

WASHINGTON POST

MAY 1977

### Whitlam Calls for Probe

## CIA Role in Australia Hit

By Peter Costigan

Special to The Washington Post

CANBERRA, Australia, May 4—Former Australian Prime Minister Gough Whitlam said today that while he was in office the American CIA involved Australia in various political activities without his knowledge.

Whitlam, who called in Parliament last night for a government investigation of CIA activities in Australia, said that the U.S. intelligence agency used Australian agents "as proxies for the CIA in destabilizing the Chilean government . . . We put a prompt end to that."

The Labor Party leader also said the agency had interfered in Australian politics and union activities and had deceived conservative as well as Labor governments.

[In Washington, a spokesman for the CIA said the agency had no comment on the allegations.]

Whitlam, who had strained relations with the United States, said that while

he was prime minister, the CIA tried to frustrate the Labor government by encouraging Australian trade unions to block the departure of Russian violinist George Ermolenko.

Ermolenko, traveling in Australia with a group of Soviet musicians, had applied for asylum. After the Whitlam government allowed Soviet embassy officials to talk to Ermolenko, the violinist withdrew his request for asylum and said he wanted to return to the Soviet Union.

The CIA, according to Whitlam, stirred up unions at Perth airport "to ground any aircraft taking Ermolenko out of the country." He said that "in this case, the CIA was deliberately trying to frustrate a humanitarian endeavor of the Australian foreign minister."

"The U.S. government had not told the Australian government that it was trying to do so," Whitlam said. "You cannot have the foreign policy of any country taken over by the intelligence service of another country."

See AUSTRALIA, A21, Col. 1

# Whitlam Asks Probe Of CIA in Australia

AUSTRALIA, From A1

The Whitlam government eventually flew Ermolenko back to the Soviet Union in an Australian air force plane.

In late 1975, Whitlam, in an unprecedented move, was dismissed from office by Australia's governor general after a financial scandal within his government prompted the opposition to block action in Parliament on budget legislation.

At the time, Whitlam and others accused the CIA of channelling money to the conservative opposition parties, now the ruling parties, but the most recent attacks on the CIA were touched off by testimony in Los Angeles at the espionage trial of Christopher Boyce, 23, a security clerk at TRW Inc.

Boyce was convicted of spying for the Soviet Union and, in his trial, testified that while he worked at a TRW-CIA communications office, he had seen evidence that the CIA was deceiving the Whitlam government.

Prime Minister Malcolm Fraser responded today to Whitlam's call for an investigation by saying, "I do not believe there is evidence at the moment that requires further action on the part of the government."

By tradition, Australian prime ministers (including Whitlam during his three years in power) have refused to discuss matters relating to national security and intelligence. No prime minister was ever publicly acknowledged the existence of Australia's counterpart to the CIA, called the Australian Security and Intelligence Service, which has reciprocal links with the CIA.

Central to the CIA debate in Australia is a secret installation covering four square miles of desert just outside Alice Springs in central Australia.

It is called Pine Gap and is officially operated as a "joint defense space research facility" by the Australian Department of Defense and the Advanced Research Projects Agency, an agency of the Pentagon.

Much of what happens at Pine Gap is still secret. It is known that one of its major functions is to receive and transmit to Washington information gained from the U.S. spy satellites watching the area north of Indian Ocean—including China and parts of the Soviet Union.

The Sydney Sun this week quoted former CIA agent Victor Marchetti as claiming that Pine Gap also has the capability to monitor all telephone and teletype messages into and out of Australia.

The agreement under which the five-year-old base was built was negotiated between the United States and Fraser's predecessors in the conservative coalition governments of Liberal and National Country parties.

The left wing of the Labor Party and most of the powerful leftist unions in Australia opposed the agreement.

Whitlam supported Pine Gap and early in 1975 managed to win a close vote at his party's policy-making conference endorsing its continued existence.

It was not until late October 1975, however, that it became known here that Pine Gap was a CIA and not a Pentagon installation.

It was reported then that the officer in charge of Pine Gap when it was under construction from 1966 to 1968—Richard Lee Stallings—was a CIA agent and not a Pentagon employee. An Australian newspaper, the Financial Review, identified Stallings and Whitlam referred to him, though not by name, in a speech in November 1975.

Although the intelligence-sharing agreement between the two countries required each to inform the other of its intelligence agents operating in the other's territory, the list the CIA gave Whitlam did not mention Stallings.

Large elements of the Labor Party believe that the CIA did not trust the Whitlam government and deliberately deceived it.

The years Whitlam was prime minister were marked by strain between the Australian and U.S. governments.

Whitlam's first act on becoming prime minister in 1972 was to withdraw Australian military forces from Vietnam. Australia had been fighting there alongside American troops since 1965. Personal relations between him and President Nixon became strained in early 1973 when he wrote a letter to Nixon strongly condemning the bombing of Hanoi.

Whitlam forced a meeting with Nixon in July, 1973 only after he declared publicly here that he would go to Washington whether or not the president saw him.

On Nov. 10, 1975—the day before Whitlam was removed—a message reportedly was sent from Washington to the headquarters of the Australian Security Intelligence Organization. The message, from the organization liaison officer in Washington, said the CIA feared that continued reference in Australia to the CIA could "blow the lid off those installations in Australia... particularly the installation at Alice Springs."

Sources close to the Australian intelligence community have now disclosed that a very senior official in the Australian Defense Department also briefed Governor General John R. Kerr about the CIA's anxiety in the days immediately preceding Kerr's decision to remove Whitlam.

There has never been a provable connection between the CIA's concern about Pine Gap and Kerr's unprecedented action in removing Whitlam. Early in his career, Kerr is known to have been part of an Australian World War II group conducting special intelligence.