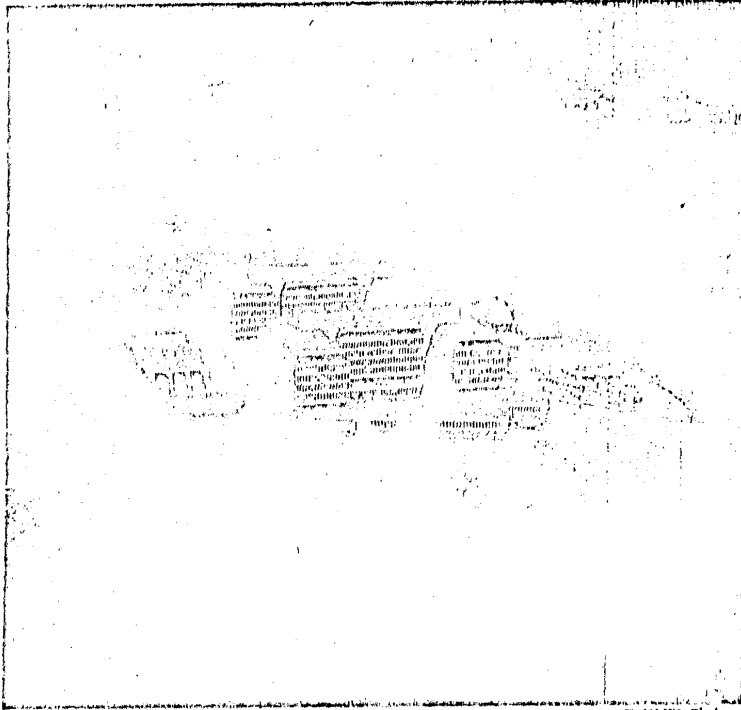


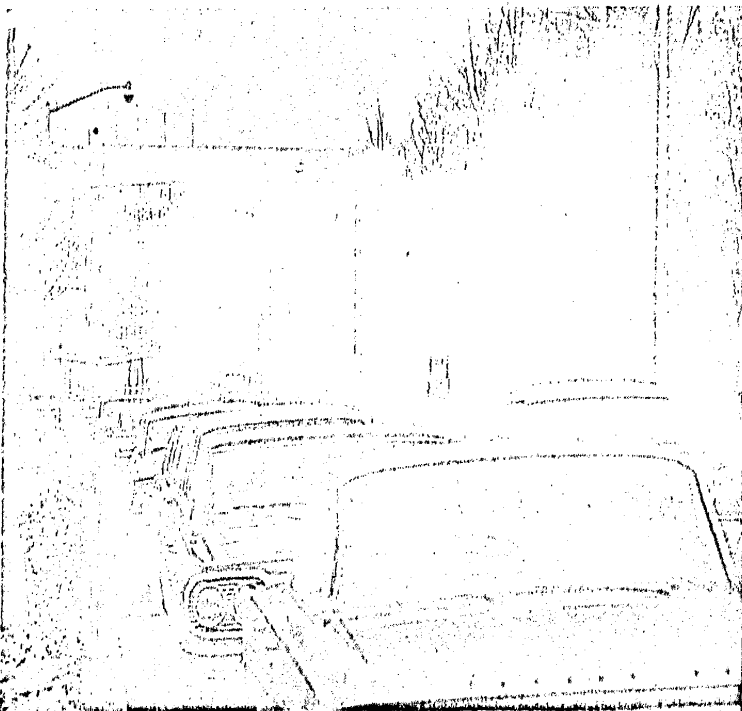
WATCHING THE CIA AT WORK

AROUND THE WORLD



—USN&WR Photos

Headquarters of Central Intelligence Agency near Washington, D. C. Co-ordinated here is information important to U. S. security, gathered from sources throughout the world. The agency's budget is secret. One estimate: a billion dollars a year.



CIA employes head homeward at end of day's work.

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Behind the latest hassle over Central Intelligence is a record of careful, nerve-racking—and highly secret—operations designed to keep the United States ahead of its adversaries.

A report on CIA in action—

The most secret organization in the U. S. Government—the Central Intelligence Agency—is being subjected again to the glare of publicity.

It all results from the furor over disclosures of CIA undercover dealings with student groups, foundations and labor unions. This was part of the agency's worldwide efforts to counter the clandestine operations of Communists and other enemies of the U. S.

On February 23, President Johnson endorsed a finding that the CIA acted under long-established national policy in secretly subsidizing the National Student Association and other groups and that the actions were approved at highest levels of the Government.

What CIA really is. The storm is one of many the CIA has weathered in its 20 years as a massive intelligence network. It has raised new questions about what the CIA is, the scope and sweep of its secret missions, the way it works and how it is controlled.

The nerve center of the CIA is a huge headquarters building at Langley, Va., a few miles from the White House, but its activities extend to every continent.

One indispensable product of the CIA's global machinery is placed in the hands of President Johnson early each morning. It is a crisp, terse intelligence report on important things that go on behind the scenes around the world.

