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Governmental Affairs

NEW YORK TIMES
3 July 1973

Colby Says He Would Curb C.I.A. in U.S. and Abroad

By JOHN W. FINNEY
Special to The New York Times

WASHINGTON, July 2 — William E. Colby said today that as Director of Central Intelligence he would insist that the Central Intelligence Agency refrain from domestic investigations and curb its involvement in secret wars overseas.

Testifying before the Senate Armed Services Committee on his nomination to be the new C.I.A. chief, Mr. Colby acknowledged that the congressional intent embodied in the 1947 law creating the agency had probably been violated when the agency was directed in 1964 to support a secret war in Laos.

He also said that the agency had made a mistake in providing equipment that was used by E. Howard Hunt Jr., a Watergate conspirator, in the 1971 burglary of the office of Daniel Ellsberg's phychiatrist.

Symington Convinced

Mr. Colby, who is the deputy C.I.A. director for operations—the agency's division for covert operations—was questioned for nearly two hours in open session by Senator Stuart Symington, the acting committee chairman and the only Senator present for the hearing in the Senate Caucus Room, the scene of the Watergate hearings.

Never before has a nominee for C.I.A. director been so cross-examine in public on the policies he believes his largely secret agency should follow. The net result was that Mr. Colby took several policy positions that reassured Senator Symington, who announced at the conclusion that he would enthusiastically support the nomination.

As a member of the Senate Foreign Relations Committee, Mr. Symington first exposed the way the C.I.A. was supporting an irregular army of meo tribesmen and Thai solders in Laos. Mr. Colby gave the senator assurances that it was "very unlikely" that the agency would get involved in such activities again. He explained that the agency had been drawn into Laos at the direction of the National Security Council because it was supposed to be a covert operation in which the United States could not be officially involved. The difficulty with such operations, he said, is that they get so big that they are no longer covert.

The Laotian operation was undertaken under a provision of the National Security Act of 1947 authorizing the C.I.A. to "perform such other functions and duties affecting national security as the National Security Council may direct."

'President's Army' Denied

Somewhat reluctantly, Mr. Colby provided a guarded insight into such operations by explaining that they were ordered by a special security council committee known as the "40 committee" and presently headed by Henry A. Kissinger, the President's national security adviser.

Mr. Colby took exception to a Symington characterization that under this provision the C.I.A. was being turned into "the king's men, the President's army. But he acknowledged that such operations diverted the agency from what he said should be its "primary focus" of foreign intelligence gathering.

Mr. Colby was not asked directly whether he had personally been involved in discussions between the White House and the agency on assistance to Hunt or on covering up the Watergate investigation. But indirectly the Watergate affair came up as Mr. Colby was asked whether he believed the agency should engage in such domestic activities as drawing up "psychological profiles" of American citizens or supplying espionage equipment for domestic investigations.

Mr. Colby took the position that the agency had no business in domestic intelligence activities, a principle that he said he planned to "reinforce very vigorously." He also said he was "quite prepared" to leave the top job if ordered to do something he regarded as illegal.

Mr. Colby's arrival as the new director is awaited with some anticipation in the C.I.A. ranks demoralized by the personnel reductions made by his predecessor, James R. Schlesinger, particularly in the operations divisions. But Mr. Colby said he intended to continue the "personnel pruning" that in the past four months has reduced the agency's strength by 7 or 8 per cent.

Unless the rising personnel costs are curbed, he explained, the agency faces on eventual situation where it will have "all personnel and no programs."

As in previous Congressional testimony, Mr. Colby denied that the Phoneix program of political pacification in South Vietnam, which he headed for three years, was an "assassination program."

The purpose of the program, he said, was to held South Vietnam ferret out the leaders of the Communist "apparatus" directing a program of subversion and guerrilla warfare. Of the some 20,000 persons killed in the process, he said, 87 per cent were by military forces and "only 12 per cent" by South Vietnamese police forces.

WASHINGTON POST
3 July 1973

Colby Hedges Assurance

New CIA Head Vows To Shun 'Watergates'

By Laurence Stern
Washington Post Staff Writer

William E. Colby, President Nixon's choice to head the Central Intelligence Agency, gave Congress a carefully hedged assurance yesterday that he would keep the agency out of domestic affairs and Watergate-type involvements.

He appeared before the Senate Armed Services Committee in open session — a rare if not unprecedented occurrence for the operating head of the CIA—to testify on his nomination.

Acting Committee Chairman Stuart Symington (D-Mo.) was the only member on hand for what was billed as an examination "in depth" of the CIA's operations and policies.

Colby breezed through 90 minutes of prevailingly friendly questioning by Symington. Colby's wife and three children were on hand for the ceremonial interrogation.

He acknowledged that the CIA had erred in authorizing the preparation of a psychiatric profile of Daniel Ellsberg and in providing cameras, tape recorders and "safe house" facilities to Watergate conspirators E. Howard Hunt and G. Gordon Liddy.

But Colby said he could not rule out the future preparation of psychiatric profiles on American citizens or the providing of agency facilities and equipment to White House employees.

"I can envision a situation in which it would be appropriate for the agency to help a White House official without its coming to public notice," said Colby.

The underlying concern expressed by Symington was the degree to which Colby would sanction CIA activities directed against American citizens in areas of domestic operation.

Colby, a clandestine operative for most of his 22 years in the CIA, reiterated the claim made by former director Richard M. Helms that the agency's activities are not targeted against American citizens.

He told Symington, however, that there were some requirements for CIA operations within the United States: maintaining its Langley headquarters, recruiting and investigating its own employees, maintaining contacts with "a large number of American firms" for overseas information, and interviewing U.S. citizens for information they may have on foreign operations.

The United States, he also noted, is a base for the collection of foreign intelligence. It is sometimes necessary, said Colby, for agents "to appear not as CIA employees but as representatives of some other entity."

Under the agency's charter, the 1947 National Security Act, it is stated that "the Agency shall have no police, subpoena, law-enforcement powers or internal security functions" in the United States.

But the 1947 statute contained a loophole which has served as a charter for special foreign and domestic operations. It says that the agency shall "perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

Colby himself cited this language yesterday as the basis for the CIA's conduct of the war in Laos, in which the agency organized and managed a clandestine guerrilla army of some 30,000 Meo tribesmen and also provided aerial support services.

"The initiation of CIA activity in Laos was a matter that did require the use of intelligence techniques . . . It was important that the U.S. not be officially involved in the war," Colby explained to Symington.

At this point Symington bridled, saying the agency's role in Laos "has done nothing to enhance the reputation of the CIA."

Colby answered that the agency was following national policy in Laos. With the present thrust of policy, he said, the United States is unlikely to become involved

THE EVENING STAR and DAILY NEWS
Washington, D. C., Tuesday, July 10, 1973

Colby Hints CIA Greek Coup Link

By Oswald Johnston
Star-News Staff Writer

SYMINGTON: At any time has Mr. Papadopoulos been an agent for the CIA?

COLBY: He has not been an agent. He has been an official for the Greek government at various times, and in those periods from time to time we worked with him in his official capacity.

The persistent and widespread assumption by many critics of American policy towards Greece that the Central Intelligence Agency was involved in the military coup there has been given unexpected backing by one of the CIA's most experienced career spies.

He is William E. Colby, President Nixon's nominee to head the CIA Colby denied during his Senate confirmation hearing last week that the agency actually engineered the 1967 coup.

But his subsequent admission that the agency had "worked with" the leading colonel in the military regime, George Papadopoulos, is being interpreted by knowledgeable observers at the first formal admission by a U.S. official of the extensive contacts the CIA had developed with Papadopoulos before the coup took place.

During his testimony, Colby promised to give the Senate Armed Services committee further details in executive session. Further testimony has been scheduled for today, at a closed hearing in which it is understood Colby will be asked about the CIA budget and other unresolved questions involving the agency's authority as well as the Greek question.

During last week's hearing, Colby also promised to discuss in secret the shadowy Forty Committee, the high-level agency, chaired by Henry A. Kissinger, through which the president transmits authorization for clandestine CIA operations abroad.

MUCH OF the relationship between the CIA and the Greek colonels has leaked out in bits and pieces in the years since the coup.

Papadopoulos, a former intelligence officer according to his official biography, is known to have been a key official in KYP, the Greek intelligence bureau, which during the pre-coup period reportedly got direct subsidies from CIA operatives in Athens.

The question of direct cash payments to Papadopoulos also was raised at Colby's hearing by Sen. Stuart Symington, D-Mo., acting Armed Services Committee chairman and the sole senator present at the session.

Colby, who claimed to have "researched" the question of any CIA-coup connection after a widely publicized news report in the London Observer repeating anew the charges of CIA complicity with the colonels, was unable to make a direct denial.

"I cannot answer that one, Mr. Chairman, for sure," Colby admitted. "I just do not know. I do not believe we did personally. I can say that we did not pay him personally, I am sure."

TAKEN with Colby's veiled admission of CIA contacts with Papadopoulos "from time to time . . . in his official capacity," that response is interpreted as tantamount to an open acknowledgement of CIA subsidies of the KYP.

In the view of one knowledgeable former CIA operative who has kept close tabs on the agency, Colby's testimony on this point clearly implies close and continuing cooperation between the CIA and Greek intelligence during the years before the coup.

The testimony accordingly gives further weight to the theory, never proved but firmly believed by many responsible critics of U.S. support of the Athens regime, that Washington fully expected — and tacitly encouraged — a right-wing royalist coup in the spring of 1967 to forestall the expected electoral victory of the mildly leftist Center Union party of George Papandreou.

According to this reading of the situation, the coup was expected to have been carried out, with support of King Constantine, by the Greek military establishment.

The theory further holds that Papadopoulos, through his intelligence contacts, got wind of the plan and staged a pe-emptive coup of his own with the backing of anti-royalist extreme right-wing colleagues in the Greek armed forces.

The little that is known about CIA operations in Athens before the coup supports this thesis, and Colby's recent admissions support it further.

THE CIA station chief in Athens from 1952 to the end of 1967 was John M. Maury, now the agency's official in charge of congressional relations. In the recollection of Amercians knowledgeable in the workings of the U.S. Embassy in Athens at the time, where Maury was listed as a first secretary, his main task was to keep up the close relations that existed between U.S. policy and The Royal palace.

The presence of Andreas Papandreou, the premier's son, in the government as the minister in charge of internal security affairs heightened U.S. displeasure with the first left-leaning government in Athens since the early 1950s. The younger Papandreou, who has since become a vociferous exponent of the theory that the CIA engineered the 1967 coup, moved early on to cut off the direct CIA subsidy to the KYP.

It is an open secret that Washington firmly sided with the King in his politically debilitating struggle with the Papandreou government a struggle that early finally led to governmental paralysis and set the stage for the coup.

In such a large-scale clandestine role.

"A covert operation can't be a very big one," Colby assured. "It stops being covert when it gets very big. The Bay of Pigs is an example of that."

Colby invited Congress to amend the CIA's charter by adding the word "foreign" before the word intelligence in the 1947 act to provide a further safeguard against intrusion in the domestic sector. Such a change would not, however, cancel the agency's role in special operations decreed by the National Security Council.

Since the disclosure of efforts, both successful and unsuccessful, to involve the CIA in Watergate-related affairs, there have been widespread demands on Capitol Hill for a thorough review of the agency's operations. Concern was focused most urgently on the question of whether the CIA has been operating, contrary to its charter, in domestic matters —as in the Ellsberg profile case.

If he were ordered to carry out what he considered an improper activity for the CIA, Colby assured Symington, he would quit.

At the outset of the hearing Colby was asked to comment on a story that appeared in The Observer of London which charged that the CIA engineered the 1967 coup by the Greek junta. Colby replied that the agency did not "engineer" the coup but that he could not conclusively answer whether or not Greek President-designate George Papadopoulos was ever on the CIA payroll. "We worked with him from time to time in his official capacity," said Colby.

Sitting beside Colby in the hearing room was John Maury, the CIA's congressional liaison man, who was the agency's station chief in Athens when the coup was staged. Maury was not asked for his recollections.

The New York Times Magazine/July 1, 1973

Dark side up

Colby of C.I.A.—C.I.A. of Colby

By David Wise

A few weeks ago, a Norwegian who had served in the anti-Nazi underground saw a newspaper photograph and thought he recognized an American O.S.S. officer he had worked with during the war and had known only as "No. 96."

The photograph was that of William Egan Colby, 53, a career covert operator for the Central Intelligence Agency, and chief of its supersecret Directorate of Operations, sometimes known as the "Department of Dirty Tricks." As part of the high-level game of musical chairs touched off by Watergate, President Nixon had just named Bill Colby to be head of the C.I.A.

And there is an interesting fact about Colby in the files at C.I.A. headquarters in Langley, Va. His official C.I.A. biography relates that he served in the O.S.S. during World War II and contains this sentence: "Shortly before the end of the war in 1945, he led a team dropped in northern Norway to destroy a rail line used for transporting German reinforcements." The Norwegian man who read about Colby's appointment and thought he recognized his picture got in touch through an intermediary with an American woman who lives in Kensington, Md., and who is a close friend of the Colbys, particularly of Colby's wife, Barbara. Could the woman find out whether Colby was his old comrade in arms, No. 96?

"I tried to find out," the woman in Kensington told me. "And I'm still trying. Bill wouldn't say, and Barbara doesn't know, or at least she *says* she doesn't know."

The story illustrates something about Colby that should not be entirely surprising in a man who has spent most of his adult life as—well—a spy. A State Department official who had worked with Colby in Vietnam put it this way: "He's soft-spoken, with a casual style. He has a forthright manner, but there's also a private Bill Colby. He's a very private person."

Indeed, there are really two Bill Colbys; given his covert background there would almost have to be. There is William Egan Colby, the quiet, young "Foreign Service officer" in the American Embassy in Stockholm and Rome in the nineteen-fifties, who was simultaneously William Egan Colby of the C.I.A., an up-and-coming "black" (that is, secret) operator working in the C.I.A.'s Clandestine Services under State Department cover. Later, there was Bill Colby in Saigon in 1959, listed in the official Biographic Register of the Department of State as a "political officer," and later as "first secretary" of the embassy. In fact, he became Saigon station chief for "the Agency" during this period. Then, in 1962, he turned up at Langley as chief of the Far East Division of C.I.A.'s covert side.

There was Bill Colby back in Vietnam again in 1968, heading the "pacification" program, building roads and schools and performing good works. There was also Bill Colby who supervised the Phoenix program, designed to "neutralize" the Vietcong, which its critics have charged was a program of systematic assassination, murder and torture—an accusation that Colby has vigorously denied, under oath. According to figures Colby provided to a House subcommittee in 1971, however, the Phoenix program killed 20,587 persons between 1968 and May, 1971. That's right: 20,587.

Now there is Bill Colby in 1973, a devoted family man, a good husband and father of four children, a devout Roman Catholic who regularly attends mass at the Little Flower Roman Catholic Church in Bethesda, Md., and who lives in an unpretentious white-brick house in Springfield, Md., a Washington suburb that is not as fancy as, say, Chevy Chase. *Bill Colby? Why, he was neighborhood chairman of the Boy Scouts.*

"Bill's always been involved in the Boy Scouts," his wife said. Had he actually been one? "He was a Boy Scout in China when his father was assigned there as an Army officer."

It is a long way from the Boy Scouts to the C.I.A.'s Directorate of Operations, a euphemism that encompasses "dirty tricks," although perhaps there are some similarities, too, if one is to judge by the activities and style of E. Howard Hunt Jr., the most famous recent graduate (if he did graduate) of the C.I.A.'s covert division.

As the agency's Deputy Director for Operations, Colby—when tapped by Nixon to be C.I.A. chief—was the man directly in charge of America's global espionage and dirty tricks. C.I.A. is a bivalve; one half, the Directorate of Operations, collects information and engages in secret political operations. These are the spooks. The other half, the Directorate of Intelligence, staffed by scholarly types, analyzes what comes in. Colby's counterpart there was Edward W. Proctor, an economist.

It is the operations directorate, the cloak-and-dagger side, where Colby has spent his entire C.I.A. career, that on occasion overthrows governments, bankrolls foreign political parties and guerrilla movements, has subsidized foundations in the United States, and, so it is rumored, has even engaged in the assassination of foreign political leaders. It is covert political operations that have gotten C.I.A. into hot water over the years, from the Bay of Pigs to the "technical support" provided to the burglars of Daniel Ellsberg's psychiatrist. The Directorate of Operations is the foreign political-action and espionage arm of the United States Government; until this year, it was known as the Directorate of Plans. Colby, of course, is not that "demmed elusive" Scarlet Pimpernel; he has chiefly dealt with Vietnam during the past 15 years, and as Deputy Director of Operations for only three months, he can hardly be held accountable for everything that the Department of Dirty Tricks has been up to since 1948. The C.I.A. was created by Congress in 1947, but secret political action was not approved by the National Security Council until the following year. Since then, the operations directorate has, among other things:

- Air-dropped agents into Communist China in in the early nineteen-fifties. Two C.I.A. agents captured in 1952, Richard G. Fecteau and John T. Downey, have now been released; Downey was freed by Peking in March after more than 20 years in Chinese prisons.
- Overthrown the Government of Premier Mohammed Mossadegh of Iran in 1953, thereby keeping the Shah on his throne. Not accidentally, when Nixon replaced Richard Helms as C.I.A. di-

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rector in December, 1972, he sent him out as his Ambassador to Iran, one of the few countries in the world where a former C.I.A. chief could comfortably serve as ambassador.

● Toppled the Communist-dominated Government of President Jacobo Arbenz in Guatemala in 1954.

● Attempted, unsuccessfully, to overthrow President Sukarno in Indonesia in 1958 with C.I.A. pilots and B-26 bombers. One of the C.I.A. pilots, Allan Lawrence Pope, was captured, imprisoned, and later released through the intervention of Robert F. Kennedy.

● Flown high-altitude U-2 spy planes over the Soviet Union to photograph strategic missiles, an operation that came to a crashing halt when C.I.A. pilot Francis Gary Powers was shot down on May 1, 1960. A summit meeting in Paris between President Eisenhower and Soviet Premier Nikita S. Khrushchev collapsed after the U-2 affair.

● Invaded Cuba at the Bay of Pigs in 1961 with a brigade of Cuban exiles in an attempt to overthrow Fidel Castro. Nearly 300 Cubans and four American pilots flying for the C.I.A. died and some 1,200 men were captured. It was the Kennedy Administration's worst disaster.

● Set up a secret base at Camp Hale, 10,000 feet high in the Rocky Mountains of Colorado, where Tibetans were trained to return home and fight against Communist China. The operation, begun in 1958, almost surfaced in December, 1961, when armed troops protecting the C.I.A.'s Tibetans roughed up some civilians at gunpoint.

● Advised and worked closely with the generals who staged a coup against President Ngo Dinh Diem of South Vietnam in 1963. (While there is no evidence that President Kennedy or the C.I.A. expected Diem to be killed, on this point, Gen. Maxwell D. Taylor has declared: ". . . the execution of a coup is not like organizing a tea party; it's a very dangerous business. So I didn't think we had any right to be surprised when—when Diem and his brother were murdered.")

● Spent tens of thousands of dollars—some reports say millions—in Chile in 1964 to elect Eduardo Frei, the Christian Democratic candidate over Marxist candidate Salvador Allende. Negotiated with I.T.T., and made some unsuccessful efforts to prevent Allende from becoming President in 1970.

● Trained and supported a secret army in Laos of at least 30,000 men—a figure acknowledged by the C.I.A. in August, 1971—at a cost of more than $300-million a year.

