter for the COMINT community, National Security Council Intelligence Directive (NSCID) No. 9 (later NSCID No. 6). NCSIDs function as top-secret bylaws for the intelligence community.

*BAMFORD:* The director of the NSA hardly ever goes in to see the president. The director of the NSA is considered a technician; he is not a presidential briefer. On the other hand, when the director of the CIA or the Secretary of Defense goes in to brief the president, it might be he who does the briefing, but it is the director of the NSA that put the stuff in his briefcase before he went in there. It is the director of NSA who controls the vast amount of the intelligence collection capability. One of the things that the Church Committee said was that the role of the director of Central Intelligence in the intelligence collection of NSA is that of interested critic. He can have some say on the information, but, when it comes down to it, the Secretary of Defense or the director of the NSA decides what is going to be done with the information. The other point is that the numbers of people that the two directors control are entirely different. The director of the NSA controls maybe 65,000 civilians and maybe 45,000 military. That is an enormous number of people.

*QUESTION:* You have indicated that technology has played an important role in the growth of the NSA. Is it true that the NSA tends to stress hardware over human resources in analysis and, if so, why?

*BAMFORD:* Theoretically, under the NSCID [which established the agency], NSA is not supposed to have an analytical capability. It's only supposed to have a collection capability. All analytical activity is supposed to be done by the CIA.

*QUESTION:* Including cryptanalysis?

*BAMFORD:* Well, that's a technicality. NSA can do technical analysis, which means it can break codes and extract intelligence out of its technical collection capabilities. Then it is supposed to go to the CIA where the analysts put the pieces together. If you interview people at the NSA, they are always saying, "we do technical analysis." So they try to keep that straight, but technical analysis in the NSA has expanded quite a bit. They get a ream of information and they've got to pick out what is relevant. They can't send all these hard-copy messages to the CIA; there is a role of human analysis there.

It's just human nature at NSA to stress the technical end. It is easier to go to Congress and say, "we've developed this new satellite system that can pick up Soviet centimeter signals from one point to another," rather than to go to them and say, "we need 'X' amount of money for three hundred more analysts for G-group," or something like that. They increase the amount of collection capability without a corresponding increase on the analytical side.

*QUESTION:* Do important things slip through the NSA because of a lack of coordination with other intelligence agencies?

*BAMFORD:* They slip through for a number of reasons. One of the major problems at NSA is that the emphasis is always on the Soviet Union and communist countries. There are three operational groups at NSA: A-group, which is the Soviet Union and communist satellites; B-group, which is communist Asia, China, North Korea and so forth; and G-group, which is all the rest of the world including the Middle East, the South Atlantic and all the other places where crises occur. At least in the past, the problem has been that they don't have enough money to have enough listening posts in those areas to pick up a lot of good information. So they won't get some key information on the Middle East simply because, when they could have built a new listening post in Cyprus or built better antennae there, the money instead went to listening to a new Soviet circuit from Minsk or Smolensk. The Soviet Union always gets the lion's share of the attention from NSA. The rest of the world gets a lot less, and that is where a lot of the crises occur.

*QUESTION:* What implications does understaffing groups like G-group have for the effectiveness of the intelligence gathering of the NSA?

*BAMFORD:* It means that the Third World is very underwatched. Two of the NSA's most sophisticated listening posts were Tracksmen 1 and 2 in northern Iran, which were turned entirely towards the Soviet Union. As a result, the Iranian crisis came as a surprise to the NSA as well as to everybody else, even though we had our two most sophisticated listening posts there. Theoretically, such posts are not supposed to listen to a host country. We could have still listened to them from Turkey; we have a lot of listening posts there. But none of the Turkish listening posts were directed toward Iran; they were all directed towards the Soviet Union. That's one of the points that the former chief of G-group made. They are always being taken by surprise by these crises that occur everywhere in the world except for the Soviet Union. In the Middle East, Africa or South America, all of these would be surprises because the NSA just didn't have the facilities to do the job they could have done if they had had a little bit more of the money that went to the Soviet targets.

*QUESTION:* How dependent are we on listening posts located in politically sensitive areas like Iran?

*BAMFORD:* One of the problems is that you are really hostage to a host country if you have a valuable listening post there. We were hostage to

Turkey for a long time. Our foreign policy was tremendously affected by the fact that we had some of our key listening posts there; the same was true with Iran. They are trying to get away from that now because of situations, like Iran and Turkey, where an international crisis will come up and you will lose not only the country but also the actual listening post. Not many people realize it, but the first "hostage crisis" in Iran was at one of these listening posts before the embassy in Teheran was ever taken over. Once the revolution occurred, the United States was supposed to close its listening posts there. Well, they secretly kept the listening post going during the transition. At one point, some Iranian minister gave a speech saying: "We have thrown out all the American spy bases." When the Iranians who were helping the Americans maintain these two listening posts heard that statement, they took over the listening posts and the United States had to pay a big ransom to get those Americans released.