Underlying that daily report—on everything from nuclear developments in Red China to military moves in Russia and political plots in Asia or Africa—are the activities of thousands of people.

But the CIA is not just an intelligence-gathering agency. It has "action missions" as well. Many of its operations are known only to senior policy officers of the Government. The CIA is under over-all control of the National Security Council. Its budget is secret. One "educated guess" puts the figure at a billion dollars a year.

To get a revealing picture of what the CIA really does and how it functions, members of the International Staff of "U. S. News & World Report" were asked to send dispatches based on close personal observation.

From those dispatches comes the information that follows:

Vietnam mission. In Vietnam, for example, the CIA has had a vital role for more than a decade. At a time when a U. S. military presence was precluded, the CIA stepped in, trained and armed counterinsurgency groups.

The CIA organized Montagnards—tough mountain tribesmen—into effective anti-Communist units to seal off the passes and block Red supply lines from Laos and Cambodia.

An antiguerrilla training camp set up by the CIA at Vung Tau on the southern coast of South Vietnam was turned into a school for "pacification teams" to work with villagers in areas wrested from the Viet Cong. The CIA still supervises "pacification" training.

Much of the "grass roots" political reporting in Vietnam comes from the CIA. The physical dangers in collecting such information make it unwise, U. S. officials say, to use anyone but a trained intelligence agent capable of coping with perilous situations.

"The striped-pants diplomat simply does not belong in some of these places," an American official commented.

CIA specialists in "dirty tricks" are advisers to the Vietnamese police. These specialists know how to counter the kind of terrorism used by the Viet Cong.

Saigon is saturated with Red agents. They infiltrate political and religious groups, labor organizations, universities. They spark subversion and sabotage. The U. S. Government must know what they are up to. The CIA is a main instrument for finding out.

The CIA subsidizes an airline—Air America—that makes flights in Vietnam and Laos. It drops food and ammunition to anti-Communist guerrillas behind Red lines in Laos, supplies neutralist forces along the Laotian-Vietnamese border and provides a link with remote areas of South Vietnam.

Data from China. On Taiwan, another CIA subsidiary—Western Enterprises—helped train Chinese Nationalists for espionage and commando raids on the mainland of Red China. A large CIA unit on Taiwan obtains and coordinates intelligence from Nationalist Chinese sources.

The CIA sponsors Nationalist Chinese U-2 "spy planes" which make regular reconnaissance flights over Red China.

In Hong Kong, the CIA supports a number of Chinese intelligence groups which have their own sources of in-

formation from inside China. In Japan, the CIA had the job of training Japanese counterintelligence units during and after the Korean War, and still works closely with the Japanese police.

From a British intelligence specialist in London comes this comment:

"The CIA knows more about what is happening in China today than any other intelligence organization, including Russia's."

Co-operation with Britain. American intelligence officials in Britain meet regularly with their British counterparts to exchange information about Communist activities around the world.

The British point out that their own intelligence agencies have one advantage over the CIA in that they are immune to publicity.

Britain's Official Secrets Act forbids any disclosure of intelligence activities, and newspapers are subject to a form of "voluntary" censorship. Actions by British intelligence that might cause controversy go unpublicized.

Some British intelligence officials complain that Anglo-American collaboration has been less intimate in the last few years than it was previously. These officials say that this results from a "cooler attitude" by the CIA, based on a feeling that U. S. intelligence gave the British considerably more than was received in return.

Britain's spending on intelligence amounts to less than 30 million dollars a year—small potatoes compared with U. S. expenditures.

Intelligence experts in Britain say that they can understand the CIA's use of student and other organizations to counter intensive Communist political warfare. The British and most other European governments openly subsidize student groups attending international conferences.

The European hub. Germany is the main center of CIA operations in Europe. It is in West Germany that basic information on what is happening in the Soviet Union and Eastern Europe is compiled.

Overt—as well as covert—activities of the CIA abound in West Germany.

More than 50 persons in the U. S. Embassy at Bonn are clearly identifiable as being on the CIA payroll. A CIA communications center of similar size is located at Frankfurt. These units concentrate on evaluation of information which flows in through normal channels.

At the same time, the CIA carries on undercover work through contacts in Eastern Europe. Also, a number of CIA operatives perform counterintelligence jobs inside Germany.

The CIA works hand in glove with



CIA—ONLY A PART OF BIG U. S. INTELLIGENCE NETWORK

Nine separate agencies gather intelligence for the Government on a full-time basis. They are:

CIA—Central Intelligence Agency: collects and evaluates all types of intelligence—from other agencies as well as its own. Also carries on undercover operations.

FBI—Federal Bureau of Investigation: is charged with the internal security of U. S., handles counter-intelligence, espionage and sabotage in this country.

NSA—National Security Agency: specializes in codes and communications—codes and decodes messages, breaks foreign codes.

I&R—Intelligence and Research of State Department: deals principally with political and economic studies abroad.

AEC—Atomic Energy Commission: collects nuclear data, detects tests of other nations.