● Subsidized the National Student Association, the nation's largest student group, and many other business, labor, church, university and cultural organizations through dozens of willing foundation conduits—a scandal that erupted in 1967.

● Provided Watergate star E. Howard Hunt Jr. with his famous red wig (invariably described in the press as "ill-fitting"), his miniature Tessina camera in a tobacco pouch, his false credentials and "a speech alteration device," which, according to those who have seen it, resembles a set of dentures. The equipment was provided by the Technical Services Division of the C.I.A., and the C.I.A. claims it had no idea that Hunt would use it to burglarize the office of Ellsberg's psychiatrist.

This listing of accomplishments is necessarily incomplete, both for reasons of space and because the directorate's work is not always well-publicized. The Directorate of Operations does not covet publicity, except about feats like the Berlin Tunnel, which enabled the C.I.A. to wiretap conversations in 1955 between Moscow and the headquarters in East Germany of the Russian Army and the K.G.B., the Soviet secret intelligence organization.

But the list could also include C.I.A. operations in Albania, Singapore, the Congo, Vietnam, Egypt and several other places. The C.I.A.'s black operators helped to spirit Svetlana Alliluyeva out of India, and, according to former agent Patrick J. McGarvey, they stole the Soviet sputnik for three hours while it was on a world tour, dismantled it, photographed it and put it back together without the Russians finding out.

The operations directorate is no small-beer enterprise: It has its own air force in Indochina, known as Air America; it had its own navy during the Bay of Pigs (five ships leased from the Garcia Line Corporation in Manhattan); it has had its own radio stations (Radio Free Europe and Radio Swan, to mention two of the better-known ones), and it does a bit of book publishing on the side. For example, the publishing firm of Frederick A. Praeger said in 1967 it had published "15 or 16 books" at the suggestion of the C.I.A.

Under James R. Schlesinger, who succeeded Helms as C.I.A. head (and under Helms as well), word was put out in Washington that the C.I.A. was trimming down its covert political operations. The human spy is being replaced by reconnaissance satellites, electronic intercepts and technology. Black operations are no longer very important, or so it is said. As a result, Nixon's designation of Colby to a post requiring Senate confirmation raises the question of whether a career clandestine operator is the appropriate choice to head the C.I.A. at a time when—so it is claimed—covert political action is becoming a less significant tool of American foreign policy. The Director of Central Intelligence wears two hats. He is director of the C.I.A. (at $42,500 a year) but he is also chairman of the board and coordinator of *all* United States intelligence agencies, including the Pentagon's powerful Defense Intelligence Agency, the F.B.I. and the ultrasecret National Security Agency, which eavesdrops on worldwide communications and makes and breaks codes. The purpose of this vast intelligence "community" is to provide the President with the information and assessments he needs to make foreign-policy decisions. The Director of Central Intelligence basically serves as a manager and analyst. One of his most important functions is to interpret intelligence to estimate the course of future events. These are responsibilities that do not necessarily require skill in clandestine political operations.

Another question might be asked about whether Colby, who has himself figured at least peripherally in the Watergate investigations, is the proper man to head the C.I.A. at a time when the C.I.A. itself—and particularly its covert side—has been ensnared in various aspects of Watergate. The C.I.A.'s entanglements are complex and varied, but they include the fact that both Howard Hunt and James W. McCord Jr. worked for the C.I.A. for more than 20 years; that the Cubans caught inside Democratic National Committee offices in the Watergate building also have ties to C.I.A.; that Frank Sturgis, one of those arrested in the Watergate, had C.I.A. credentials that had belonged to Hunt in the name of "Edward V. Hamilton"; that the C.I.A. provided the disguises and equipment used in the burglary of Dan Ellsberg's doctor's office; that the C.I.A. prepared a "psychiatric profile" of Ellsberg—and, finally, the disputed accounts of how the White House sought to enlist the C.I.A. in the Watergate cover-up.

Colby's name first cropped up, virtually unnoticed, in the Watergate investigation on May 15 when Senator Stuart Symington issued a long statement about various conversations among the C.I.A.'s Deputy Director, Lieut. Gen. Vernon A. Walters, Helms, H. R. Haldeman, John Ehrlichman and Patrick Gray. Walters has claimed the White House wanted him to block the F.B.I. investigation of the Watergate burglary and of the campaign funds laundered in Mexico, on the grounds that the investigation would compromise C.I.A. operations in Mexico. Symington summarized Walters's testimony on this point. Symington also said Walters had testified that in February, 1973, John Dean called C.I.A. Director James Schlesinger and asked whether the

C.I.A. could retrieve a "package" of documents from the F.B.I. The documents spelled out, in embarrassing detail, the espionage equipment given to Hunt and used in the Ellsberg break-in in 1971. "He [Walters] testified that he, Mr. Colby and Dr. Schlesinger discussed the matter and agreed there was no way this could be done," Symington declared. Colby, in other words, by this account, sat in on a top-level C.I.A. meeting at which it was considered whether the agency's duties might extend to snatching back a package of incriminating documents from the F.B.I., at the behest of the White House. Walters testified that the C.I.A. would not play.

That seemed to be a relatively marginal involvement of Bill Colby, but two weeks later, a little disagreement developed between Gen. Robert E. Cushman Jr., former Deputy Director of the C.I.A., and John Ehrlichman, concerning just who had asked the C.I.A. to provide Howard Hunt with that wig and camera before the Ellsberg burglary.

In a sworn affidavit executed on May 11, General Cushman, who left the C.I.A. at the end of 1971 to become Marine Corps Commandant, said that "about July 7, 1971, Mr. John Ehrlichman of the White House called me and stated that Howard Hunt . . . would come to see me and request assistance which Mr. Ehrlichman requested that I give." But on May 30, Ehrlichman said he could remember making no such telephone call to Cushman. He did not, Ehrlichman said, have even "the faintest recollection" of placing the call.

General Cushman, who served for four years as Vice President Richard M. Nixon's national security aide, then held a press conference on May 31 to announce that minutes of a high-level C.I.A. meeting on July 8, 1971, showed that he had specifically named Ehrlichman as having called on Hunt's behalf the day before. In December, 1972, Cushman explained, Earl J. Silbert, the Watergate prosecutor, asked if he would be kind enough to write a memo describing just how Howard Hunt had come to his attention. In the memo, Cushman fingered Ehrlichman. Here things get a little fuzzy, but Cushman said at his press conference that he *sent the memo to John Ehrlichman*, which seemed an odd route to get it to Silbert, who had asked for it in the first place. Moreover, Cushman said he sent the memo to Ehrlichman at the suggestion of an official of the C.I.A.

Cushman's office said it had a tape recording of the press conference, but parts were not clear, and they could provide only an unofficial transcript. But this transcript includes the following questions and answers:

Q. And the C.I.A. suggested to you that you first submit that memo to Mr. Ehrlichman?

A. I think yes, but I don't know why. You'll have to ask them [unintelligible]. . . .

Q. Did you at any time communicate directly with the prosecutor?

A. I don't think I've ever talked to the prosecutor, no.

Q. So you submitted the paper work for the prosecutor through Mr. Ehrlichman?

A. I think I did. . . .

Q. Who in the agency suggested that you submit the memo to Mr. Ehrlichman?

A. Mr. Colby, as I recall.

Q. Bill Colby?

A. Yes.

Cushman said Ehrlichman asked him to tear up the memo because he, Ehrlichman, did not recall making the phone call about Hunt. Since his own memory was hazy, Cushman said (he had apparently not yet discovered the minutes of the July 8 meeting) he and Ehrlichman agreed that it would "not be very fair" to name Ehrlichman in the memo. Cushman said he agreed to write another memo, which he did, omitting Ehrlichman's name.

Perhaps the most troublesome, recurring problem in Bill Colby's long career, however, is the Phoenix program, which keeps rising, Phoenix-like, to haunt him. If there are two Bill Colbys, it is also true that there were two pacification programs in Vietnam. The very word "pacification," of course, has rather ominous, Orwellian overtones. It is part of the loathsome jargon of the Vietnam war—a war that did violence to the English language, as well as to human beings. Phoenix flapped into Colby's life through the window of "pacification."

The link to both programs was Robert W. Komer, a former C.I.A. man (from the Intelligence side) whom Lyndon Johnson sent to Vietnam in May, 1967, to head up the pacification effort. Komer is a voluble Colby booster.

"I caught a rare tropical disease in Vietnam," Komer says, "so I started looking around for the ablest American I could find to replace me." As a special assistant to Johnson in the White House, Komer had been impressed with Colby during their frequent contacts in 1966, when Colby was the C.I.A.'s top covert official in Washington for the Far East.

On a trip back from Saigon in November, 1967, Komer related, "L.B.J. kept asking me, 'What do you want? What do you need?' I said I wanted a deputy in Saigon. 'Who do you want?' Johnson asked. I said, 'Mr. President, I have my eye on a fellow named Bill Colby.'"

As Komer tells it, Johnson picked up the telephone and called Walt W. Rostow, his assistant for national security.

"Call Helms," he barked at Rostow, "and get some guy named Colby for Komer."

Komer adds: "The next thing I heard was Dick Helms blowing a fuse. Helms was really p——— off. I don't blame him. The first he had heard about it was Rostow calling for the President. But Dick calmed down later."

Until he was suddenly tapped for Vietnam, Colby, it was whispered in the cloakrooms of Langley, was slated for the hottest clandestine field job of all—station chief in Moscow. In the operations directorate, that post is the major leagues; a C.I.A. agent putting his head in the bear's mouth, as it were, operating in the very midst of the Committee for State Security, the Komitet Gosudarstvennoi Bezopasnosti, the K.G.B.! Colby must have thought he was going, because his kids bought him a fur hat.

It was of little use in Saigon. Colby had broken an ankle ice-skating on the canal that runs along the Potomac, but by March, 1968, after the Tet offensive, he was in Saigon as Komer's deputy in CORDS, the over-all pacification program for South Vietnam. In November of that year, Colby took over the top job; Komer was dispatched as ambassador to Turkey.

One of Colby's former deputies in the pacification program said — gagging only slightly over the phrase—that it was designed "to win the hearts and minds of the people." The task was, of course, enormously complicated by the fact that American planes and troops were simultaneously destroying the country. But, said the aide, "we had a road program, a village improvement program, health programs, agriculture — we brought in new strains of rice." Perhaps significantly, however, Colby, as head of CORDS, reported to the military, to Gen. Creighton Abrams, not to Ambassador Ellsworth Bunker.

Phoenix, the other face of pacification, was also under Colby. It had begun in its earlier stages as a C.I.A. operation, and it was a joint United States-South Vietnamese program designed to identify and then "neutralize" the Vietcong "infrastructure." The enemy was "neutralized" by being killed, jailed, or "rallied," a word that meant persuaded to defect. During Colby's period with the pacification program, 28,978 persons were captured or jailed, 17,717 "rallied" and 20,587 killed, according to the figures Colby provided in 1971 to the House Foreign Operations and Government Information Subcommittee, headed by Rep. William S. Moorhead. Earlier, in February, 1970, Colby had tried to explain Phoenix to the Senate Foreign Relations Committee. Chairman J. W. Fulbright asked whether captured Vietcong were "executed," prompting the following exchange:

MR. COLBY: Well, let me say they are not legally executed, no . . . Now, I would not want to say here that none has ever actually been executed, but . . . the Government's policy and its directives are that these people when captured are placed in detention centers. . . .

SENATOR CASE: This is not properly then defined in fact as a counterterror operation?

MR. COLBY: No, it is not, Senator.

SENATOR CASE: You swear to that by everything holy. You have already taken your oath?

MR. COLBY: I have taken my oath.

A bit later, Colby told the Senators: ". . . I would not want to testify that nobody was killed wrongly or executed in this kind of a program. I think it has probably happened, unfortunately."

The following year, in testifying to the Moorhead subcommittee, Colby said that "the Phoenix program is not a program of assassination." The Vietcong, he said, were killed as members of military units, "or while fighting off arrest," although there had been "some unjustifiable abuses."

But one witness, K. Barton Osborn, a former military-

intelligence agent, told the subcommittee that suspects caught by Phoenix were interrogated in airborne helicopters. Some prisoners, he said, were pushed out, to persuade the more important suspects to talk. He said he had been on two such flights and saw two prisoners killed by being thrown out the door. Interrogations in Vietnam, the witness testified, also included "the use of electronic gear such as sealed telephones attached to the genitals of both the women's vagina and the men's testicles, and [the interrogators] wind the mechanism and create an electrical charge and shock them into submission."

Osborn also described other interrogations, which he said he had personally witnessed: "The use of the insertion of the 6-inch dowel into the . . . canal of one of my detainees' ears and the tapping through the brain until he died." The witness also said a U.S. Army captain shot and killed a Chinese woman who had been working as Osborn's interpreter. According to Osborn's testimony, the officer said "that the woman was only a 'slope' anyway, and it doesn't matter."

Osborn declined to name any individuals who had been involved in these alleged episodes. The Pentagon investigated his charges and submitted a classified report to the Moorhead subcommittee discounting the testimony. Staff members of the House panel were astonished to find that the document said Pentagon investigators could find no records of a Chinese woman killed during the time period Osborn described. "Do you really think," a staff member asked one of the Pentagon officials, "that an American Army officer who shot a civilian under these circumstances would report it?"

A central point of controversy over Phoenix is whether Vietcong were killed during capture, as Colby has sworn, or during subsequent torture and interrogation. Robert Komer says that "90 per cent of the Vietcong infrastructure were killed in fire fights by the South Vietnamese military, in normal combat operations. Ten per cent were killed by police and the P.R.U. [Provincial Reconnaissance Units]." How many were killed under interrogation? "I would say relatively few. It must have been way under the 10 per cent figure," Komer replied. "The number killed by torture would be very, very little."

A second point in dispute is whether suspected members of the Vietcong were killed resisting arrest, as Colby testified, or whether substantial numbers were simply shot on the spot as soon as they were found, as Osborn has charged. In a recent interview, Osborn called Phoenix "an indiscriminate murder program."

Certainly there is evidence that Phoenix claimed some innocent victims. During Colby's testimony to the House subcommittee, Representative Ogden R. Reid of New York asked whether persons captured had the right to counsel. No, said Colby, they did not. Then it was a "kangaroo trial"? Colby replied that the interrogation procedure "probably meets the technicalities of international law but it certainly does not meet our concepts of due process." Then this exchange occurred:

MR. REID: My question is: Are you certain that we know a member of the VCI [Vietcong infrastructure] from a loyal member of the South Vietnam citizenry?

AMBASSADOR COLBY: No, Mr. Congressman, I am not.

Congressman Reid observed that "... there is the possibility that someone will be captured, sentenced or killed who has been improperly placed on a list." Colby did not disagree; he said he would like to see the legal procedures improved because "I do not think they meet the standards I would like to see applied to Americans today."

Some months ago, Osborn and a few other former intelligence agents formed the Committee for Action/Research on the Intelligence Community. CARIC opposed Colby's designation as C.I.A. chief, calling his rise within the intelligence agency "nothing more than rewards for his having been the C.I.A.'s apologist for Phoenix to Congress." In language considerably less polite than that used by members of the Moorhead committee, CARIC's statement added: "Mr. Colby's professional qualifications as a mass murderer are not in question here; his appointment to a powerful Government position is."

While charges of torture in the Phoenix program remain unproved, a directive issued in May, 1970, to Phoenix personnel indicates that Phoenix was not for the squeamish. The directive, signed by Maj. Gen. W. G. Dolvin, emphasized the "desirability of obtaining these target individuals alive" and contained the peculiar phraseology that American personnel were "specifically unauthorized to engage in assassinations." However, the directive said, *"if an individual finds the police-type activities of the Phoenix program repugnant to him,* on his application, he can be reassigned from the program. . . ." (Italics added.)

Two Bill Colbys and two pacification programs. Not one of Colby's friends or neighbors, or even his critics on the Hill, would, in their wildest imagination, conceive of Bill Colby attaching electric wires to a man's genitals and *personally* turning the crank. *"Not Bill Colby. . . . He's a Princeton man!"*

But at the House hearings, Congressman Paul N. McCloskey Jr. kept asking niggling, Nuremberg-type questions. "How far up in the command structure does the intelligence-collection procedure—how far up in the command structure is the torture, the brutality, the assassinations fully known to those in command and in charge of completing the mission? Does it go up to the captains, the majors, the colonels, the generals, the Ambassador?"

These are very difficult questions, and by mid-1971, Colby no longer had to deal with them in Vietnam. He came back to Washington, in part, friends say, to be with his seriously ill daughter, Catherine, who died this April at the age of 23. Colby was named Executive Director of the C.I.A. by Dick Helms early in 1972, and became head of the operations directorate under Schlesinger a year later.

"Bill behaves in a calculatingly colorless manner," one covert operator who worked with him for years said. "It's the way he chooses to deal with the world."

One former agent, Patrick McGarvey, ruefully concedes that he experienced firsthand just how unobtrusive Colby can be. McGarvey was working in the Saigon station. "This guy walks in. An innocent-looking little man with glasses. Mr. Peepers. He asked us what we do. 'Christ,' I said, 'we spend eight hours a day trying to figure that out.' He sat down and we talked about an hour and a half. I really vent my spleen. I bitched about all the Mickey Mouse detail. Then he says, 'By the way, my name's Bill Colby.'" At the time, 1964, Colby was chief of the C.I.A.'s Far East division, and there were, McGarvey said, "quite a few reverberations." (Later, McGarvey quit the agency and wrote a book, "C.I.A.: The Myth and the Madness," which he submitted for clearance and which the agency, after some deletions, permitted to be published.)

Most officials who have known Colby, not only in the C.I.A., give him very high marks as a person, and for his professional abilities. Some, however, criticize him as an inflexible cold warrior, frozen in attitudes learned in more than two decades as a spook. By all accounts, he was a true believer in American policy in Vietnam. (Although not in every detail; associates who served with him in the C.I.A.'s "black" Far East division in the early nineteen-sixties say that he opposed the coup against Diem and considered it a mistake.) One former covert agent complained that Colby was "an adequate technician but not in a class with Allen Dulles and Bedell Smith. The agent added that C.I.A. personnel were fairly dancing with delight when Schlesinger left, "but I wonder if Bill Colby is getting in over his head."

Other associates strongly defend Colby as a persuasive, articulate bureaucrat who inspires personal loyalty in his subordinates. Although a graduate of Princeton and Columbia Law School, Colby, unlike many of the Old Boys who have traditionally dominated the higher echelons of the C.I.A., does not come from a wealthy, upper-class background. He is not, as they say, "St. Grottlesex"—he did not attend one of the prestigious Eastern prep schools. Rather, he went to high school in Burlington, Vt.

His wife, the former Barbara Heinzen, is a short, outgoing brunette who shares her husband's Catholic faith. Very unassuming, no airs, but a well-educated, sophisticated woman. Their oldest son, John, 26, is married, has worked for Henry Kissinger on the staff of the National Security Council and, as a classmate at Princeton of Edward Finch Cox, was a groomsman at Tricia Nixon's White House wedding in 1971. The Colbys have three other children, Carl, 22, Paul, 17, and Christine, 13.