So these are some of the problems you have when you are putting listening posts in sensitive areas. What the NSA is trying to do now is to go into what they call "remoting," which means using satellites more extensively and using larger antennae that don't have to be put in such sensitive areas.

To try to make up for the listening post we lost in Iran, we put a new listening post in western China. Those are the facts of life. In order to pick up signals from Soviet missile lift-offs, you need a fairly close listening post. You can get a lot of information from satellites 22,000 miles up in space, but you can't really replace some of those on the ground. The amount of key information — missile throw weight and stuff like that — that they can actually pick up is virtually nonexistent. Now the alternative is to have a low-orbiting satellite, about one hundred miles high, but the problem with that is all the Soviet Union would do is schedule launches for times when the satellite is on the other side of the earth. That is why the NSA needed those listening posts in Iran; they were only seven hundred miles away from one of the major Soviet launching platforms. Who knows what will happen with our relations with China — they might take over the listening post like Iran did.

*QUESTION:* It becomes apparent, then, that in allocating its resources the NSA appears to emphasize hardware capable of surveying the territory of the Soviet Union at the expense of gathering data on the much-troubled Third World. An attempt to remedy this situation was made by building a fleet of eavesdropping ships, but, with the *Pueblo* and *Liberty* disasters, even this approach was aborted. What is the NSA reasoning for this imbalance in focus, and is it wise to skew our data base in this manner?

*BAMFORD:* There was very little coverage of the Third World and that's why they built the eavesdropping ships. Because of the *Liberty* and *Pueblo* disasters, they were abandoned in 1969. At the same time, however, satellite capabilities were becoming better. But there is a definite imbalance, and it's just going back to what I said before — the NSA is going to be caught by surprise time and time again until they put more emphasis on G-group rather than A-group. The Falkland Islands crisis is another example. They didn't have any listening posts down in that area. I think they had sent out a couple of new satellite platforms to pick up signals in that area, but if we'd still had SIGINT ships, it would have been a lot better. We would have had ships sitting two hundred miles from the Falklands picking up the signals.

*QUESTION:* Even if one accepts the primacy of the Soviet target, the question of how best to gather this information remains. You have noted in your book that the Soviets allow almost no communications to slip into the NSA net. Because Third World communications are often more vulnerable to NSA surveillance than those of the Soviet Union, and because Third World countries carry on a great deal of intercourse with the Soviet Union and other communist targets, couldn't it be argued that the NSA is undermining its Soviet intelligence operations by not monitoring the Third World more heavily?

*BAMFORD:* Exactly. These points were made to me when I interviewed the chief of G-group. They do get an awful lot of intelligence on the Soviet Union by intercepting the very unsecured communications of Third World countries. If the Soviet ambassador to Upper Volta is speaking with the Kuwaiti ambassador to Upper Volta, and the Kuwaiti ambassador sends his communications back to Kuwait, the NSA won't get that conversation from a Soviet transmission but probably can get the Kuwaiti version of that conversation in the transmission from Upper Volta to Kuwait. If the NSA did put more emphasis on Third World countries, I think it would get more intelligence. It probably can get some very low-level Soviet communications, such as aircraft communications to bases and so forth. But I don't think that the United States can break the high-level Soviet diplomatic code, the foreign office code.

In a sense, however, it is more complicated to eavesdrop on the Third World than on the Soviet Union. To some extent you can ring the Soviet Union with listening posts in Korea, Japan, Okinawa, Hong Kong (which is British, but the NSA uses the British SIGINT), Turkey, Southeast Asia, to some degree, and Germany. It is much more difficult putting a listening post someplace in Africa. There has been some talk that the

United States has a large listening post in South Africa, which might be true. We used to have one in Ethiopia and we have one in Morocco, but it's difficult to ring Africa or South America. We have listening posts in Panama and the Caribbean, but we can't exactly put one in Buenos Aires or someplace like that; they're large and rather obvious.

*QUESTION:* The size and capabilities of the NSA are enormous. Moreover, you have quoted Senator Frank Church as saying that the tremendous resources of the NSA could "at any time be turned around on the American people and no American would have any privacy left . . ." <sup>2</sup> Despite this statement, isn't it true that the Church Committee never recommended the cessation of covert intelligence activities?

*BAMFORD:* They never recommended doing away with clandestine intelligence collection; they just recommended that more restraints be put on it and that the NSA be given a charter. The CIA has had a charter, the National Security Act, since its birth in 1947. The NSA to this day does not have a charter; the Church Committee's recommendation was never implemented.

*QUESTION:* Morton Halperin feels Congress does not want to know about covert activities. Do you agree?