DIA—Defense Intelligence Agency: assesses military capabilities of other nations, correlates Army, Navy and Air Force intelligence.

AFNIN—Air Force Intelligence: concentrates on foreign air power and space activities, assesses potential bombing targets.

G2—Army Intelligence: concentrates on foreign land forces, weapons and military plans.

ONI—Office of Naval Intelligence: concentrates on foreign naval forces and their movements.

USIB—Representatives of all these nine agencies sit in a top-level group called the U. S. Intelligence Board, which meets at least once a week and provides the President with national intelligence estimates. This board is headed by the Director of the CIA.

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the BND, the West German intelligence service, which is under the direction of Gen. Reinhard Gehlen, one of the world's "master spies." General Gehlen spent the early postwar years on the American payroll, but later switched to the West German Government.

The CIA's newly bared policy of subsidizing trips of U. S. college students to international student conventions drew cynical comment from West German intelligence experts who have recruited students to keep an eye on Communist agents in universities.

"Lousy agents." Said one "old pro" in Berlin:

"We've found that students these days make lousy agents. At the first opportunity, they try to sell a 'spy story' to some newspaper. We are better off without them."

German experts agree that the need for covert operations by the CIA in Europe is undiminished—that Communist penetration of all kinds of organizations continues unabated.

Latin America is an important area of activity for the CIA—which was saddled by some critics with much of the blame for the Bay of Pigs debacle in Fidel Castro's Cuba in 1961.

The CIA divides nations of Latin America into three categories—friendly, neutral and hostile. At present, Cuba is the only country rated as hostile.

As the missile crisis in 1962 showed, Cuba has the capability of becoming an active threat to U. S. security. Brazil was rated as hostile just before its 1964 revolution. Haiti would be so rated, but it is too weak to be considered a threat.

An informed source had this to say about some results of CIA espionage and counterespionage in Latin America:

"It was the CIA which found out how Castro trains and returns guerrillas

to Latin America. It was the CIA which discovered the extent of Red infiltration in Brazil under the Goulart Government. It was the CIA which got the facts on how the Russians were using Uruguay as their spy base for the entire continent of South America."

The same source made this comment on the caliber of CIA agents:

"In many places in South America, CIA men seem definitely superior to State Department men in their coverage and political insight. They dig deeper into such things as student movements and labor groups.

"Many of the CIA men are ex-Marines, tough and dedicated. Many others are ex-lawyers or professors. As a group, they seem clearly a notch above U. S. diplomatic personnel in basic intelligence and in ability to evaluate what is going on. They have a better command of Spanish or Portuguese.

"I have reason to believe that the CIA has alerted the U. S. Government to more than one explosive situation in Latin America so that necessary action was taken at the right time."

How "fronts" are used. To counter Communist-supported agitators who dominate student groups in most Latin-American universities, the CIA—working through "fronts"—sponsors scholarships and other means of support for students who keep tabs on troublemakers.

Also, the CIA finances anti-Communist activities within labor unions. The Reds, it is pointed out, control some unions outright in such countries as Peru, Argentina, Bolivia and Chile. The Communist aim is to use labor unions as bases of political influence in the Red attempt to undermine U. S. interests in Latin America.

Mexico is regarded as a very important point in the CIA network. The reason is plain. The Communist world has in Mexico a considerable portion of its



—USN&WR Photo

Richard Helms, CIA Director, supervises the huge agency's worldwide operations.

Western Hemisphere apparatus for espionage and subversion.

Dozens of Soviet agents in Mexico are assigned to spy against the United States. Others are responsible for Russian espionage in Latin-American nations to the south with which Moscow has no diplomatic relations. Counterespionage—keeping posted on what Soviet spies are doing—is a big part of the CIA's work in Mexico.

Because Mexico City's airport is a main Latin-American gateway in and out of Communist Cuba, it is a frontline station for the CIA, whose agents there carefully and systematically monitor all traffic to and from Cuba.

The CIA identifies and reports on U. S. Communists who go to Mexico to meet their Soviet contacts. The Federal Bureau of Investigation, responsible for internal security, has made it dangerous for Red spies to meet inside the U. S.

Routine CIA counterespionage uncovered a visit to Mexico by Lee Harvey Oswald before the assassination of President John F. Kennedy.

The CIA says that it immediately sent Oswald's photograph to the FBI and the State Department with the information that Oswald was in touch with the Russian and Cuban embassies in Mexico City and was considered dangerous.

An unruffled attitude. CIA people, assured of President Johnson's backing, say that they are accustomed to controversy and unworried by the latest flurry.

The present Director of the CIA, Richard Helms, is the third man to hold that job in the last six years.

Mr. Helms is the first CIA Director to come up through the ranks of the agency. He has seen it become the biggest and most far-ranging intelligence organization in the world. And he has had a key role in what Secretary of State Dean Rusk described, at another time when the CIA was under fire, as "a tough struggle going on in the back alleys all over the world."

Young Americans march in parade of Moscow World Youth Festival. Secretly channeled CIA funds financed attendance of some U. S. students at such events.

—UPI Photo