Colby is the third chief of

"Dirty Tricks" to be named head of the C.I.A. — the two others being Allen Dulles and Helms. Dulles was put in charge of spying and covert action in 1951. He was succeeded by the late Frank G. Wisner, a tall, Mississippi-born, dedicated cold-war operator who ran the coup in Guatemala. Wisner was followed by Richard M. Bissell, one of the fathers of the U-2 program and chief planner of the Bay of Pigs invasion. Beached after that, Bissell was succeeded by Helms. After President Johnson named Helms C.I.A. director in 1966, Desmond FitzGerald took over the plans directorate. He died in 1967 and was succeeded by the "blackest" and least-known of the operations directors, Thomas Hercules Karamessines, a New Yorker and Columbia graduate who served in the O.S.S. and worked for the C.I.A. in Athens, Vienna and Rome under embassy cover. "Tom K.," as he is known among the operators, was retired last March in the Schlesinger shakeout, along with several other big-name spooks, like Bronson Tweedy and Archibald B. Roosevelt Jr., both former London station chiefs. Very prestigious station, London, and Cord Meyer Jr. has been selected for the post. That's fine, of course, for Cord Meyer, but not so fine for some of the old Grotonians with the reversible names who have been put out to pasture while Bill Colby made it to the top. Which Bill Colby?

But the question is unfair. Perhaps there has been, all these years, only one Bill Colby and two United States Governments. One that publicly adheres to the highest moral principles in the conduct of its foreign affairs, and another that uses dirty tricks and Bill Colbys to fight what Dean Rusk once called a "back-alley" war.

With Colby designated director of the C.I.A. and moving out of the operations directorate, the secret show must go on. Along the intelligence grapevine the word is out that Colby's choice for the new Deputy Director of Operations would be William Nelson, who until recently was director of the C.I.A.'s Far East division, the job Colby used to have. When Colby was named chief of the operations directorate, he moved Nelson up to be his deputy. Like Colby, Nelson is a career clandestine operator. He is said to be of medium height, with light brown hair, and wears horn-rimmed glasses. There is a William E. Nelson listed in the State Department's Biographic Register. He is 52, Columbia and Harvard, and, it says, was a researcher for "Dept of Army," then a political officer in Tokyo in 1950, and turned up in "Dept of Navy" on Taiwan from 1959 to 1965. It also says he has been back at the State Department since 1968. But for some reason he isn't listed anywhere in the department's phone book. ■

CHRISTIAN SCIENCE MONITOR
9 July 1973

people

CIA's superspy

William E. Colby looks and acts like bespectacled, mild-mannered Clark Kent. But don't let him into a phone booth, because he comes out superspy.

If President Nixon had in mind for his new head of the CIA a man who works in the shadows, he has him. He's the classic undercover man, the professional's professional, notes Monitor correspondent Jack Waugh.

For 20 years Mr. Colby has been what the spy trade calls a "black" operator, a "spook," a cloak-and-dagger man, an espionage agent, a master of the dirty-tricks department.

So clandestine a man is he in theory and practice that not much is even known about his boyhood. He is said to have been a Boy Scout and the son of an Army career officer, to have attended high school in Burlington, Vt., and to have gone on to Princeton and graduated from the Columbia Law School.

He is a very private person in a very private line of work. It is said that during World War II in the OSS he was known as Agent 96. But not even that is certain.

He won his big reputation in the CIA in Vietnam where he headed Operation Phoenix, a project that is still touchy. It kept cropping up even as he was undergoing confirmation hearings here last week. Phoenix was part of a pacification program but it was designed to neutralize the National Liberation Front. And while Mr. Colby was tending it, 28,978 front members were captured, 17,717 were "rallied" (persuaded to defect), and 20,587 were killed.

He comes to the pinnacle of his life's work after having been the CIA executive director and, since last March, head of its Operations Directorate (a euphemism for the "department of dirty tricks"), a department known to have once stolen a Soviet Sputnik while it was on a world tour, dismantled it, photographed it, and put it back together without the Russians ever finding out.

It was an act worthy of Clark Kent.

NEW YORK TIMES
4 July 1973

Applications for Jobs in C.I.A. Have Declined Since Scandal

WASHINGTON, July 3 (UPI) — The Central Intelligence Agency has received fewer applications for employment since the Watergate scandals erupted, but the Federal Bureau of Investigation and the Secret Service report no change in the rate of application.

A spokesman for the C.I.A. said yesterday that there had been a slight "but clearly discernible" decline in the number of formal applications for employment received by that agency in the last few months.

He said, however, that it was too early to tell whether it reflected a disenchantment on the part of young Americans with government intelligence operations because of the Watergate case or simply reflected changing employing conditions in some parts of the country.

Both the C.I.A. and the F.B.I. have been implicated in the Watergate scandals. The F.B.I. has been accused of having failed to investigate thoroughly the events surrounding the break-in and bugging of the Democratic National Headquarters in the Watergate building complex on June 17, 1972.

Upheaval at Bureau

The FBI has suffered an internal upheaval since the death last year of J. Edgar Hoover, its first director, and efforts to find an acceptable replacement for him.

L. Patrick Gray 3d resigned as the bureau's acting director in April when his involvement with the Watergate cover-up was disclosed.

The C.I.A. has been accused of aiding a Watergate conspirator in a burglary at the office of Dr. Daniel Ellsberg's psychiatrist in Los Angeles.

"We haven't noticed any decline in employment at the F.B.I.," a spokesman said. "Of the 8,700 agents we employ there is an average turnover of 300 agents a year. There have always been about 30 applications for every agent's slot and there still are."

A spokesman for the Secret Service, which authorized costly improvements in President Nixon's homes, said, "there is no reason to think the Watergate has hurt our enrollment." He said that turnover among the agents hired to guard the President and other top Federal officials was minimal.

"We maintain a continual waiting list of more than 100 prospective agents every year," the spokesman said. The Secret Service has 1,227 agents based in 62 field offices around the country with a total employment of 2,800, including clerical and administrative staffs.

A C.I.A. spokesman said that formal applications in the past had been subject to regional employment conditions. Whether this is the case in the present decline, which began in March, he said, has not been subjected to statistical studies that would allow firm conclusions.

The C.I.A. spokesman said that, in general, recruiters for the agency had found for several years that college students were being drawn into the inner cities to work. The F.B.I. also said that it had had some recruitment problems among college students who were drawn to private business because of larger salary prospects.

The F.B.I. spokesman said "the glamour aspect" aided recruiting in all security operations.

"The lure of becoming an international spy or an F.B.I. agent, involved in cops and robbers," he said, "always is a bigger come-on than the possibility of fulfilling a clerical or administrative job." There are 11,800 clerical jobs at the bureau.

WASHINGTON POST
29 June 1973

Hunt Testifies About Probe Of Kennedy

By Susanna McBee
Washington Post Staff Writer

Convicted Watergate conspirator E. Howard Hunt Jr. told a House subcommittee yesterday that he used Central Intelligence Agency equipment to conduct an interview probing the private life of Sen. Edward M. Kennedy (D-Mass.).

Rep. Lucien N. Nedzi (D-Mich.), chairman of the House Armed Services Subcommittee, which listened to Hunt for more than nine hours, expressed shock at the CIA involvement in a "domestic operation of a clearly political nature, a hatchet job."

The National Security Act of 1947, which created the CIA, was designed to keep it from conducting domestic operations.

Hunt's interview with Clifton DeMotte, a General Services Administration employee in Rhode Island, during the summer of 1971 was revealed by The Washington Post last February.

But Hunt's testimony yesterday disclosed for the first time that he used CIA equipment to disguise himself and establish a false identity as "Edward Warren" to ask DeMotte if he knew any scandalous material about the Massachusetts Democrat.

DeMotte, 41, was public relations director of the Yachtsman Motor Inn in Hyannisport in 1960, when the late John F. Kennedy used the hotel as a headquarters for his presidential campaign.

Nedzi said Hunt told the subcommittee that the information he received from DeMotte "wasn't anything worthwhile." In February, DeMotte told The Washington Post that Hunt wanted him to "do work on Chappaquiddick," but that he refused.

Nedzi quoted Hunt as saying an unidentified person outside the administration had suggested that he see DeMotte and that former White House special counsel Charles W. Colson authorized him to conduct the interview in Providence, R.I.

Yesterday's development brought to four the number of incidents where CIA equipment was allegedly used by the "plumbers," a White House team set up in 1971, supposedly to stop security leaks.

The others were the Watergate break-in in June, 1972; the September, 1971, burglary of the office of Daniel Ellsberg's psychiatrists; and Hunt's interview in the spring of 1972 with Dita S. Beard, the International Telephone and Telegraph Corp. lobbyist accused of writing a memo linking ITT with a plan to underwrite part of last year's Republican National Convention.

Hunt, a member of the "plumbers" team, has been accused of burglarizing the Beverly Hills office of the psychiatrist, Dr. Lewis Fielding. Partly because of the disclosure of that break-in, the government's Pentagon Papers case against Ellsberg was thrown out of court.

In the closed hearing, Nedzi said, Hunt described how, as a White House security consultant hired by Colson, he came to the CIA in July, 1971, and received such equipment as disguises phony papers to establish a new identity, a tape recorder and a camera.

Gen. Robert H. Cushman, now the Marine commandant and then the deputy director of the CIA, has told several congressional committees that CIA assistance to Hunt stopped in late August, 1971. Nedzi said the equipment was finally recovered after the Watergate arrests.

Cushman said that he approved CIA aid for Hunt after receiving a phone call July 7, 1971, from then White House aide John D. Ehrlichman. However, Ehrlichman has testified that he doesn't have any recollection of calling Cushman that day.

Nedzi said Hunt's testimony contradicts neither account. He quoted Hunt as saying he got a call from the CIA setting up a meeting for him with Cushman.

Hunt also told the House investigators that he has received $156,000 from anonymous sources for attorney fees plus additional money for "support." Hunt said he received $75,000 of the money after talking this March with Paul O'Brien, an attorney for President Nixon's re-election committee.

"To this day Hunt claims he doesn't know where the money came from," Nedzi said. Hunt also denied that it was a payoff or "hush money." Nedzi said that $10,000 cash found on the body of Hunt's wife, Dorothy, who was killed in a plane crash last December, was part of the "support" money.

Most of the money was funneled through Hunt's attorney, William O. Bittman, Nedzi said. Bittman has testified that the money was delivered to his home after he received mysterious calls from a "Mr. Rivers."

The congressman said Hunt specifically denied charges made by former White House counsel John W. Dean III that Hunt had demanded money in return for silence on the Watergate scandal.

Hunt also denied that he asked for or received any assurance of executive clemency.

Nedzi, whose subcommittee will quiz Colson today, said Hunt repeated his charge that Colson told him to fake two State Department cables linking the Kennedy administration with the assassination of South Vietnam President Ngo Dinh Diem in September, 1963. The phony cables were passed to a reporter for Life magazine, but were not published. Colson has denied the allegation.

NEW YORK TIMES
29 JUNE 1973

C.I.A. AID TO HUNT IN RAIDS HINTED

By MARJORIE HUNTER
Special to The New York Times

WASHINGTON, June 28—E. Howard Hunt Jr., a convicted Watergate conspirator, was quoted today as saying he had used disguises and other equipment supplied him by the Central Intelligence Agency for projects other than breaking into the office of Dr. Daniel Ellsberg's former psychiatrist.

Hunt's testimony came during day-long questioning by a House Armed Services subcommittee investigating C.I.A. involvement in the Watergate affair. It was his first appearance before any of the Senate and House committees investigating the Watergate scandal.

While the session was closed, some of the highlights of his testimony were discussed later by Representative Lucien N. Nedzi, Democrat of Michigan, who is chairman of the subcommittee.

Mr. Nedzi quoted Mr. Hunt as saying that he had used some of the equipment—a wig, identification papers, and other items—obtained from the C.I.A. in the summer of 1971 for several projects in addition to the break-in of the California psychiatrist's office.

Asked if these activities were illegal, Mr. Nedzi replied: "They were to my mind."

However, he declined to say what the activities were.

It had been disclosed previously — during grand jury questioning and court procedures—that Hunt had participated in breaking into the psychiatrist's office in September, 1971, was the first indication of C.I.A. equipment being used by Hunt in other break-ins.

Hunt was involved in a White House project investigating Dr. Ellsberg's connection with the disclosure of the secret Pentagon papers describing United States involvement in Southeast Asia.

Top C.I.A. officials had disclosed earlier that the agency had given Hunt various equipment and disguises to conduct what Hunt told them was a "one-time interview" on a security matter.

Mr. Nedzy said that Hunt's testimony seemed to indicate that Charles W. Colson, a former White House aide, might have been involved in some of the activities described by Hunt today.

Mr. Colson has maintained that he was not involved in the Watergate events.

Mr. Nedzi said that Hunt told the subcommittee that he had been hired for the White House job by Mr. Colson and that he had dealt "very closely" with him with respect to the various projects the so-called "plumbers" were involved in."

"The plumbers were members of the team set up to investigate various leaks on security matters, including the Pentagon papers.

Asked who had opened the door to the C.I.A. for Hunt, Mr. Nedzi said: "He did mention he had spoken with Mr. Colson with respect to possible C.I.A. assistance. It was not clear as to how Mr. Colson would handle it. It was left at that.'

Mr. Colson told a Senate panel last week that he had mentioned to John D. Ehrlichman, a top White House aide at the time, that Hunt was anxious to establish "liaison" with the agency to interview Col. Lucien Conein, a former agency operative in Southeast Asia.

Mr. Colson insisted, however, that he did not call the C.I.A. on behalf of Hunt.

Asked if Mr. Colson knew what Hunt wanted the disguise and equipment for, Mr. Nedzi replied: "Yes." He would not elaborate.

Mr. Nedzi also quoted Hunt as reaffirming an earlier statement that he had been ordered by Mr. Colson to fabricate cables designed to show that the Jonh F. Kennedy Administration was deeply involved in overthrowing the Diem regime in South Vietnam in 1963.

Mr. Colson has denied issuing such an order but has said that Hunt may have misunderstood something that he told him.

Mr. Nedzi said that Hunt, in his testimony today, gave a third version of how he gained access to the C.I.A. that summer.

Gen. Robert Cushman, former deputy director of the C.I.A. and now commandant of the Marine Corps, told Congressional panels last month that Mr. Ehrlichman had called him when he was with the agency and asked it to cooperate with Hunt, who had just been hired as a White House security expert.

Mr. Ehrlichman later denied he had called General Cushman and further denied any involvement in gaining agency access for Hunt.

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NEW YORK TIMES
30 JUNE 1973

Colson Confirms Backing Kennedy Inquiry but Denies Knowing of Hunt's C.I.A. Aid

He Also Disputes Data By Ehrlichman and Dean

By MARJORIE HUNTER
Special to The New York Times

WASHINGTON, June 29 — Charles W. Colson, a former White House aide, confirmed today that he had authorized E. Howard Hunt Jr. to investigate activities of Senator Edward M. Kennedy during the summer of 1971.

But Mr. Colson denied that he had been aware that Hunt had sought and used Central Intelligence Agency disguises and other equipment for use in the project.

Thus, his story conflicts in one major respect to that of Hunt, who said yesterday that Mr. Colson had authorized him to interview a "Clifton Demotte" about possible scandalous information on Senator Kennedy and that Mr. Colson had known beforehand that he intended to use C.I.A. equipment in carrying out the assignment.

Mr. Colson gave an account of his role in the Kennedy investigation as he emerged after five hours of questioning by a House Armed Services subcommittee investigating C.I.A. involvement in the Watergate burglary.

Something One Does

He dismissed the Kennedy matter as merely the kind of thing one does in the world of politics.

"When someone comes to you and offers information on a prospective opponent and you turn him down, either you are naive or you don't stay in politics very long," he said.

At that time, Senator Kennedy was considered high on the list of those who might capture the Democratic Presidential nomination a year later.

Hunt teold the subcommittee yesterday that, with Mr. Colson's blessing, he had interviewed Mr. Demotte, a former resident of Hyannis Port, Mass., site of the Kennedy family compound, but found the information useless and dropped the matter.

Sources within the closed subcommittee session today described Mr. Colson's performance as virtually flawless, with no apparent holes in his repeated denials of any involvement in the Watergate affair.

Later, asked why his name "crops up so often" in Watergate accounts given by former White House colleagues, Mr. Colson smiled and replied: 'It's an easy name to spell. Only five letters." Acutally, his name has six letters.

While he was testifying, his month-old deposition in a suit by the Democratic National Committee was released upon being filed in Federal court.

Both in his subcommittee testimony and in his deposition, Mr. Colson indicated that John D. Ehrlichman, President Nixon's former adviser on domestic matters, arranged for Hunt to obtain access to C.I.A. equipment in the summer of 1971.

This disputes Mr. Ehrlichman's denial that he had asked the C.I.A. to assist Hunt and confirms testimony of Gen. Robert A. Cushman, then the Deputy Director of Central Intelligence, Mr. Ehrlichman had called and asked him to give Hunt whatever assistance he needed.

Mr. Colson conceded that he had told Mr. Ehrlichman that Hunt wanted to establish liaison with the C.I.A. to investigate a security matter.

The witness testified that Mr. Ehrlichman told him, some days later, that he had called General Cushman and arranged for agency assistance to Hunt.

Mr. Colson also disputed another former White House colleague, John W. Dean 3d, who was ousted as counsel to the President on April 30.

Mr. Dean suggested to the Senate Watergate committee this week that Mr. Colson had been involved in a number of "dirty tricks" and participated in the Watergate cover-up.

Commenting on lists of White House "enemies" and "political opponents" that Mr. Dean said had been prepared by Mr. Colson's office, Mr. Colson said they were merely guidance for invitations to White House social affairs and appointments to boards and commissions.

Mr. Colson denied that either he o rhis former assistant, the late George Bell, had written what he called the "defamatory remarks" beside 20 of the names on the "enemy list."

"It's not my language, it's not Bell's language," he said. "I resent it, and I hope Dean will tell the truth."

He said he did not know who had written the comments about the "20 enemies."

Mr. Colson also disputed a suggestion by Mr. Dean that he [Colson] had sought executive clemency for Hunt.

"I never talked to the President about executive clemency," Mr. Colson said.

Mr. Colson further denied that he had ordered Hunt to fake cables designed to implicate President Kennedy in the assassination of President Ngo Dinh Diem of South Vietnam in 1963, or that he had ordered Hunt to check out the Milwaukee apartment of Arthur Bremer after the near-fatal shooting of Gov. George C. Wallace of Alabama last year.

Hunt has said that Mr. Colson ordered him to fake the cables and ordered him to check the Bremer apartment.

Mr. Colson also denied a charge made yesterday by Senator Lowell P. Weicker Jr., Republican of Connecticut, a member of the Watergate committee, that Mr. Colson had tried to plant articles with newsmen that Senator Weicker was guilty of campaign irregularities and that he was thinking of switching parties.

Mr. Colson's deposition before the Democratic party's lawyers was recorded May 28. With a few exceptions, the major points in his account have since been made public in newspaper interviews.

The Kennedy inquiry, he said, was Hunt's idea. He said that in July, 1971, one of Hunt's public relations associates got a telephone call from "someone in Massachusetts" with unpublished information about the drowning of Mary Jo Kopechne in Senator Kennedy's automobile on Chappaquiddick Island in August, 1969.

"Mr. Hunt asked me if I would like to have him try to get that information and I said, 'Certainly,'" Mr. Colson testified.

Mr. Colson also acknowledged authorizing another Hunt errand, the trip to Denver in a red-wig disguise to interview Mrs. Dita Beard, Lobbyist for the International Telephone and Telegraph Corporation, about her purported memorandum linking an I.T.T. donation to the Republicans to Government help in a corporation case. But Mr. Colson said that that trip, too, had been initiated by Hunt.

Mr. Colson said that the White House paid Hunt's expenses for the trip to New England on the eKnnedy investigation. He said he did not know who paid for the Denver trip.