*BAMFORD:* Yes, that has been true in the past, especially prior to 1975. Congress feels that it doesn't have a need to know when it comes to intelligence, particularly the NSA's signals intelligence, because it always had this very mystical aura about it which is not really that present with the CIA. The NSA tries to instill the spirit in Congress — at least they have in the past — that if you look too deeply into the NSA you might accidentally make known the American code. It's just this mystic feeling about the NSA; Congress doesn't know about it or has never even heard of it.

*QUESTION:* Your book might be regarded as a product of the Freedom of Information Act. What do you think the international ramifications of unveiling the NSA will be?

*BAMFORD:* The book contains a great deal of information and it will be very informative to the American public, yet it doesn't give away any

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2. James Bamford, *The Puzzle Palace: A Report on America's Most Secret Agency* (Boston: Houghton-Mifflin, 1982), p. 4.

core secrets. I don't think that anything in the book will be major news to the Soviet Union. Almost all of the operations that I talk about, if not all of the operations, are no longer in existence.

*QUESTION:* You reveal to the public that communications are picked up relatively easily. Is that a potential problem for the NSA?

*BAMFORD:* I'm sure that [issue] is one of the things about my book that bothers the NSA most, but the problem is that the people who should be the NSA's targets, foreign governments, have no illusions about their communications being intercepted. The Soviet Union has a satellite, with a resolution of six inches, that flies over the United States several times a day. There is no way that they are not seeing those 105-foot dishes down there; I'm sure they watched them being built. It is no secret to the Soviet Union.

I think the American public should know that their communications can be intercepted. The Federal Intelligence Surveillance Act says that the NSA can intercept international communications. I don't think that I, as a citizen, have any obligation to let the United States intercept my communications. Or, if it does, if it can intercept my communications legally, at least I should be able to know about it.

*QUESTION:* Does the Foreign Intelligence Surveillance Act effectively balance the interests of privacy and secrecy?

*BAMFORD:* Well, I think it was a good effort, but I don't think it really succeeded. It's a very complicated law and it has too many loopholes. In addition, a number of words are left undefined in the statute. For instance, it doesn't define the word "acquisition." It is left to the NSA to define it, in a top secret document, and the NSA has defined it with a lot of caveats. First, it has to be information acquired by the National Security Agency through electromagnetic means. Therefore, if the information was not acquired by the National Security Agency, then it's not "acquired." Further, it isn't "acquired information" until it is in a form suitable for human inspection. So entire streams of communications can be run through a computer, and that's not acquiring information. It is just a stream of bytes or signals. Only when it becomes a printed page or something flashed onto a CRT screen is it an "acquired" piece of information.

*QUESTION:* Former Director of Central Intelligence William Colby has stated that the standard of secrecy for intelligence gathering should be the protection of sources. Do you agree?

*BAMFORD:* I'd just have to know a little bit more about the basis for that statement. Obviously that should be one of the standards. I think, though, that a lot of times what one person or group thinks is secret isn't really secret at all. People have made a big deal about the fact that I list a lot of the American listening posts in the book. I found most of my information in the Wellesley College Library in the Audubon Telephone Directory, which is sent to every government office and every government repository. It's not a secret.

*QUESTION:* But perhaps it ought to have been secret. How do we measure what should be secret as opposed to what, in fact, is?

*BAMFORD:* I couldn't really answer that. All I'm saying is that the information I obtained for the book was information that was in the public domain, and I therefore assumed it wasn't secret. There's an argument for not having, for example, lists of listening posts, but you're not really hiding anything. You're only hiding them from the American public, not from foreign governments. If you're in Edzell, Scotland, you can't miss seeing an enormous Wullenweber antenna or a 105-foot staellite dish run by the Naval Security Group.

*QUESTION:* Does the Freedom of Information Act increase the vulnerability of our intelligence sources?

*BAMFORD:* Only if the intelligence agencies don't do their job right. There is enough leeway in the Freedom of Information Act to allow them to hold back any sensitive information or any classified information. The Justice Department spent ten months, for example, going over the documents that were released to me and they deleted an awful lot of information. If they do their job right, there is no problem.

*QUESTION:* Could the Freedom of Information Act have a freezing effect on potential foreign sources of information?

*BAMFORD:* Among the exceptions to the Freedom of Information Act is one which deals with information provided by foreign governments. All the United States has to do is tell foreign governments that their information is excluded from the Freedom of Information Act.

Foreign sources talk to us because we have more information than they have and we give them better information than they give us. One of the arguments used with me was that some of the information released to me

related to British intelligence gathering, and if it were revealed the British wouldn't want to deal with us anymore. That's nonsense. The British relied on us during the Falkland Islands crisis. Both countries have an interest in maintaining the relationship. The United States has the listening posts and the satellites. We are the ones that provide the intelligence. If other countries don't want it, then that is too bad. You can't throw away the Freedom of Information Act just because of that.