Mr. Colson's deposition included denials that he knew of the Watergate bugging plans in advance. For the first time, however, Mr. Colson said that within a week aftr the Watergate break-in, John W. Mitchell, the former Attorney General and Nixon campaign manager, told him that his friend Hunt was implicated in the bugging raid "up to his ears."

WASHINGTON STAR
29 June 1973

CIA Gear Used in Kennedy Probe

By Fred Barnes
Star-News Staff Writer

E. Howard Hunt has disclosed that he used a disguise provided by the Central Intelligence Agency during a White House investigation of Sen. Edward M. Kennedy's auto accident at Chappaquiddick Island.

Hunt said he wore the disguise and billed himself as "Edward Warren" when, in August 1971, he questioned a man who was supposed to have information about the accident that would be extremely damaging to Kennedy.

The probe of the 1969 accident, in which Mary Jo Kopechne drowned, was authorized by White House counsel Charles Colson, Hunt said.

The disclosure by Hunt, convicted Watergate conspirator, came yesterday during nearly nine hours of testimony before a closed-door hearing of the House Armed Services subcommittee.

COLSON testifies today before the subcommittee, which is looking into the extent of CIA involvement in the Watergate break-in and other deomstic activities. By law, the agency is barred from domestic involvement.

Rep. Lucien Nedzi, D-Mich., the chairman of the subcommittee, gave an outline of Hunt's testimony. Besides the Chappaquiddick inquiry, Nedzi said, Hunt testified that he:

- Received more than $170,000 in cash from undisclosed sources to cover his legal fees and other expenses after he was convicted in connection with the Watergate affair and sentenced to 35 years in jail.
- Used the CIA disguise during an interview in the spring of 1972 with Dita Beard, a lobbyist for International Telephone & Telegraph who allegedly wrote a memo spelling out collision between the corporation and the Nixon administration.
- Utilized the disguise and other equipment from the CIA during the burglary in September 1971 of the office of Daniel Ellsberg's psychiatrist and the break-in in June 1972 at the Watergate headquarters of the Democratic National Committee.
- Denied that he had ever sought executive clemency from President Nixon or that he was ever offered any sort of pardon by the White House.

It was Colson, Hunt said, who promised to help clear the way for him to gain access to the CIA headquarters at Langley, Va.

Colson was fully aware that Hunt was seeking a CIA disguise to conduct the probe of the Chappaquiddick incident, Hunt said. Colson has given a different account to a Senate subcommittee, saying that he thought Hunt wanted only to question a CIA operative about security leaks.

Once he obtained the disguise and other equipment, Hunt said he arranged to interview a man named Demott who was supposed to have information about a party attended by Kennedy before the fatal auto accident. But the information turned out to be worthless, Hunt said.

The probe of the Kennedy accident was the second ordered by the Nixon administration, which included Kennedy on its list of "enemies" that was made public this week.

THE FIRST investigation was conducted by the FBI on White House orders, sources said, and it revealed only that Miss Kopechne had once been bilked out of several hundred dollars by a young man.

Nedzi said that there is no evidence that CIA officials knew Hunt's intentions. Instead, agency officials have testified that they were merely fulfilling a request from the White House when they provided the disguise, Nedzi said.

But the congressman said that the fact that the disguise and other material was "obtained from the CIA for a clearly domestic operation is troublesome."

Hunt asserted in his testimony that his boss in the Plumbers, Egil Krogh, ordered the burglary of the office of Ellsberg's psychiatrist in Los Angeles. Krogh has conceded that he issued such an order.

But Hunt said he understood that former Attorney General John N. Mitchell, Nixon campaign official Jeb Stuart Magruder and deposed White House counsel John W. Dean III all aprpoved the break-in.

During his tenure on the White House team, Hunt said he was assigned to assess the abilities of Donald Segretti, who has since been accused of being a political saboteur for the Republican party.

HUNT CONCLUDED that Segretti was a shallow individual who was prone to propose "college-type pranks" that would not be useful to the GOP.

After he pleaded guilty and was convicted in the Watergate burglary, Hunt said he requested money from Paul O'Brien, an attorney for the Committee for the Re-Election of the President.

Hunt claimed he needed money for his lawyer's fees and for the support of his family. But he insisted he never demanded any so-called h sh money to remain si at about the involvem of others in the Watergate scandal.

Some time after he made his plea for funds, Hunt said, his attorney began to receive phone calls from unknown persons. At one point, a caller identified himself as "Mr. Rivers," Hunt said.

Finally, a caller cleared the way for the delivery of funds to the home of Hunt's attorney, William O. Bittman, Hunt testified.

HUNT SAID $156,000 was received which he used to pay his attorney and at least another $15,000 was received for his family.

Hunt said he assumed that the funds were provided in responss to his request to the Nixon re-election committee.

Nedzi said that after Hunt was jailed, Hunt's wife continued to receive funds. She was carrying $10,000 in cash when she was killed in a Chicago plane crash last December.

Hunt denied that his wife had ever told James McCord, another convicted Watergate conspirator, that the Nixon administration was attempting to foist the blame for the Watergate break-in on the CIA — as McCord has claimed.

Nedzi said his subcommittee has heard conflicting testimony from about a dozen witnesses that it has interrogated so far. He said that none of the witnesses has implicated President Nixon in any illegal activities.

NEW YORK TIMES

29 JUN 1973

Ex-Presidential Counsel Tells of White House's Concern Over Demonstrations

Conversation with Walters

Q. This is another very lengthy question: Mr. Dean, you have testified concerning your conversations on three different occasions with Gen. Vernon Walters, the deputy director of the C.I.A., beginning on the 26th of June. General Walters prepared a memorandum for the record of each of these conversations with you.

In General Walter's memorandum record for your meeting with him on 26 June, you are reported to have asked General Walters whether there was not some way that the Central Intelligence Agency could pay bail for the Watergate defendants and if the men went to prison, could C.I.A. find some way to pay their salaries while they were in jail out of covert action funds.

In your testimony, you made no mention of asking General Walters whether the C.I.A. could pay the Watergate defendants bail or salaries while they were in prison. Was this an intended omission on your part in the interest of saving them or do you deny that you made these specific requests of General Walters?

A. I recall I did make those requests and as I say, the omissioin was not intentional. I have nevery really read in full General Walter's depositions. So the answer is that, in fact, I recall that, that was discussed.

Q. Mr. Dean, I believe you testified that on March 26, while you were at Camp David, you called Mr. Maroulis, the attorney for Mr. Liddy, and asked for a statement by Mr. Liddy that you had no prior knowledge of the Watergate break-in. Is that correct? A. That is correct, and I have so testified.

Q. Now, at whose instances did you contact the C.I.A., that is, General Walters? A. After discussing this with Mr. Ehrlichman, he thought that I should explore the possible use of the C.I.A. with regard to assisting in supporting in dealing with the individuals who had been involved in the incident.

Q. So the C.I.A., an effort was made to involve the C.I.A. also the F.B.I., Mr. Gray, destroyed some documents which came from Mr. Hunt's safe, did he not? A. That is correct.

Q. Now, I call your attention to what I designate as Document Number 3 and ask if you will read this document to the committee.

A. This is a memorandum for Mr. Huston, subject, Domestic Intelligence Review: I might add here it is from Mr. Haldeman to Mr. Huston —"The recommendations you have proposed as a result of the review have been approved by the President. He does not, however, want to follow the procedure you have outlined on Page 4 of your memorandum regarding implementation.

"He would prefer that the thing simply be put into motion on the basis of this approval. The formal official memorandum should, of course, be prepared than should be the device by which to carry it out.

"I realize this is contrary to your feeling as to the best way to get this done. I feel very strongly that this procedure won't work and you had better let me know and we will take another stab at it. Otherwise let's go ahead."

Q. Now, that letter can only be construed as a statement on the part of Mr. H. R. Haldeman to Mr. Tom Charles Huston, the aide in charge of domestic intelligence, to the effect that the President of the U. S. had approved his recommendations about removing the limitations on surreptitious, or rather, on electronic surveillance and penetration, surreptitious entry or burglary, the use of mail coverage, and of sources of information on the campuses and the military undercover agents for the purposes of gathering information upon the objectives of that.

A. That is correct, Mr. Chairman.

Q. Now, do you know that this plan was put into effect —was, rather, approved for use by the President without the prior knowledge of Mr. Mitchell?

A. I do not know that for a fact, no, sir. When I talked to Mr. Mitchell about it, it had reached the stage that they wanted to do something. Mr. Mitchell and I talked about it and we decided that the best thing to do was to create the I.E.C.

Q. Now, the I.E.C., in effect, was a proposal to set up a group representing or representatives from the F.B.I., C.I.A., N.S.A., D.I.A., and the counter-intelligence units of the Army, the Navy, and the Air Force to furnish information about the activities of all of these agencies to the White House?

A. I believe that is correct.

Q. Now, as a lawyer, you are aware of the fact that the Section 403(d) of Title 50 of the U.S. Code provides that the C.I.A. "shall have no police, subpoena, law enforcement powers, or internal security functions."

A. Yes, I was entirely aware of that.

Statute on C.I.A.

Q. Yet, despite the fact that the statute forbade the C.I.A. exercising any internal security functions, here was a coordination of activities of the C.I.A. in the domestic intelligence field, was there not? And notwithstanding the fact that the statute gave them no internal security functions, they were called upon to evaluate domestic intelligence-gathering by other agencies?

A. That is correct.

Q. Did you ever receive any instruction from anybody to the effect that the President had rescinded these plans recommended by Mr. Huston?

A. No! To the contrary, as this document indicates, on Sept. 18, I was asked to see what I could do to get the first step started on the document.

WASHINGTON POST

29 JUN 1973

Suddenly, the Super-Secret CIA Goes Public

By Ken Ringle
Washington Post Staff Writer

For more than a decade, the George Washington Memorial Parkway exit south of Turkey Run has been variously labled "Bureau of Public Roads," "Federal Highway Administration," or "Fairbanks Highway Research Station."

This week parkway workmen finally put up signs showing where it really leads—to the mammoth headquarters of the Central Intelligence Agency in Langley, Va.

Parkway superintendent David A. Ritchie said the request for the new sign "came down some months back from CIA." A spokesman at CIA said the sign was ordered by James R. Schlesinger when he took over CIA for four months early this year.

"He came in here and said 'Where's the sign?' and there wasn't one so we got one," the spokesman said. He said the sign was part of a general policy of increased openness that Schlesinger ordered at the nation's spy agency, where switchboard operators now answer calls with "CIA" instead of just repeating the phone number.

Parkway superintendent Richey said the lack of a sign at CIA was "sort of a joke going back over the years. People know very well the highway station is not the principal agency down that road." For years, roadmaps have identified the location of the CIA.

Ritchey said he never knew of anyone getting lost trying to find CIA, and that a greater problem was keeping sightseers and tourists out.

The CIA spokesman said people in quest of the agency get lost all the time.

"We get cab drivers who never find us," he said. "They wind up circling around and around like some sort of Flying Dutchman on the Beltway."

Did Schlesinger ever get lost trying to find CIA?

"I don't think so," said the agency spokesman. "That's a piquant thought, but I don't think that guy gets lost doing anything."

After four months as head of CIA, Schlesinger moved up last May to Secretary of Defense.

LOS ANGELES TIMES

25 JUN 1973

Watergate May Be Lifting Lid on Widespread Domestic Spying

BY RUDY ABRAMSON
Times Staff Writer

WASHINATON — A competent chicken thief would not have made the mistake. Retaping the lock on a door after a night watchman had discovered and untaped it—that belonged in an Abbott and Costello movie.

Indeed, some said the Watergate burglary must have been a counter-intelligence plot by the Democrats designed to end in arrests and embarrassment for the Republicans.

But the truth was that well-bankrolled operatives with a generation of experience in intelligence had made a blunder that would expose not only an elaborate scheme of campaign espionage but ad hoc domestic spying as well.

As the layers have been peeled off the Watergate coverup over recent months, there have been other spying charges that would have caused top-drawer scandals in their own right in times past.

Testimony from principals, leaks from investigating committees and newspaper reports show domestic snooping has gone on uninterrupted at least since 1967, when the Lyndon B. Johnson Administration put the Army to work conducting surveillance of U.S. civilians.

The scattered stones turned over by the Watergate imbroglio have revealed enough to cause some academics to call for renovation of the country's legitimate intelligence institutions and to move civil libertarians to renewed opposition to all domestic intelligence functions.

A special Senate committee, seeking to establish responsibility for Watergate and the coverup, has not yet dealt with these questions:

—Was the 1970 intelligence plan that was approved by President Nixon, then disapproved five days later, actually put into effect as designed? The scheme — acknowledged to be politically explosive and partly illegal by one of its chief architects—called for breaking and entering to get intelligence information, monitoring overseas telephone calls by U.S. citizens and stepped-up interception of mail addressed to domestic intelligence targets.

The plan was withdrawn because of objections by J. Edgar Hoover, who apparently was concerned that a White House-directed intelligence operation would undermine his autonomy at the FBI.

—Was the plan devised as a way of continuing the Army's surveillance program, which had been forced to an end by public disclosure and congressional pressure?

—Did the "plumbers," the White House group organized to stop "leaks" of sensitive information to the news media, fit into the overall plan?

Reports that have come to light in the course of the Watergate inquiry raise the possibility that much of the 1970 domestic spying plan may have gone ahead:

—Defense attorneys and one defendant in the Seattle 7 case reported break-ins in which, they said, documents and legal papers were taken before, during and after the December, 1970, trial. The defendants were accused of conspiracy to destroy federal property and of rioting in an antiwar protest.

—An attorney for the Vietnam Veterans Against the War has given an affidavit saying that her papers were searched and that documents relating to one of her clients were stolen in a 1972 burglary.

—Published reports quoted assertions that Administration intelligence operatives had planned a break-in at the Brookings Institution, a Washington "think tank" where Morton H. Halperin, a former National Security Council Employe, worked. Halperin, it has been disclosed, was one of the persons whose telephone had been tapped during investigations of the Pentagon Papers case.

—Dan Rather, CBS White House reporter, reported his home was burglarized and his files rifled in April, 1972, when he was covering President Nixon in Florida.

—At least three break-ins against Chilean officials in the United States in 1971 and 1972 have been reported; in none of the cases were valuables taken, but papers were apparently rifled.

—Robert Strauss, chairman of the Democratic National Committee, said his home in Houston was broken into during the Democratic national convention last year. Expensive jewelry and furs were left behind, he said, but his files were disturbed. At the time of the burglary, Strauss was treasurer of the committee.

—There have been reports that E. Howard Hunt Jr., a member of the "plumbers" and one of the convicted Watergate conspirators, said he was ordered to Milwaukee to search the apartment of Arthur Bremmer—in the hope of finding left-wing materials there — shortly after Bremmer shot Alabama Gov. George C. Wallace. According to the reports, Hunt did not make the trip.

—A plan was said to have been made to burglarize the aparment of Las Vegas newspaper Editor Hank Greenspun reportedly in the hope of obtaining materials damaging to Sen. Edmund S. Muskie, at the time a contender for the Democratic Presidential nomination.

There is little evidence that other aspects of the plan might have been carried out, although Tom Charles Huston, the White House security aide who helped formulate it, commented in secret memos that CIA Director Richard Helms was enthusastic about it. He mentioned also that the heads of the National Security Agency and the Defense Intelligence Agency were upset by Hoover's opposition.

Besides the Senate Watergate investigation itself, three other congressional committees, with responsibility for monitoring the CIA have conducted hearings.

So far only two conclusions have come from them, each tending to exonerate the CIA from developments swirling around Watergate:

—The CIA, at the behest of presidential aide John D. Ehrlichman, unknowingly helped Hunt prepare for the burglary of Daniel Ellsberg's psychiatrist's office but backed out when officials became suspicious.

—The CIA refused to cooperate in stopping an FBI investigation of campaign funds sent through a Mexico City bank before being channeled back into the United Sates.

None of the investigations so far have gone into the situation at the White House where legitimate national security matters and illegal snooping may have become entangled.

For instance, the "plumbers" group — Hunt, G. Gordon Liddy, Egil Krogh Jr. and David Young, a National Security Council staff member—was organized in 1971 in the wake of the publication of the Pentagon Papers.

Declassification Official

The next spring, Young became the White House staff officer running a governmentwide effort to declassify secret papers. In this position, he had access to sensitive government secrets at the same time he was connected with the "plumbers," the target of political espionage charges.

Krogh, the head "plumber," who moved on to become undersecretary of transportation, has since resigned from the government, accepting responsibility for the Ellsberg psychiatrist burglary.

Young quietly left the government the same day the President announced the resignations of presidential advisers H. R. Haldeman and Ehrlichman and the firing of presidential counsel John W. Dean III. And Liddy and Hunt were convicted of the Watergate breakin.

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WASHINGTON POST
30 JUN 1973

Colson Ordered Hunt To Leak Secret Cables

By John Hanrahan
Washington Post Staff Writer.

Former White House aide Charles W. Colson balked at answering some questions on the grounds of "national security" but then acknowledged that he had ordered E. Howard Hunt Jr. to permit a news reporter to read a number of classified State Department cables, according to Colson's sworn deposition made public yesterday.

Colson, as he has done previously, denied that he had ever given Hunt any instructions to fabricate a cable linking the late President John F. Kennedy to the assassination of South Vietnamese President Ngo Dinh Diem in 1963.

Hunt, who pleaded guilty in January to charges related to the Watergate break-in and bugging, previously gave a sworn statement in May to the Daniel Ellsberg trial in which he said he had shown the phony cable to Colson and that Colson had liked it.

But Colson, in is sworn deposition given May 28, said he was "not sure that I ever saw the text of that cable."

Colson said that Hunt, in late 1971, had been working with Time-Life reporter William Lambert "who was interested in writing a story about the entire history of the Diem coup."

". . . I learned at some point during the time that Mr. Hunt was working with the reporter that there was one purported cable which was not authentic, at which point I attempted to discourage both Mr. Hunt and the reporter involved from pursuing the story any further."

Colson's deposition was given in connection with civil suits that arose after the Watergate arrests of last June.

Early in the deposition, Colson declined to answer questions regarding the burglary of the office of Ellsberg's psychiatrist, which involved Hunt and fellow Watergate conspirator G. Gordon Liddy. Colson's lawyer, David Shapiro, said his client could not answer until the "national security" aspects of the break-in were clarified.

Picking up on Colson's reluctance to answer some questions on "national security" grounds, Paul R. Weiss, attorney for the Democratic National Committee, pressed Colson as to why he then was showing classified documents to Lambert.

Colson acknowledged that Lambert did not have a security clearance needed to see classified material. He said he had told Hunt "that he could not give him (Lambert) anything but let him read through the documents."

"Regardless of whether they were classified or not classified?" Weiss asked. "Did you put any specification on that?"

Colson replied: "No."

Weiss asked Colson about reports that Hunt had showed Colson the fabricated cable at one point and that Colson had allegedly said "that isn't good enough" or "can it be better?" Colson said this had not happened.

"My recollection," Colson said, "is that Mr. Hunt showed me a series of cables and told me . . . that Mr. Lambert did not believe that these were adequate for his own purposes, that this didn't tell enough of the story. I recall telling Mr. Hunt to go back and keep digging or keep working on it and see what else he could find and see what else he could come up with, to see if he could come up with something better."

Once he became aware that one of the cables was phony, Colson said, he did not discuss the matter with Hunt but rather endeavored to steer Mr. Lambert away from the story altogether."

Colson had previously given a deposition in connection with the civil suits last Aug. 30. In the first deposition, Colson was asked to describe any meetings he may have had with Hunt before the June 17, 1972 Watergate arrests. He did not at that time, mention a meeting he had with Hunt and Liddy, which he described in his deposition made public yesterday.

Colson said the brief meeting occurred in his office in late January or early February of 1972. He said Hunt said Liddy, the attorney for the Nixon campaign committee, "had developed a plan for security and intelligence" for which they were having difficulty gaining approval at the re-election committee.

Colson said he cut Liddy off, saying, "This was not my area of responsibility" and called deputy campaign chief Jeb Stuart Magruder. He said he told Magruder, "I don't even know what their plan is" and that "I haven't even listened to them."

He said he told Magruder, "I don't know whether what they have got is any good or not . . . but for God's sake—listen to them or give them a hearing or let them tell you what they are doing."

Colson said Magruder responded: "Yes, I know about it and I'm arranging that."

In testimony to the Watergate Senate select committee on the Watergate this month, Magruder said Colson had prodded him to approve the "Liddy plan" but that Colson had made no mention of what the plan involved. Magruder has acknowledged sitting in on sessions where the bugging was discussed, and perjuring himself afterward as part of the Watergate cover-up.

Colson, until March, was special counsel to the President. His name has arisen frequently in the Watergate case and he has emerged in recent weeks as the chief public defender of President Nixon's position that he (Mr. Nixon) knew nothing either of plans to bug the Watergate or of the cover-up.

But Colson, in the deposition, again denied—as he has done on numerous occasions—that he knew anything about the bugging plans or was involved in the subsequent cover-up.

Two other depositions arising from the civil suits also were made public yesterday. These came from Judith Hoback, former secretary at the Finance Committee to Re-elect the President, and John D. Lofton Jr., editor of the "Monday" publication for the Republican National Committee.

In his June 19 deposition, Lofton said he had accidentally seen the "Gemstone" file which contained wiretapped information obtained from the first break-in and bugging of the Democratic National Committee headquarters in the Watergate in May, 1972.

Lofton said he had seen the file, probably in early June, 1972, in Magruder's office, but that he did not know what it was at the time.

Magruder, Lofton said, stated he "had some interesting information about Larry O'Brien," then the Democratic national chairman.

Lofton said Magruder then gave him some of the information orally, but "what the information was, I don't exactly remember."

Two days after the Watergate arrests, Lofton said he called Magruder and said to him, "Well, there goes Gemstone" or "There goes your Gemstone." Magruder then warned him never to "use that word again."

In January of this year, Lofton said Magruder brought up the subject again and told Lofton: "You did not see anything." Lofton said he angrily told Magruder that he certainly had seen it and that Magruder then told him that the file had to do with legal intelligence-gathering operations and was not involved in Watergate.

This spring, Lofton said, Magruder again warned him he should not talk about "Gemstone." Lofton said he pressed Magruder for further explanation, but that Magruder again told him it pertained to legal activities.

Mrs. Hoback, in her deposition, said she knew nothing about any illegal activities occurring at the Nixon finance committee.

She did tell of a staff meeting shortly after the five men who broke into the Watergate had been arrested.

Liddy, who was not among the original five arrested, got up at the meeting and gave a pep talk, calling the break-in "a deplorable incident" and placing the blame fully on James W. McCord Jr., the re-election committee's security chief who had been arrested at the Watergate.

WASHINGTON POST
8 July 1973

Hunt's Book Says He Urged CIA to Kill Castro in 1960

By John Hanrahan
Washington Post Staff Writer

Watergate conspirator E. Howard Hunt Jr., in a book being prepared for publication later this year, says that he proposed in 1960 that the CIA assassinate Cuban Premier Fidel Castro as part of a plan to put anti-Castro exiles in control of the Cuban government.

Hunt, a former CIA agent, says that the recommendation went to his superiors, Richard Bissell, chief of the CIA's Clandestine Services, and Bissell's first assistant, Tracy Barnes, and was apparently rejected.

"As the months wore on," Hunt writes, "I was to ask Barnes repeatedly about action on my principal recommendation only to be told it was 'in the hands of a special group.' So far as I have been able to determine no coherent plan was ever developed within CIA to assassinate Castro, though it was the heart's desire of many exile groups."

A copy of galley proofs of Hunt's book was obtained by The Washington Post. The book deals with the CIA planning with Cuban exiles for an invasion of Cuba—planning which resulted in the April, 1961, Bay of Pigs amphibious landing in which Castro's troops routed the invaders.

In his book, Hunt lauds the CIA and Cuban exiles' role in the affair, but angrily blames then President John F. Kennedy and the Joint Chiefs of Staff for failing to provide the necessary air support which, he believes could have brought victory to the invaders.

Hunt, who has written several spy thrillers under pseudonyms, fills this latest tale with incidents and anecdotes that seem akin to the Watergate affair: a briefcase filled with $115,000 in cash; a bungle—a CIA agent loses a briefcase crammed with classified documents and cables; "safe houses;" clandestine meetings; false names.

Although Hunt says at one point in the book, "I have no politics," his writing provides an insight into his strong anticommunism and

E. HOWARD HUNT
... ultimate spy thriller

his distrust and suspicion of U.S. and Cuban liberals, as well as his fear that some of his fellow CIA agents were "soft on communism."

In the book, Hunt says that:

• He had worked for Barnes as chief of political action in the 1955 CIA project that overthrew Col. Jacobo Arbenz in Guatemala. The "Cuban project," for which Hunt also served as political action chief, was modeled after the successful effort in Guatemala, Hunt says.

• He and Barnes met with then White House aide Arthur Schlesinger Jr., and then U.N. ambassador Adlai E. Stevenson in the White House in early 1961. Hunt says the Cuban operation was discussed with Schlesinger at that time. He says Stevenson entered while they were meeting and asked Barnes: "Everything going well, Tracy?" This indicated to Hunt that Stevenson was aware of the Cuban plans in advance, Hunt says.

• Bernard Barker and Frank Sturgis, later charged as co-conspirators with Hunt and four others in the Watergate affair, played roles in anti-Castro activity before the Bay of Pigs operation.

• Richard M. Nixon, in 1960 as vice president, was the Cuban invasion project's action officer within the White House and that, according to Nixon's military aide, Brig. Gen. Robert Cushman, "Nixon wanted nothing to go wrong."

Nixon was defeated by Kennedy in the 1960 presidential race, a fact Hunt laments, saying: "Unfortunately, when I was later to need (him) ... Nixon ... had been supplanted by a new administration."

Hunt, in his account, portrays Barker as a loyal sidekick, calling him "eager, efficient and completely dedicated ... and overall his help was invaluable." Hunt identifies Barker only as "Bernie" in the text, but identifies him by his true name in a footnote.

Prior to working on the Cuban project, Hunt said, Barker had infiltrated the Havana police for the CIA and later helped many refugees escape from Castro's Cuba.

Sturgis, identified by his alias "Frank Fiorini," served as copilot on a plane that dropped anti-Castro leaflets on Havana in late 1959, Hunt says.

Hunt portrays bickering among various political factions among the refugees and concern among some of the Cuban exiles that they were being "used" by the U.S. The operation, Hunt says, was planned entirely by the CIA and the Joint Chiefs of Staff. Training was assisted by the Green Berets. As Hunt says:

"To paraphrase a homily: this was too important to be left to Cuban generals."

Hunt tells of receiving a brief case containing $115,000 in cash from "the same finance officer with whom I had worked during the Guatemalan operation" and passing it on to a treasurer for the exile group.

Fearful that "the next time ..., I could be hijacked with little trouble," Hunt arranged to have all future payments "arranged through a series of foreign banks."

Hunt's fellow CIA agent, identified only as Sam, wasn't as lucky in avoiding disaster, Hunt says. In a passage that sounds like it could come from one of Hunt's fiction spy thrillers, Hunt tells of meeting with a CIA security officer who "uneasily ... told me that Sam had lost a briefcase filled with classified documents and cables ..."

"In addition to the possible compromise of CIA codes, the security officer said, other missing papers gave the identities of agents in Cuba and the names of CIA personnel around the hemisphere," Hunt writes.

The matter was resolved, Hunt writes, "by firing Sam and making a general assumption — after the lapse of a month— that sneak thieves, rather than Castro agents, had stolen the briefcase and destroyed its contents when nothing of value was found."

A few days later, Hunt says, Sam called and berated Hunt "for not having stood up for him." Hunt, in turn, berated him. When Sam complains that the CIA "treated me pretty rough," Hunt responds, in his best James Bond-ian style: "Not as rough as Castro treats our boys when he catches them."

Throughout his dealings with the Cuban exiles, Hunt says he tried to play it straight with them. The only times he lied to them, he says, were "on direct orders." Even then, he says, "... each time I've lied I've felt shabby about it."

Hunt says in the foreword that his book was written in 1967 and was intended "as a private legacy to my children: perhaps eventually to be lodged in a university library."

However, Hunt says, the Watergate affair changed all that and he has decided to go public with the work. He states:

"In 1972 ... my name was blazoned across the country in connection with the Watergate affair, and government sources revealed to the press the fact that I had been a CIA official. Moreover, these same sources provided the press with distorted accounts of my involvement in the Bay of Pigs operation.

"This unilateral action by the government relieved me of the obligation to maintain further secrecy concerning CIA connection and the true role that I and others played in the Cuba Project ..."

NEW YORK TIMES
9 July 1973

Cuban Reportedly Links Convicts' Funds to Hunt

Special to The New York Times

MIAMI, July 8—The Cuban exile leader of the abortive 1961 Bay of Pigs invasion has reportedly delivered $21,000 in "support" money for the convicted Watergate burglars who were from Miami.

Manuel F. Artime, the Cuban leader, has reportedly told the Dade County State Attorney, Richard E. Gerstein, that the money had come in cash either directly or indirectly from E. Howard Hunt Jr., another convicted Watergate conspirator.

Sources close to the investigation told The New York Times that Mr. Artime had testified that the money was passed on to Bernard L. Barker, Frank Sturgis, Eugenio R. Martinez and Virgilio Gonzalez—all convicted Watergate burglars from Miami—and their families.

In sworn testimony Thursday before Mr. Gerstein's investigator, Mr. Artime reportedly said that he had had frequent contacts with the five jailed figures. He said the latest took place a week ago when he visited them at the Federal prison at Danbury, Conn.

Key Biscayne Meeting

Mr. Gerstein, whose year-long investigation of the Miami aspects of the Watergate affair first uncovered financial links between the break-in and the Committee for the Re-election of the President, is seeking evidence that the entry was planned and approved at a Key Biscayne meeting on March 30, 1972. The break-in occurred June 17, 1972.

Details of the meeting, allegedly attended by former Attorney General John N. Mitchell, were described last month before the Senate Watergate Committee by Jeb Stuart Magruder, former deputy director of the Committee for the Re-election of the President.

Some legal experts here have indicated a belief that persons involved in the Key Biscayne meeting, and others who from Washington allegedly ordered the wiretapping of Senator George McGovern's Miami Beach election headquarters, could be indicated under Florida law.

Mr. Artime and other Cuban exiles organized the Miami Watergate Defense Relief Fund last February.

At that time, the fund, incorporated as a Florida "charitable organization," opened an account with the Bank of Miami and began soliciting funds for the relief of Barker, Sturgis, Martinez and Gonzalez.

The fund's account is said to be exhausted at present. But sources close to the case said that bank records showed that between February and May, more than $5,800 was deposited to the account, of which almost $3,600 was in cash. During that period Barker received $660 and the other three Cuban conspirators $425 each. A total of $3,797.50 was paid to the Washington law firm that represents the four.

Mr. Artime, owner of a meat importing company here, was selected early in 1961, reportedly by Hunt, to lead the Bay of Pigs invasion force.

At that time Hunt was the top Central Intelligence Agency operative supervising the invasion's planning and execution. Working for Hunt as paymaster for the United States-supported, Miami-based Cuban Revolutionary Council was Bernard L. Barker. The council's military arm was the invasion force.

Mr. Artime was among the exiles captured and jailed.

After his release from a Cuban jail in December, 1962 Mr. Artime is said to have had many personal and professional contacts with Hunt, who is the godfather of one of his children.

Barker, in his testimony before the Senate Watergate Committee last month, said that when he was recruited by Hunt in April, 1971, he and Hunt saw in Miami "two or three persons who are in the old Cuban Revolutionary Council."

Sources close to Mr. Gerstein's investigation said that Mr. Artime had denied any prior knowledge of the aWtergate break-in. He reportedly said, however, that he met Hunt later in 1971 and that Hunt, who said he was working for the White House, tried to recruit him and other Cubans for an operation in Panama related to drug traffic.

Also Met Liddy

Mr. Artime, who appeared voluntarily and who was not accompanied by a lawyer, said that during one of his contacts with Hunt in Miami he also met G. Gordon Liddy, another convicted Watergate conspirator.

According to sources close to the case, Mr. Artime testified that he had first learned about the Watergate break-in from newspaper accounts.

A few months later, he reportedly said, he and a "group of friends" came up with a plan to set up the relief fund, but in the testimony did not elaborate on the inception. He is said to have consulted Hunt about the plan during a trip to Washington, and Hunt is said to have called it a "very good idea."

Shorty afterward, the sources quoted Mr. Artime as saying, Hunt's wife, Dorothy, came alone to Miami and told him that money would be provided to the fund. She is said to have assured Mr. Artime that the four Miamians would have no legal problems in Washington. But she reportedly said that Barker might have some trouble in Miami because of a charge of having falsely notarized a signature to cash a $25,000 check that went through the Committee for the Re-election of the President.

Gerstein for Prosecutor

Prosecuted by Mr. Gerstein, Barker was found guilty in the charge last November.

Following Mrs. Hunt's death in an airplane crash in December, 1972, Mr. Artime visited Hunt again in Washington. At that time, the sources said Mr. Artime said, Hunt gave him a Manila envelope with $12,000 in cash.

Earlier this year, during another visit to Washington, Mr. Artime reportedly was told by Hunt that an American would telephone him soon in Miami, identify himself with a code name and arrange for a new delivery of "support" money.

The man never called, according to the sources, but a few weeks later, he found in his mail box three envelopes containing $3,000 each in cash.

Mr. Artime was quoted as saying that most of the $21,000 was distributed among the four Miamians, although Martinez got less than the others because he is not married and has no close family.

The sources said that in his testimony Mr. Artime volunterred his own observations about the Watergate break-in. Although he characterized Hunt as a good political operator, he is said to have described both Hunt and Barker as "very bad agents," and added that he would recommend only Martinez for such an operation.

Mr. Artime also was quoted as saying that in one message from prison Hunt asked him for advice on how to invest his money. Mr. Artime reportedly declined and suggested that Hunt employ a professional consulting agency.

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10 July 1973

A Sense of Deja Vu at CIA

Watergate Disclosures Raise Questions

"We were not involved because it seemed to me that was a clear violation of what our charter was."

Richard M. Helms, Feb. 7, 1973

"Dick Helms was most cooperative and helpful."

Tom Charles Huston, July 1970

By Laurence Stern
Washington Post Staff Writer

In the vernacular of courtroom melodrama, someone was dissembling.

It was either Richard M. Helms, the respected formed director of the Central Intelligence Agency, or was it Tom Charles Huston, the White House architect of the controversial 1970 domestic intelligence plan.

The conflict was rooted in an appearance by Helms before a closed session of the Senate Foreign Relations Committee last February 7.

Helms was being questioned by Sen. Clifford P. Case (R-N.J.). It had come to his attention, said Case, that in 1969 or 1970 the White House asked that all the national intelligence agencies pool resources to learn all they could about the anti-war movement.

"Do you know anything," he asked Helms, "about any activity on the part of the CIA in that connection? Was it asked to be involved?"

Replied Helms: "I don't recall whether we were asked but we were not involved because it seemed to me that was a clear violation of what our charter was."

"What would you do in a case like that? Suppose you were?" Case persisted.

"I would simply go to explain to the President this didn't seem to be advisable," said Helms.

"That would end it?"

"Well I think so, normally," Helms concluded.

Case's prescient question was posed nearly four months before the public leak of Huston's memoranda describing for the first time the intensive domestic surveillance program approved and then, allegedly, rescinded by President Nixon five days later.

The Huston papers implicated Helms and his agency in the 1970 intelligence plan so directly that the word perjury was being uttered in Senate offices by those who were privy to the secret testimony given by Helms in February.

One of Huston's top secret memoranda, addressed to former presidential chief of staff H. R. (Bob) Haldeman, reported: "I went into this exercise fearful that CIA would refuse to cooperate. In fact, Dick Helms was most helpful . . ."

Huston also reported that top CIA officials joined in meetings with other intelligence agencies to draft the 1970 intelligence report.

By the time the Huston documents surfaced and the contradiction became apparent, Helms had returned to his ambassadorial post in Iran. He was never publicly confronted on the conflict between his own testimony that "we were not involved" and Huston's assertion that "Dick Helms was most cooperative and helpful."

Yet here was compelling new evidence that the CIA had been involved in domestic security matters which, by Helms' own admission, violated the agency's congressional charter. The 1947 National Security Act establishing the CIA decreed that it "shall have no police, subpoena, law enforcement powers, or internal security functions."

Incidents such as these breed a sense of frustration, if not political impotence, among those on Capitol Hill who have sought to place in the hands of Congress the countervailing power of oversight on CIA operations.

"The Old Boy business is so depressing," complained one senior Senate staff specialist in CIA matters. "The Helms performance was a love-in when they should have been blowing him out of the water."

Time and time again since its inception 26 years ago, the CIA has been caught with its cloak and dagger showing in the wrong places at the wrong time.

Six years ago the agency was rocked by its last major intelligence scandal—the disclosure that it had been secretly funding and infiltrating student associations, universities, labor unions, church groups and diverse other private organizations.

Tens, perhaps hundreds of millions of dollars in public funds were distributed without public accounting to influence the views and activities of supposedly independent organizations in the United States and abroad.

The money was circulated through a network of tax-exempt foundations operated, in many cases, by an influential elite of bankers, lawyers and industralists who provided a massive and respectable cover.

If ever there were grounds for a wholesale congressional review of the CIA's role in the public and private business of the country, the 1967 episode would seem to have provided the occasion.

"I'm not at all happy about what the CIA has been doing," said then Vice President Hubert H. Humphrey, "and I'm sure that out of this very singularly disagreeable situation will come a reformation of that agency."

But nothing changed basically.

President Johnson appointed a study commission, headed by then Under Secretary of State Nicholas DeB. Katzenbach, which reported back speedily that the CIA had been following the orders of the National Security Council in carrying out the covert financing scheme.

The Katzenbach panel called for a modest reform. It proposed a prohibition on CIA funding to educational, philanthropic and cultural organizations such as the ones the agency had been secretly funding. But it also suggested a loophole under which such grants could be made to serve "overriding national security interests." Helms was one of the three panel members.

Less than a year after the secret funding scandal broke, a group of Old Boys met in January, 1968 under the auspices of the prestigious Council on Foreign Relations to take stock of the agency's somewhat battered public position. The elite panel included the late CIA director Allen Dulles, international financier C. Douglas Dillon and two former heads of the agency's Plans (familiarly known as "dirty tricks") Division.

While the public rhetoric promised reform and tighter safeguards on CIA operations, the focus of the off-the-record discussion at the council's New York offices was altogether different. This was the private diagnosis presented to the group by Richard M. Bissell Jr., who was the CIA's chief of covert operations during the Bay of Pigs debacle:

"On disclosure of private institutional support of late it is very clear that we should have had greater compartmenting of operations. If the agency is to be effective, it will have to make use of private institutions on an expanding scale, though these relations which have been 'blown' cannot be resurrected.

"We need to operate under deeper cover, with increased attention to the use of 'cut outs' (agency fronts) . . . The CIA interface with various private groups, including business and student groups must be remedied."

Bissell's comments were never intended for public consumption, but a report of the discussion was found in an university official's office during a 1968 student raid in Cambridge, Mass.

The issue, as privately defined among these blue ribbon members of the intelligence community, was not reform. It was how to do it better and how not to get caught.

Now the agency is in hot water again in the aftermath of the Watergate scandal, the Ellsberg affair and the CIA's involvement with ITT in the 1970 Chilean presidential election.

For the first time the American public learned of CIA "safe houses" for covert operations within the shadow of the National Cathedral in one of Washington's prime residential districts. There have been revelations of domestic political espionage teams composed of ex-CIA employes.

The agency also seems to be a dispensing center for "sterile" phone numbers, spy cameras, mail drops, wigs and tape recorders—no questions asked—when approached through proper White House channels.

The most serious lesson of the recent disclosures is that the agency and the White House national security managers have not been cured of the penchant for entanglement in domestic affairs.

And Congress, in deference to the agency's mystique of national security untouchability, has been reluctant to press hard questions.

One such question might be the role of the CIA's Domestic Operations Division, which was created nearly 10 years ago and which has been publicly mentioned in the press and at least one serious study of the CIA, The Espionage Establishment by David Wise and Thomas Ross.

There might also be questions about the nature of the super-secret National Security Intelligence Directives (known in intelligence parlance as Enskids) by which the powers of the agency have been gradually expanded far beyond their original charter for foreign intelligence gathering.

During the confirmation hearing last week for William E. Colby, the nominee to head the agency, acting Senate Armed Service Committee chairman Stuart Symington (D-Mo.) asked Colby about the NSC directives. Colby suggested that the matter was too sensitive for public discussion.

One of these directives, NSCID 7, empowered the agency to question persons within the United States and to interview American travelers to and from Communist countries. Who and

Ross wrote. It also established the basis for the CIA front groups and fund conduits which were "blown" in the 1967 disclosures.

The prevailing tone of Congressional oversight of the intelligence community was expressed during a 1971 debate by Sen. John C. Stennis (D-Miss.), the senior congressional overseer of CIA activities.

"As has been said, spying is spying," Stennis said. "You have to make up your mind that you are going to have an intelligence agency and protect it as such, and shut your eyes some and take what is coming."

In recent weeks the agency has been subject to heavier congressional scrutiny than ever in its history as a result of the Watergate disclosures. Five committees, four in the Senate and one in the House, have been looking at various aspects of agency operations as they related to Watergate, ITT, Ellsberg and the 1970 intelligence plan.

But a searching and systematic examination of how the CIA functions and how deeply its operations intrude into the internal affairs of the United States does not seem likely to emerge from this spate of overlaping investigations.

For those who have over the years watched the cycle of exposure, public penitence and demands for curbing the excesses of the CIA's covert activities there is a strong sense of *deja vu* at the moment. The agency, for its part, is "toughing it out" until the clamor subsides once again.

WASHINGTON POST
7 July 1973

Bond Is Cut To $50,000 On McCord

By Peter Osnos
Washington Post Staff Writer

U.S. District Judge John J. Sirica yesterday substantially reduced the bond for convicted Watergate conspirator James W. McCord and granted McCord permission to travel anywhere in Maryland, Virginia or the District.

Acting on a motion filed by McCord's lawyers, Sirica cut the bond from $100,000, of which all the money had to be posted, to $50,000, of which only a 10 per cent deposit is required. As for the travel, McCord had previously been confined to the Washington metropolitan area.

Sirica did not act, however, on McCord's motion for a new trial on the ground that perjured testimony and the government's withholding of pertinent evidence had deprived him of a fair trial last January.

McCord was security director of the Committee for the Re-election of the President until he was arrested inside the Watergate headquarters of the Democratic National Committee on June 17, 1972. At the January trial, he was convicted of burglary, wiretapping and conspiracy.

Sirica postponed sentencing of McCord in March after McCord said he wished to testify before the grand jury and the Senate Select Committee on the Watergate about what he knew about the Watergate affair. McCord's testimony in both those forums has been generally credited as the first to link top level Nixon administration and campaign committee officials to the Watergate bugging and cover-up.

No date has been set for his sentencing.

Sirica also yesterday denied the American Civil Liberties Union permission to file a brief in support of McCord's motion for a new trial. The ACLU said that all seven men convicted in the case are entitled to a new trial because of perjured testimony in January.

On another matter, Sirica yesterday granted limited immunity from prosecution to Gordon Strachan, a former aide to former White House chief of staff H. R. (Bob) Haldeman, and ordered Strachan to testify before the Senate Watergate committee.

Strachan, 29, is reportedly prepared to testify that he sent Haldeman advance plans for the Watergate bugging given to him by Jeb Stuart Magruder, then deputy director of the Nixon campaign committee. Strachan's immunity means that his testimony at the Watergate hearings cannot be used against him in any future criminal trial.

Strachan appeared in court yesterday, but refused to talk with reporters. He is scheduled to testify in the Senate hearings later this month or in early August.

Meanwhile, Senate committee sources and sources close to former Attorney General John N. Mitchell denied yesterday that any request had been made to Mitchell to keep his wife from accompanying him to the hearings when he testifies next week.

A source close to the Mitchell family said that there had been no discussion with the Senate committee about Mrs. Mitchell accompanying her husband and that as of this time, Mrs. Mitchell had no plans to attend.

The Arkansas Gazette, published in Little Rock near Mrs. Mitchell's birthplace in Pine Bluff, responded yesterday to reports that Mrs. Mitchell had been asked not to attend with an editorial saying she is "just as entitled to her wifely rights as any of the others whose husbands have been called to the Senate witness stand."

"Indeed," the newspaper added, "a case could be made that Martha is more entitled than the others to her seat behind her husband. She is, after all, the only one of the wives who made her husband get out of the dirty business in which so many of the highest figures in the administration were involved."

In Bangor, Me., yesterday, Sen. William D. Hathaway (D-Me.) said there has been sufficient evidence presented to the Senate Watergate committee to warrant impeachment proceedings against President Nixon.

"Something could turn up which would throw all of (Former White House Counsel John) Dean's testimony out the window," Hathaway said, "but it is doubtful this could happen."

Hathaway added, however, that his remarks should not be interpreted as a stance in favor of impeachment because, he said, "I am in a position of being one of the jurors if it ever gets as far as the Senate." Hathaway made his comments in a meeting with the editors of the Bangor Daily News.

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10 July 1973

'PLUMBERS' DATA REPORTEDLY KEPT FROM F.B.I. IN 1972

By DENNY WALSH
Special to The New York Times

WASHINGTON, July 9—For many months, two high Justice Department officials withheld information from Federal Bureau of Investigation agents that would have led the agents much earlier to the White House group set up to scrutinize Government leaks to newsmen, according to sources close to the F.B.I. Watergate investigation.

In early July of last year, less than a month after the Watergate break-in at Democratic national headquarters on June 17, the Central Intelligence Agency furnished the former acting director of the F.B.I., L. Patrick Gray 3d, with documentation of the aid provided by the C.I.A. to the cadre of White House operatives known as the "plumbers," the source said.

The three Federal prosecutors and F.B.I. field agents assigned to the Watergate case and related matters did not know that Mr. Gray had this material until it was discovered in his office safe after he resigned as head of the bureau on April 27.

Petersen Got Data

Last October, Henry E. Petersen, an Assistant Attorney General, obtained this information from the C.I.A. and, at the same time, learned that Mr. Gray had been in possession of the material for more than three months, according to the sources.

Mr. Petersen, then in charge of the Watergate investigation, did not pass on the material to the F.B.I. agents working on the case, nor did he make it known that Mr. Gray had concealed the material, even when President Nixon nominated Mr. Gray in February, 1973, to be permanent director of the bureau.

Mr. Gray was not available for comment. When Mr. Petersen was reached through a public information officer at the Justice Department, he said he had "no comment."

This information was pieced together by the New York Times after interviews with a number of persons familiar with the Watergate investigation and all its ramifications and from various public documents relating to the C.I.A.'s

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involvement with the Watergate conspirators.

The full scope of C.I.A. support of the "plumbers" was not known to the F.B.I. agents in the case until early in May, when it came to light independently of them, during the late stages of the trial of Dr. Daniel Ellsberg on charges growing out of his role in publicizing the Pentagon papers.

The agents are known to be angry that Mr. Gray and Mr. Petersen did not share the C.I.A. material with them, and contend that if they had had the information, much of what is now known about the "plumbers," including their burglary of Dr. Ellsberg's former psychiatrist's office, would possibly have emerged sooner.

A key element in the rancor of the agents is that part of the material that Mr. Petersen and Mr. Gray had, they believe, might have led them to knowledge of the burglary months before it was learned by Federal prosecutors in interviewing John W. Dean 3d, form counsel to the President, in April.

Included in the material turned over to Mr. Petersen by the C.I.A. on Oct. 24 was a photograph of G. Gordon Liddy, convicted Watergate conspirator, standing in front of the building in Beverly Hills, Calif., that houses the office of the psychiatrist, Dr. Lewis J. Fielding. Sources who have seen the picture said that a reserved parking space marked for Dr. Fielding could be seen in the background.

Both Mr. Petersen and Mr. Gray had information that E. Howard Hunt Jr., one of the Watergate conspirators who pleaded guilty, had requested that the C.I.A. have someone meet him upon his return from California on the morning of Aug. 27, 1971, to receive some film from him that he wanted processed and returned.

Developments in April and May of this year disclosed that Liddy and Hunt, both part of the "plumbers" group at the time, had engineered the burglary of Dr. Fielding's office on Sept. 3, 1971, as part of a search for information about Dr. Ellsberg. Hunt told the Watergate grand jury here in May that he and Liddy went to California in August, 1971, "to make a preliminary vulnerability and feasibility study" of Dr. Fielding's office.

He said that they "passed through" the building in which Dr. Fielding had hif office and took some photographs "with a very special camera."

Mr. Gray had known since July, 1972, and Mr. Petersen since October, 1972, that the C.I.A. had in the summer of 1971 provided Hunt with, among other things, a commercial Tessina camera disguised in a tobacco pouch.

Records of the Beverly Hills Police Department show that the burglary was reported on Sept. 4, 1971, that a man arrested on Oct. 7, 1971, in connection with a theft from a woman's purse confessed to the burglary and that on Nov. 12, 1971, the man renounced the confession.

Some Justice Department officials feel it is "convenient hindsikht" for agents to say they might have uncovered the participation of Hunt and Liddy in the burglary with the photograph and other information held by Mr. Petersen and Mr. Gray.

"They [the agents] never had a chance," a source close to the F.B.I. investigation said. "How can you say they wouldn't have gotten to the burglary, when the best leads in the Government's possession were concealed from them?"

In testimony before the Senate Watergate committee two weeks ago, Mr. Dean said that Mr. Petersen once had showed him the C.I.A. material and told him that Mr. Gray had the same material.

"The fact that this material was in the possession of the Department of Justice meant to to me that it was inevitable that the burglary of Ellsberg's psychiatrist's office would be discovered," Mr. Dean said. "I felt that any investigator worth his salt would certainly be able to look at the pictures in the files at the Department of Justice and immediately determine the location and from there discover the fact that there had been a burglary at the office that was in the picure."

Seek to Prove Identities

Included in the material given to Mr. Gray last July was a rundown on how the C.I.A. had furnished alias documents to Hunt in July, 1971, in the name of Edward Joseph Warren, and in the name of Edward V. Hamilton during the more than 20 years Hunt served as a C.I.A. agent. It was also recounted in the documents turned over to Mr. Gray how the C.I.A. had furnished Liddy with alias documents in the summer of 1971 in the name of George F. Leonard.

For six weeks to two months following the June 17 break-in, F.B.I. agents all over the country worked to prove to the satisfaction of the prosecutors the true identities of the persons who had obviously traveled widely under those aliases. This required the laborious comparison of handwriting samples and fingerprints from hotel and airlinerecords and the identification of pictures of Hunt and Liddy by hotel and airline employes.

During much of this time, Mr. Gray had evidence that would have immediately satisfied the prosecutors—the C.I.A.'s own record of the help it gave to the "plumbers." Mr. Petersen learned in October that the acting F.B.I. director had remained silent while supervising his agents' tedious efforts on the aliases.

When Mr. Petersen received the material from the C.I.A., it included transmittals to Mr. Gray dated July 5 and July 7, 1972.

However, when the prosecutors were finally allowed to review the C.I.A. material 33 days after Mr. Petersen obtained it, there was nothing in the documents they saw to indicate that Mr. Gray had the same material, and Mr. Petersen did not mention that fact to the prosecutors, even though he had given Mr. Dean, the Presidential counsel, that information around the same time, according to Mr. Dean.

The C.I.A. documentation was turned over to Mr. Petersen in response to a series of questions submitted to the agency by Earl J. Silbert, principal Assistant United States Attorney in the District of Columbia who was then the chief prosecutor in the Watergate case. Richard Helms, then director of the C.I.A., arranged to turn over the material to Richard G. Kleindienst, then Attorney General.

In a telephone interview, Mr. Kleindienst said that the material was delivered to him in a manila envelope and that he delivered it to Mr. Petersen without opening it. He said that he never knew what was in the envelope.

Mr. Kleindienst strongly urged the President to nominate Mr. Gray to head the F.B.I. on a permanent basis.

The former Attorney General, who stepped down rather than involve himself in a Watergate investigation that led repeatedly to his personal friends and political associates, indicated he was not aware of Mr. Gray's possession of the C.I.A. material.

Asked why Mr. Petersen did not give the material to the F.B.I. agents in the case, Mr. Kleidienst said:

"Mr. Petersen would have shown it to anybody, I'm sure, who he felt should have seen it in connection with any legitimate investigation. He wouldn't have shown it to anybody who he didn't feel needed to see it.

"Henry didn't secrete anything for devious reasons, nor did he in any way impede the investigation. I know Henry well, and I know that his only interest was to have a fair, intensive investigation. He wasn't involved in a witch hunt, but he was interested in anything that bore on the investigation."

Mr. Gray was apparently given the C.I.A. information as a result of his liaison with Lieut. Gen. Vernon A. Walters, deputy director of the intelligence agency.

'70 SPY PLAN'S END CALLED INFORMAL

By MARJORIE HUNTER
Special to The New York Times

WASHINGTON, July 9 — A White House aide who helped draft a master plan in 1970 for expanded domestic intelligence gathering indicated today that President Nixon never formally rescinded approval of the operation.

Tom Charles Huston was quoted by Representative Lucien N. Nedzi of Michigan, chairman of a House Armed Services subcommittee, as saying that the intelligence agencies involved were merely notified by telephone to return memorandums in which he said that the President had approved the plan.

"So far as we could learn, no one at the White House gave formal orders to rescind the plan," Mr. Nedzi saido, following a two-hour session in which Mr. Huston was questioned about possible involvement, of the Central Intelligence Agency in the Watergate affair.

Mr. Huston declined to discuss his testimony as he emerged from the closed hearing.

The White House had no comment.

President Nixon, in a statement on May 22, said he approved the intelligence gathering plan in July, 1970, but that the agencies involved were notified five days later that the approval had been rescinded, primarily because of the opposition of J. Edgar Hoover, then the director of the Federal Bureau of Investigation.

The master plan had called for illegal breaking and entering, electronic surveillance and other covert activities in an effort to stem the wave of domestic disorders on college campuses and in urban aras.

Mr. Huston told the subcommittee today that his momorandum, summarizing the 43-page report and stating that it had been approved by the President, was sent to the F.B.I., the C.I.A. and other intelligence units of the Government on July 23, 1970. He said the memorandum had been approved by H. R. Haldeman, then the President's chief of staff.

Mr. Huston was quoted by Mr. Nedzi as saying that, five days later, he was instructed by Mr. Haldeman to request the agencies to return their copies of the memorandum.

Mr. Nedzi said that Mr. Huston, in turn, asked an employe in the White House "situation room" (a military information and communications center) to relay this message to the agencies.

While President Nixon has maintained that the plan "never went into effect," some of those involved in the Watergate investigation have suggested that key elements of the plan may have been adopted in two subsequent break-ins.

The two illegal entries in question were the burglary of the California office of Dr. Daniel Ellsberg's psychiatrist in September, 1971, and the break-in at the Democratic National Committee headquarters in the Watergate complex in June, 1972.

Mr. Nedzi said that Mr. Huston told the subcommittee today that the 1970 master plan did not call for any expanded role for the C.I.A.

"I got the impression that the only reason the plan was drawn up was because the White House was unhappy about [illegible] around the country," Mr. Nedzi said.

NEWS, Wilmington
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Putting in a good word for the CIA

It is perhaps only fair, as a counter to all the bad publicity it is receiving through the Watergate investigations, to put in a good word for the Central Intelligence Agency.

The CIA has been given a bad name by Watergate because some of its former employes, and many of its techniques, were involved in various illegal activities. But the CIA in fact refused to participate in the Watergate cover-up when asked to do so by the White House staff.

Not that the CIA did not already have a bad name in certain quarters long before the Watergate caper broke open — it did. It overplayed its hand in Chile, financed the ill-advised Cuban invasion and made various mistakes in Southeast Asia.

But these aberrations are not evidence that the CIA is filled with bumbling idiots, or that the CIA is unnecessary. What they do suggest is that the agency has not always been able to readjust its thinking and its policies to the changing realities of the world.

It should be noted immediately that the United States must have the CIA or a similar agency. It is most important that the nation's leaders have an honest assessment of what is happening in the world, and what is likely to happen. And it is important that this intelligence agency be completely independent of other agencies, which by definition will seek information to strengthen their own positions.

(The CIA with 15,000 employes, is not, by the way, the largest intelligence agency in the United States. Air Force Intelligence is far larger, with 70,000 employes; it uses satellites to pinpoint enemy missiles and the like. Army Intelligence has 38,500 employes, and the National Security Agency, which is in the code-breaking business, has 20,000 employes.)

Despite its well-publicized errors in judgment, the CIA has a fairly good record in making accurate, independent assessments of political and military situations. The CIA was critical of the applicability of the domino theory to Southeast Asia, the pacification program in Vietnam, and predicted that the South Vietnam invasion of Laos would meet heavy opposition, a message the military either chose to ignore or never got.

The CIA generally gets itself in trouble when it extends its activities to operations, rather than straight intelligence-gathering (Chile and Cuba are the classic examples), and when it goes out on a limb to get information that is really not that vital.

The spy satellites do a good job of gathering information about military activity in the Soviet Union, for example, and there is little justification for taking the risks associated with sending agents into that country. The same is true for Western Europe and Japan and other friendly areas — plenty of information is available through overt channels. The problem is to understand and evaluate it, not to get it, and covert activities are of little value.

Therefore, some changes in tactics are probably in order. At the same time, the CIA needs to change its view of what information is most vital. It is probably more important to the United States today to know what the Japanese are up to economically than to know what a bunch of guerillas are doing in some South American backwater. Predicting economic intentions is of just as much value as predicting military and political intentions. Too often, however, the CIA has followed the Communist-watching game that it began after World War II to the exclusion of more useful tasks.

The only question is whether the CIA can adapt itself to a new role. It is already changing—there is a sign on the agency's headquarters now — and its leaders seem willing to adapt even further. It would be most unfortunate if the CIA got smeared by Watergate just at a time when it is beginning to make itself more useful than it has been in years.

NEW YORK TIMES
9 JUL 1973

F.B.I. Reform

By Milton A. Loewenthal

One reform proposal which is gaining prominence as an outgrowth of Watergate is the deceptively simple notion of transforming the F.B.I. into an independent investigatory agency divorced from the President and his Attorney General. This is, in effect, a proposal to remove the F.B.I. from the control of the elected representatives of the people.

Such an idea appeals to our concern that the F.B.I. could be as severely compromised for political purposes as it apparently was during the Watergate "cover-up." The proposal is also attractive to our natural longing for a kind of mechanical even-handedness in law enforcement and a way of assuring that the highest officials of our Government are as subject to legal sanctions as ordinary citizens.

Ironically, this new cult of independence is most strongly supported by those liberals who for so long intoned against the independence of J. Edgar Hoover's F.B.I. from the policies of successive national Administrations. Then it was argued that the F.B.I. was still looking for Communists under every bed while showing softness in investigating violations of civil rights—at a time when national conditions and sentiment called for a different kind of emphasis. Those of us who supported this argument recognized that law enforcement is not mechanical. It necessarily involves policy decisions, selectivity and value judgments which should, within limits, be subject to the control of the democratic process. Oddly, many of my colleagues who urged this position are now glorifying the former autonomy of the F.B.I., apparently forgetting the dangers of the independence which they had implored against. Could it be that they oppose autonomy only when they disagree with the policies of independent officials?

Our Federal judges are appointed for life and are essentially independent of electoral pressures—and we are better off for it. But there is a major difference between judges and large law-enforcement agencies. We could hardly accept the appointment for life terms of attorneys general, district attorneys or police commissioners anymore than we could accept a secretary of defense or a chairman of the Joint Chiefs who is divorced from popular control.

Autonomous judges act openly as a check on majority will, but they do not represent the threat to our society that is posed by independent police forces or armies. These vast organizations possess such great potential for massive and secret invasions of democratic freedoms that we cannot risk their independence. We must not let our distress over Watergate allow us to turn to "remedies" that will further endanger our democratic institutions.

This is not to say that it is incorrect to stress the need for character and toughmindedness in those who administer criminal justice agencies. If asked to shred evidence, violate the law, or act against his own conscience, any self-respecting official should be expected to refuse or resign. But institutional autonomy is not a guarantee of personal integrity. Indeed, a powerful, independent administrator who lacks integrity may be the greatest of dangers.

One major problem remains: who investigates the President, his staff and his Cabinet? No doubt it is too much to expect that even men of the highest character will vigorously investigate their "bosses." Moreover, we have been reminded by Watergate that in our system of separation of powers it is very difficult for the legislative branch to check on wrongdoing by executives who cannot be forced to appear before Congress or account to it.

One possible solution is the creation of an independent ombudsman agency whose sole authority would be to investigate Government officials. Such an agency would have no power over ordinary citizens but would act as a check on Government operations through investigations initiated either by citizen complaints or by the agency itself. Because of the limited power of the ombudsman, the risk of its independence might be worth taking. Certainly it would be much preferred to the dangers inherent in removing the F.B.I.—with its vast powers over American citizens—from the sway of the democratic process.

Milton A. Loewenthal is associate professor of law at John Jay College.

CHRISTIAN SCIENCE MONITOR
11 July 1973

FBI and CIA integrity

Among the positive fallout from Watergate is a determination to prevent further political abuses of two top security agencies that should be separate from politics — the FBI and the CIA.

It has turned out to be a fortunate coincidence that new directors for both agencies came up for Senate confirmation after Washington and the public had been sensitized by the scandal to the need for maintaining the legal and professional integrity of these organizations.

Thus Clarence M. Kelley's Senate confirmation as the new FBI chief was preceded by pointed questioning on the role of the FBI and its director. Would he make a political speech for the White House? Would he give White House aides material from FBI files? Would he destroy such material on request?

By answering all such questions in the negative, Mr. Kelley went on record for a nonpolitical FBI. He said he would not give confidential data to anyone at the White House except the President. He had "never bowed to political pressure, and I don't mean to start." He sought professionalism at the FBI "in an atmosphere of justice."

Perhaps some version of pending legislation would be useful in spelling out FBI responsibilities and procedures. But the commitment of the director is the key element in establishing the proper tone for the department, and the FBI now seems to be off on the right foot.

Similarly, the nominee for CIA director, William E. Colby, is being carefully questioned in the hindsight provided by Watergate. Before the Senate Armed Services Committee he has gone on record against the use of the CIA for domestic intelligence as being contrary to its mandate to seek only foreign intelligence. He has called it a mistake for the CIA to have supplied equipment used in the Ellsberg psychiatrist break-in.

Thus he nailed down assurances that anyone would have thought went without saying before the disclosures of the past year. But, like Mr. Colby's stated opposition to further CIA involvement in secret wars overseas, they are assurances that improve the climate for keeping the CIA to its intended purposes.

Mr. Colby comes out of the CIA's so-called "department of dirty tricks." He will need to convince senators that he knows where to draw the line in this phase of CIA operations.

Meanwhile, the forces of law and liberty can take hope in the way the FBI and CIA are being scrutinized and their futures brought into line with the best aspects of their pasts.

LONDON OBSERVER
1 July 1973

Greek dictator in CIA's pocket

INQUIRY

CHARLES FOLEY, investigating in Athens, Cyprus and Washington, finds evidence that the CIA engineered the colonels' coup in Greece, with dictator Papadopoulos as its front man—and now uses secret knowledge of his wartime collaboration with the Nazis to keep its grip on the regime.

IN THE tawdry political thriller that is Greece today, one consistent motif is the progress of George Papadopoulos. He has taken over the country, the Premiership, the Regency and the Presidency. What is the game plan now for this man from nowhere whose name is a Greek equivalent of John Smith? Where is he leading his hijacked nation?

A stay in Athens has allowed me to fill in many parts of a puzzle that has persisted since the Papadopoulos gang seized power in 1967. Some pieces were found in Cyprus, where junta agents showed their hand in the attempted assassination of Archbishop Makarios, others in America, chief source of power for the colonels.

The United States Administration—which has just reaffirmed its warm support for the Colonels' regime—speaks with two voices. While Congress is assured that Papadoupoulos is being needled daily to restore at least the forms of democracy, military and diplomatic aid has been unstinted. A flickering respectability is bestowed on the regime by visiting firemen, from Vice-President Agnew to Maurice Stans, former Secretary of Commerce and chief Nixon election fund-raiser. The Pentagon serves as the Colonels' 'Prudential,' and US investment as their economic lifejacket.

Ambassador Henry J. Tasca cheerfully confesses: 'This is the most anti-Communist group you'll find anywhere. There is just no place like Greece to offer these facilities with the back-up of the kind of Government you have got here.' 'You,' not 'we,' is the only pretence.

The quotation comes from a diary kept by a visiting Congressman who was briefed at the United States Embassy and JUSMAAG (Joint US Military Aid Assistance Group) headquarters. He showed me a 'sanitised version' of his notes on US aims and military activities in Greece. At one point a two-star general is recorded as saying: 'It's the best damn Government since Pericles.'

JUSMAAG, with its élite staff of more than 100 top military and civil advisers, its training programme for the Greek Army and its hot line to the Pentagon, symbolises the massive American presence in Greece, which opponents of the regime bluntly call 'an occupation force.'

The Pentagon prizes Greece as an ace in the Super-Power game, and Papadopoulos as the man to guard it. He has recently opened up Piraeus, the port of Athens, as the Sixth Fleet's home port, bringing ashore another 10,000 servicemen and their dependants. Thirteen other installations also come gift-wrapped—from nuclear missile bases in Crete to the major communications sites of NADGE (NATO Air Defence Ground Environment)—a £100 million 'electronic chessboard' against the USSR. More than 12,000 Greek officers have had training in the US, and the American and Greek commands are meshed into an 'old boy' network.

Why has the Colonels' Greece become America's forward base in the Middle East? President Nixon gave one explanation: 'Without aid to Greece, we would have no viable policy to save Israel.' Or, of course, US interests in the oil-rich Arab nations. Thus, in defiance of a 112-57 vote in Congress, he has ordered ceaseless shipments of heavy arms and Phantom jets to the junta.

For Greeks, then, the question is not whether the US Administration is holding up the dictatorship; it is a matter of how long it can do so in the face of a new and rising hatred that has inspired a series of bombings against US cars and installations.

Among old hands at JUSMAAG, Papadopoulos, 55, is jocularly known as 'the first CIA agent to become Premier of a European country.' Many Greeks consider this to be the simple truth.

The charge is that not only did the CIA engineer the coup that brought the Colonels to power on 21 April, six years ago; it may still be concerned in such moves as last month's second 'revolutionary coup,' which replaced King Constantine with Papadopoulos as Head of State.

In the light of Watergate all things are possible, but there is also some hard evidence. For perspective, we must glance back to 1964, when Greece's veteran liberal leader, George Papandreou, brought his Centre Union Party back to power with 53 per cent of the vote. His son, Andreas, an American by virtue of wartime service in the US Navy, was teaching economics at Berkeley, California. He recovered his Greek nationality to join the Government.

As Minister of State in charge of intelligence, Andreas Papandreou was stunned to find that the Greek Secret Service, KYP, was in reality a financial and administrative appendage of the CIA. This, he thought, accounted for many obstacles to the new centre-left coalition that was trying to form a modern, and independent, nation.

Mr Papandreou, who was imprisoned after the coup brought down his father's Government, is today a professor at a Canadian university but may be met with on resistance missions to Germany (where there are now 400,000 Greeks), and Italy. Tall, pipe-smoking and outspoken, he told me how he discovered that the KYP chiefs had bugged all Ministerial conversations and bound them into several volumes for their American mentors.

'We dismissed the two top KYP men and replaced the chief with a reliable officer, General Agoras, who was ordered to protect the Cabinet from surveillance,' he said. 'He came back apologetically to say he couldn't do it. All the equipment was American, controlled by the CIA or Greeks under CIA supervision. There was no kind of distinction between the two services. They duplicated functions in a counterpart relationship. In effect, they were a single agency.'

Papandreou tried to take the KYP off the billion-dollar CIA budget by having its agents paid by the Greek Treasury. He failed in this, but succeeded in shifting the officer who had been liaison man between the KYP and the CIA since 1960. 'He was George Papadopoulos,' the present dictator,' he said.

Soon Mr Papandreou learnt that his conversations (which included a long off-the-record talk with this writer) were still being recorded for the US Embassy. He asked KYP's new deputy chief to make a thorough search of his office and home for electronic devices.

'It wasn't until much later that we discovered he'd simply planted a lot of new bugs: Lo and behold, we'd brought in another American-paid operative as our No. 2,' he said.

KYP is, in fact, an American creation. It was built up after the Greek civil war of 1945-49, when the US took over from Britain the task of crushing the Communists.

Hundreds of KYP agents went to America for training by the Office of Strategic Services and its successor, the CIA. Among them, for a course in psychological warfare, was Major Papadopoulos. A stringent investigation was made of his anti-Communist credentials.

What these contained has never been made public, but a comrade of General Grivas, himself the wartime leader of a fanatically anti-Communist private army called 'X,' confirmed circumstantial reports that Papadopoulos served as a captain in the Security Battalions raised by the Nazis to hold down British-armed partisans during the war. Most of their work was in the Peloponnese, Papadopoulos's home ground, where he interrogated suspects.

Papadopoulos, said my informant, was a great believer in Hitler's 'new order.' In the wave of anti-Communist feeling after the civil war, the past was wiped out.

One of the sharkskin-suited species of US military advisers in Athens hinted to me at a party, when I mentioned Papadopoulos's German background, that it was related to his subservience to US wishes. 'George gives good value,' he smiled, 'because there are documents in Washington he wouldn't like let out.'

I recalled the story told to me by a Harvard don who had come across similar material while researching for a book. When he tried to reach its source, in the State Department, he was crisply told to 'lay off.'

This explains one curiosity of the Colonels' Greece. Writing in THE OBSERVER recently after a visit to his old Resistance friends, C. M. Woodhouse noted how intense official propaganda portrayed Communism as the only enemy Greece had ever had, and minimised the German occupation until even Nazi atrocities were seen as provoked by the Communists. This rewriting of history clearly reflects the dictator's concern at the danger that the gap in his official biography may, some day, be filled in.

Not that his patrons want to shoot holes in the Provisional President's image, yet. As an amiable JUSMAAG officer put it: 'He controls the most useful piece of real estate around here, a private beach-head in the Med and the last stop for our planes before Pakistan. George may be short on charm, but we trust him. Well, we have to.'

Even after being removed from his KYP post, Colonel Papadopoulos remained the CIA's front man. Opposition politicians who sought the ear (or the purse) of James Potts, CIA chief in Athens before the coup, were often told: 'See George—he's my boy.'

'George's' spy-work on the Papandreous, which portrayed them as leftist fanatics, was a factor in CIA fears that Greece in 1966 was headed for a 'Red' takeover. The subject was raised at a meeting of the National Security Council in Washington in mid-February 1967, when CIA reports from Athens indicated that a right-wing counter-coup was immin-

ent. The question was: Should the US Embassy be asked to stop it? The answer, after some agonising, was no. Presidential adviser Mr Walt Rostow ended the session by telling White House aides and Near-East experts that their 'non-action' made the future course of events in Greece inevitable. I have confirmation of this from a senior civilian present at the deliberations.

What evidence is there that the CIA worked behind the scenes to promote the 1967 coup? First, the composition of the tiny cabal of obscure officers who launched it. Four of the five chief conspirators were intimately connected with US forces or Intelligence. The fifth man, Brigadier Pattakos, had no direct CIA links, but was brought in for the sake of the armoured units he commanded.

The means employed were also significant. The NATO 'plan Prometheus,' devised in conjunction with US officers, was a contingency scheme for use if Greece faced an immediate threat of war or revolution. Yet when the Colonels staged their revolt and flooded Athens with tanks, Greece's Us allies did not stir. No planes took off, no marines landed, no move came from the Sixth Fleet, which was off Crete. Greek officers who telephoned US colleagues were told to let nature take its course.

A KYP agent who has recently fled to Italy has cast further light on these events. He insists that a few key CIA agents in Greek uniforms backed up operations on the night of the coup, their task being to see that it was bloodless.

Since then a succession of US leaders has visited Athens to voice open approval of the Junta and its value to NATO (questionable after the successive purges of the armed forces). Secretary of Commerce Stans, who collected millions of secret campaign dollars for Mr Nixon's re-election, brought a message of admiration from the President. Secretary of State Rogers celebrated last American Independence Day with the Colonels.

His pleasure at visiting a country 'where so many principles underlying our own Declaration of Independence had their origin 2,000 years ago' was brought to a blushful climax when Papadopoulos lifted a glass to Mr Nixon's 'enlightened policies.'

The high point of the Greco-US wooing came with Mr Agnew's grand tour of his ancestral homeland. Washington had been surprised in 1968 when the unknown Agnew was selected as Nixon's running mate—a surprise dispelled by the discovery that his name was backed by the Pappas family of Boston, one of the most influential contributors to the Republican Party. Mr Tom Pappas, whose forbears came from the same small village as Agnew, is the go-between for the Papadocracy and the White House. He enjoys both Greek and US citizenship and served as co-chairman of CREEP's finance committee while keeping clear of any malpractice.

Mr Pappas has boasted of his pride in being 'an old CIA hand.' He is also proud of his £500 million investment in Greece, a complex of petrochemical and steel plants, oil refineries and tanker fleets. He has won the Junta's top prize, one pursued by rival investors as ardently as the Holy Grail, the Greek Coca-Cola monopoly.

Everywhere that Spiro went in Greece, Mr Pappas went too. His bulky, sweating figure squeezed from the helicopter behind the VIP. He arranged a dinner for Agnew and the Colonels at which the Vice-President exalted the 'achievements' of the junta and its 'constant co-operation with US needs and wishes.

Mr Pappas's former staff director at the Esso-Pappas works in Greece, Paul Totomis, became Minister of Public order immediately after the coup. The junta needed a civilian tinge and Totomis was one of the few the Colonels could trust.

The CIA may still consider Papadopoulos as a puppet to be manipulated at will. But the dictator has not merely purged the Armed Forces of 'unreliable' elements, he has built up a new, indoctrinated officer corps in his own image over the past six years —'as long as Hitler had to make over the German Army,' remarks a gloomy ex-Minister in Athens.

This observer, once wholeheartedly pro-American, told me that while it might be useful in the short run for the Pentagon to use Greece as a staging post in its ventures, 'we must ask ourselves about the long run—the kind of situation that makes the Vietnams of the world.' He believes, too, that the Americans have given Papadopoulos another clear assignment: to deliver up Cyprus, now an independent republic, so as to secure a further base in the Near East, and remove that bothersome neutralist, Makarios.

For the moment, the US must continue to back Papadopoulos. Its commitment of men, money and principle is too great for sudden change. Indeed, Mr Rogers fell over himself after last month's coup to deny that the US would use current NATO talks to 'influence the political process in Greece.' How long this support may be maintained in the face of turmoil and popular hostility in Greece is anyone's guess—but when and if the time comes to shed the load, it may not be easy.

The US Government is gravely shaken, its sundry secret services bedraggled and at odds. Papadopoulos used this and the Navy revolt to make his first independent move—assuming CIA approval for the deposing of the King.

Having got away with it, he will move towards his next goal—we may dismiss the promised elections as a farce—the life Presidency. He hopes to rule unchallenged, as did Greece's last dictator, General Metaxas, until his death in 1941.

Meanwhile, defence expenditure has soared. Britain, France, and Germany compete to sell him arms. Greece, superficially, is thriving: it is strangely like Mussolini's Italy between the wars.

And, like that pasteboard Caesar, Papadououlos has expansionist aims. Who can tell, if he is permitted to snatch Cyprus, where he may turn next? He is, after all, an officer raised in the old school of the *Megali* idea, the dream of a greater Greece.

WASHINGTON STAR
10 July 1973

Naked to Their Enemies

Years ago, a furtive fellow who worked for the Central Intelligence Agency explained to us that security is like an onion. You peel off the fragile outer skin and nothing much is exposed, but the more layers that are taken off, the closer one comes to the central crunch.

That's why the CIA never advertised the location of its huge headquarters which Allen Dulles had tucked away in the Virginia woods just off the George Washington Memorial Parkway in McLean, and why, until just now, the signs at the appropriate turnoffs mysteriously read, "Bureau of Public Roads," or "Federal Highway Administration," or, spookiest of all, "Fairbank Highway Research Station."

It's why CIA employes whom one met at a dinner party always said they worked "for the Federal government," or "the Pentagon," until, halfway through the artichoke, one had forced them to come clean. It's why CIA telephone operators traditionally answered incoming calls with the CIA phone number only, without revealing the name.

Well, it's something of a relief to find that there's now an overhead "CIA" sign on the parkway where such a sign should be, and all those people who used to get lost going to the CIA, or trying *not* to go there, should fare better now.

As for the "Fairbank Highway Research Station," which we'd always assumed was a cover, there being no good reason for Alaskan research here, we have just talked to the chief of its traffic systems division, Dr. William Wolman, and he assures us that it "really exists," and that while it is a next-door neighbor to the CIA, its duties have to do with highway research, not with espionage. The computerized program permitting certain District buses to extend the time available to make a green light is, for instance, a Fairbank Station baby. ("Fairbank was a very illustrious past member of the old Bureau of Public Roads," Wolman said.)

As for the new "CIA" sign, Wolman said the Fairbank people have "looked at it ourselves in the past few days, and we're satisfied. It tells the story properly."

We recommend one addition. Underneath the big green-and-white CIA marker, there should dangle a smaller sign, advertising:

WIGS

WASHINGTON POST
10 JUL 1973

Spy-Plan Meetings Seen as Way to Prod Hoover

By Susanna McBee
Washington Post Staff Writer

Meetings instigated by President Nixon in 1970 that led to an elaborate domestic surveillance plan were actually "an effort to pressure" J. Edgar Hoover into beefing up the FBI's intelligence operations, a Congressman asserted yesterday.

Rep. Lucien N. Nedzi (D-Mich.), chairman of the House Armed Services Intelligence Subcommittee, said he drew that conclusion after hearing 2½ hours of closed testimony from Tom Charles Huston, a former White House aide.

Huston, now an Indianapolis lawyer, attended the meetings with representatives of the FBI, Central Intelligence Agency, and other security units. Upon their recommendations, he drafted the plan, part of which, he said he warned the President was "clearly illegal."

Mr. Nixon, however, has said that he approved the plan on July 2, 1970, and rescinded it five days later after Hoover vehemently objected to it. The plan called for easing restrictions on government-directed burglaries of "security targets," opening their mail, monitoring their overseas phone calls, and recruiting college campus spies.

Asked if the meetings of the ad hoc Interagency Group on Domestic Intelligence from June 5 to mid-July, 1970, indicated that the President had lost confidence in the FBI, Nedzi replied, "That was the impression that was created" by Huston's testimony.

Huston, the congressman reported, said that the then White House Chief of Staff, H. R. Haldeman, thought White House officials "were not getting the information they desired" from Hoover on internal security threats.

"I still have difficulty understanding why this (ad hoc) committee was set up except to use these other (intelligence) agenices in handling Mr. Hoover," Nedzi commented.

Mr. Nixon, in his May 22 statement on the Watergate case, said he called the ad hoc group and attended its initial meeting because of campus violence and bombings throughout the country.

Also attending the first meeting were Hoover (who died in May, 1972); then CIA Director Richard Helms; Gen. Donald V. Bennett, then director of the Defense Intelligence Agency; Adm. Noel Gaylor, then head of th4 National Security Agency; Haldeman, and John D. Ehrlichman, who was then Mr. Nixon's domestic adviser.

Huston told the subcommittee that when approval for the plan was rescinded, Haldeman issued a "verbal order" to him to contact the agencies and ask them to return to the White House the memos on the plan. Huston said he made the contact through an official in the White House Situation Room and that the memos were returned.

Last week the White House declined to say whether the rescission order was written or verbal.

Nedzi's subcommittee is looking into involvement of foreign intelligence-gathering agencies, particularly the CIA, in domestic affairs. Helms, in secret testimony, has told the Senate Foreign Relations Committee that the CIA did not spy on the antiwar movement in this country.

But Huston wrote in one 1970 memo that while he had expected the CIA to refuse to cooperate with the ad hoc committee. Hems "was most cooperative and helpful."

Nedzi said yesterday that he believes that "CIA involvement was minimal." He explained that he based his opinion on the fact that the plan istelf did not seek to expand the CIA's domestic role, which under the 1947 National Security Act is supposed to be severely limited.

All the plan sought to do was increase the CIA's surveillance of Americans traveling abroad, but the agency already had that power, Nedzi said. The congressman said he believes the plan was never put into effect, a pont disputed by antiwar activists.

NEW YORK TIMES
12 July 1973

Senators Reject Ex-Envoy For Asian Affairs Position

By BERNARD GWERTZMAN
Special to The New York Times

WASHINGTON, July 11—The Senate Foreign Relations Committee today rejected the Nixon Administration's nomination of an Assistant Secretary of State for East Asian Affairs because of his close identification with Washington's policies on Indochina.

The rejection of G. McMurtrie Godley, former Ambassador to Laos, was apparently the first such decision by the committee on a key nomination by any administration.

By a vote of 9 to 7, the committee supported its chairman, J. W. Fulbright, who moved that action on Mr. Godley be "indefinitely postponed" and that Secretary of State William P. Rogers be asked to give Mr. Godley another assignment not dealing with Southeast Asia.

At the same time, after a long debate, the committee approved by a vote of 12 to 3, the nomination of William H. Sullivan, former Deputy Assistant Secretary for East Asian Affairs, to be Ambassador to the Philippines.

The committee action on Mr. Godley, which had the support of members from both the Republican and Democratic parties, was tantamount to rejection of Mr. Godley as the head of the State Department's bureau dealing with the Far East.

What it means is that Mr. Godley's nomination, made public by President Nixon on March 16, will not be recommended to the full Senate for confirmation. An individual Senator could move to force a vote on the nomination, but committee staff aides said this was highly unlikely because of the bipartisan nature of the rejection.

could not remember a similar previous situation.

In a meeting with newsmen later, the Arkansas Democrat stressed that while the committee did not doubt Mr. Godley's qualifications as an Ambassador, it felt that he had been too closely identified with the Indochina policy, which he said was "an unmitigated failure," for the committee to approve him to a post in which he would have responsibility for policy on Asia.

Mr. Fulbright stressed that he also favored the rejection of Mr. Sullivan's nomination, but that a majority of the committee believed that, as Ambassador to Manila, Mr. Sullivan would have less over-all responsibility and would be "less important" than Mr. Godley, who succeeded him as Ambassador to Laos in 1969.

Mr. Godley, a gruff, outspoken career diplomat, has had a history of assignments to difficult and controversial posts. In 1964 to 1966, he was Ambassador to the Congo, now known asZaire , during a hectic time in its history.

Both Mr. Sullivan and Mr. Godley, during their assignments to Laos, headed an unusual American operation that involved the use of Central Intelligence Agency commanders with a clandestine army fighting against a mixture of Pathet Lao and North Vietnamese units. Both diplomats were called upon to aprove targets for bombing raids against Laotion territory.

Mr. Godley, who has said he "thoroughly enjoyed" his four years in Laos, was often described in news accounts as more of a military commander than a typical diplomat. He seemed to enjoy the excitement of the military role he had to play in approving air strikes.

The Foreign Relations Committee, known for its antiwar views throughout most of the course of the Vietnam conflict, indicated to Mr. Rogers last last month that the nominations of both Mr. Sullivan and Mr. Godley were in jeopardy, but Mr. Rogers refused the offer of Mr. Fulbright to withdraw their names, a staff aide said.

Although Mr. Godley and Mr. Sullivan were nominated to their posts in March, the committee did not hold hearings until May 9 and 10. At that time, both men underwent extensive questioning, and both supported the Administration's policies in Indochina. Mr. Fulbright said then that, while he respected them, he was "disturbed" that they had been so deeply involved in the Asian policy and were to be reassigned to the area.

Mr. Sullivan was recalled for questioning before closed doors of the committee today. He was given what Senator Jacob K. Javits, Republican of New York, called "a grilling."

Late this afternoon the committee reconvened and, in secret voting, Mr. Fulbright proposed that action on both Mr. Sullivan and Mr. Godley be "indefinitely postponed." After several objections were raised, Mr. Fulbright withdrew his motion, and the votes were taken separately on the two men.

Mr. Sullvian's nomination was supported, with Mr. Fulbright, and Senator Stuart Symington, Democrat of Missouri, and Senator George McGovern, Democrat of South Dakota, in the minority in the 12-to-3 vote.

On the vote on Mr. Godley, Mr. Fulbright was joined by the following senators opposing the nomination:

Senator Frank Church,

Democrat of Idaho; Senator Symington; Senator Claiborne Pell, Democrat of Rhode Island; Senator Edmund S. Muskie, Democrat of Maine; Senator McGovern; Senator Clifford P. Case, Republican of New Jersey; Senator Javits, and Senator Charles H. Percy, Republican of Illinois.

Vote a Bitter Defeat

The vote was a bitter defeat for the Administration. It was unexpected, since throughout the long delay in action on the two men, Senate sources kept aserting that eventually both would be reported out favorably.

There was no immediate comment from the State Department or the White House.

Mr. Godley, acting on the assumption that he would be confirmed by the Senate, had been working in his sixth-floor office as Assistant Secretary-designate. The latest edition of the State Department telephone book, published in May, listed him as Assistant Secretary.

Originally, the committee had also delayed action on Graham A. Martin as Ambassador to South Vietnam, citing his former experience as Ambassador to Tailand and some reports linking him to recommendations for secret funding by the C.I.A. to aid the Christian Democrat party while he was Ambassador to Italy.

But last month, after the Administration pleaded that an Ambassador was needed in Saigon, the committee approved Mr. Martin's nomination and he was confined by the Senate.

CHRISTIAN SCIENCE MONITOR
28 June 1973

National security

By David Mutch

In the wake of Watergate, Congress almost certainly will be looking into the subject of national security. And it may be time to recognize — although few may be ready to admit it — that national security investigations, in practice, often boil down to a question of whose ox is being gored.

There are several reasons for this: People disagree markedly on the degree of threat posed to this country by foreign agents and any domestic converts they use; what most of us regard as our civil "rights" are usually hopelessly intertwined with our sense of what is correct politically; and there is a natural instinct not to want our political beliefs investigated.

Congress is interested now for two reasons: because a team of intelligence gatherers operating out of the White House on a national security mission — the "plumbers" who tried to find out who leaked the Pentagon papers to the New York Times and why — got too extracurricular in the political realm; and because it has been revealed that President Nixon in 1970 apparently attempted a major overhaul of national security practices. All the major intelligence agencies were involved.

The President was opposed, as everyone now knows, by FBI director J. Edgar Hoover, who almost overnight became a darling of the very liberals who in the not so distant past so heavily criticized him for alleged "repressive" measures in this very field of national security.

Similar questions came to a head in the '60's, what with the abundance of causes, often abused and deformed to the extent the democratic process was threatened by violence in the streets.

Recall what the FBI was accused of in the '60's when civil rights was a hotter topic than it is now. Those who wanted instantly to transform the South into a haven of political rights bitterly criticized the FBI for not assuming a crusading posture in regard to new civil-rights laws. From the other side, those who opposed change in the South criticized the FBI for doing too much in the way of active law enforcement.

Not being a national (or secret) police force, the FBI had to walk a thin line of investigating but not outwardly enforcing. It had to investigate violations. But it did more, too. It infiltrated the Ku Klux Klan so heavily — 2,000 informers — that the lawbreakers were eventually afraid to do anything.

The extremists were sure their rights were being abused. But it was a question of security for the oppressed. And so it seems that what is a question of security for one man is a case of political suppression to another.

At a symposium held at Princeton two years ago, when disgruntled liberals were complaining about FBI inquiries into certain new left elements, Arthur Schlesinger Jr. asked if they weren't glad the Ku Klux Klan was immobilized by the FBI in the '60's. The replies were mostly measured silences.

Recently this reporter interviewed a group of FBI and CIA sources who were involved in national security work in 1970 when the ill-fated 1970 study of expanded domestic intelligence gathering was spawned. To a man they are highly embarrassed about the manner in which their professional problems are surfacing as the Watergate spillway continues to gush. They also are concerned that abuses of their functions by a few will cause a general carelessness about national security questions. Yet they badly want the work kept in professional channels, as it has not been.

It all makes one wonder if the lawlessness that has grown in this country since the mid-'60's — one only need look at the statistics — is not the basic cause of the Watergate morass. This doesn't excuse anyone for misdeeds, especially those close to the top of the power structure, but neither should it make it easier to neglect the essential watchfulness required to preserve the order so necessary to a free, democratic society.

Hopefully Congress will forget partisan politics, and make some general allowances for the past, as it reviews the subject that is always so delicate in a free and open society — national security. To find the wisdom to navigate gray, fog-bound areas, a nation must lift its head above the mists of politics into a higher consensus that America does have a noble destiny that must be protected.

David Mutch is chief of the Monitor's Chicago bureau.

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Making Mischief Abroad

US and ITT in Chile

by Tad Szulc

The Senate may soon be moving to break the long-standing shadowy alliance between big American corporations and the Central Intelligence Agency and other United States government organs for carrying out covert interventions in the domestic political affairs of foreign countries. As an outcome of hearings held last March by a special Senate subcommittee on the joint involvement of the White House, the CIA, the State Department and the International Telephone and Telegraph Company in secret efforts to block the 1970 election of Chile's Socialist President Salvador Allende Gossens, a bill is being introduced this week to declare such alliances illegal and punishable by imprisonment and fines.

That US corporations have cooperated in varying degrees in the past with the CIA and foreign opposition groups to stage revolutions and *coups d'état* or to interfere in local elections has been widely suspected for nearly 20 years though it could never be precisely documented. Thus the United Fruit Company was believed to have worked hand in hand with the CIA in organizing the 1954 "rebel" invasion of Guatemala (where the company had important holdings) to oust the leftist President Jacobo Arbenz Guzman. The company's Boston headquarters, as I still vividly recall, was at the time an excellent source for newsmen in following almost on an hourly basis the progress of the invasion.

In 1964 a number of US companies operating in Brazil were thought to have secretly contributed funds —with the CIA's knowledge—to the Brazilian Institute for Democratic Action (IBAD), a civilian rightist group that played an important role in triggering the military revolution against President João Goulart, a highly incompetent and corrupt leftist. Later that same year the ITT provided funds (as did the US government) to campaign against Allende in his first but unsuccessful bid for Chile's presidency.

But the first time that this kind of activity could fully be documented and made part of official record was the March hearings (by the subcommittee on multinational corporations of the Senate Committee on Foreign Relations) on ITT and Chile. A lengthy subcommittee report, issued this week, describes in detail the contacts between the Nixon administration and ITT during 1970 aimed first at defeating Allende and, later, at keeping him from being confirmed by the Chilean parliament.

The central points in the report are sworn testimony that ITT offered the CIA $1 million in 1970 for anti-Allende operations, that while the agency rejected the offer it subsequently suggested to the ITT its own plan for creating economic chaos in Chile, and that action against Allende was studied at least twice by the White House.

The report is the basis for legislation designed to outlaw such private alliances between the US government and American corporations which is being introduced by Senators Church, Symington, Muskie, Case and Percy. The wording of the bill leaves no doubt what the subcommittee had in mind after discovering the ITT's $1 million offer to the CIA. It thus provides that "it is unlawful for any citizen or resident of the United States to offer to make, or to make, a contribution to any agency of the United States or officer, employee, or agent of the United States for the purpose of influencing the outcome of an election for public office in another country." Another section declares it to be "unlawful for any officer, employee, or agent of the United States 1) to solicit any citizen or resident of the United States to contribute to, or make an expenditure in support of, any candidate or political party, directly or indirectly, for the purpose of influencing the outcome of an election for public office in a foreign country, or 2) to accept a contribution from any citizen or resident of the United States for such purpose."

The ITT's attempts to involve the White House and the CIA in the attempts to intervene in Chilean politics have been generally known since Jack Anderson, the syndicated columnist, published early in 1972 internal ITT documents bearing on the proposed anti-Allende conspiracy. Until the subcommittee investigation, however, the assumption was that ITT was the "aggressive" party and the administration remained passive, virtually ignoring the company's entreaties.

What emerges from the subcommittee's report and other information from sources close to the investigation is that the Nixon Administration was profoundly involved in this whole process in 1970 despite official claims of US neutrality in the Chilean elections. Information developed by the Senate investigators thus shows that Chile was the subject of a meeting in June 1970 of the top-secret "Forty Committee" in the White House. The "Forty Committee" is the National Security Council's organ in charge of studying and approving plans for covert action abroad by the CIA and other US intelligence agencies.

This committee is presided over by Henry A. Kissinger, the President's special assistant for national security affairs, and its membership includes the chairman of the joint chiefs of staff, the deputy secretary of Defense, the deputy secretary of State, the director of Central Intelligence and, until last year, the attorney general. It is interesting to note that in the summer of 1970, when the Nixon administration attempted to put into effect its secret domestic intelligence plan, John Mitchell was attending the meetings of the "Forty Committee" in his capacity as attorney general. As required, other top officials may be invited to sit in on meetings of the "Forty Committee."

The Senate subcommittee's report said that at least

three conversations on Chile were held between Richard Helms, then CIA director, and John McCone, a former CIA director and currently an ITT director. According to testimony by McCone in executive session, he had expressed fears of a victory by Allende—ITT has important investments in Chile, including the local telephone company—and asked Helms "whether the US intended to intervene in the election to encourage the support of one of the candidates who stood for the principles that are basic in this country."

"Mr. Helms told Mr. McCone that the matter had been considered by the 'Forty Committee,'" the subcommittee reported. "Helms indicated that some 'minimal effort would be mounted which 'could be managed within the flexibility of the CIA budget,' that is without seeking additional appropriated funds. Mr. Helms was very pessimistic about the chances of Mr. (Jorge) Alessandri and was of the personal opinion that Dr. Allende would win. This opinion was contrary to the official reports of the US Embassy. Based upon polls commissioned or undertaken by the CIA, the Embassy was reporting that Alessandri would win a plurality." Alessandri was the independent candidate backed by rightist Chilean groups and ITT's hopes were riding on him.

According to subcommittee sources, the "minimal effort" promised McCone by Helms after the June meeting at the White House was an expenditure of $400,000 in CIA funds to assist anti-Allende news media.

It was also Helms, according to the subcommittee, who, in response to McCone's request, arranged for a meeting between ITT President Harold S. Geneen and William V. Broe, the chief of western hemisphere division of the CIA's directorate of plans, the agency's clandestine operations branch. It was at this meeting in July 1970 that Geneen made the $1 million offer to the CIA (as he had also done in 1964) and Broe turned it down.

If, indeed, the CIA and the rest of the administration remained relatively unresponsive to ITT pressure during the summer, this attitude changed after Allende won the largest number of votes in a three-cornered election on September 4. Because he failed to obtain a clear majority, however, the Chilean parliament had to choose between him and Alessandri, the runner-up. To force the choice of Alessandri thus became the strategy of both ITT and the CIA.

A second meeting of the "Forty Committee" on Chile was held on September 14 or 15, according to investigation sources, and there the administration took matters into its own hands. The subcommittee report said that "on September 29, for the first time in the course of the contacts between ITT and the United States government, the government took the initiative. Mr. Broe, at the instruction of CIA Director Richard Helms, called Mr. Gerrity in New York and arranged to meet him there."

Ned Gerrity is an ITT vice president and, according to the subcommittee, "Mr. Broe proposed a plan to accelerate economic chaos in Chile as a means of putting pressure on Christian Democratic Congressmen to vote against Dr. Allende or in any event to weaken Dr. Allende's position in case he was elected."

The subcommittee report said that Charles A. Meyer, then assistant secretary of State for inter-American affairs, testified that "shortly after the September 4 election, the Forty Committee, at a meeting which he attended, met for the express purpose of discussing US policy in connection with Chile; but he refused to inform the Committee what precisely was said at the meeting, what decisions, if any, were taken and what instructions were communicated to Mr. (Edward) Korry, the US Ambassador in Chile."

"Because neither Mr. Meyer nor Mr. Korry would communicate to the Subcommittee the content of the instructions which Mr. Korry received, and because the State Department would not permit the Subcommittee to have access to the cable traffic between the US Embassy in Santiago and the State Department, it is not possible to determine whether Ambassador Korry did in fact receive a cable, which, in substance, authorized him in the name of the President to do everything possible, short of a Dominican Republic type intervention, to stop Allende from being elected President of Chile," the report said. It added that "Mr. Korry did testify, however, that immediately after Allende won a plurality in the popular election . . . he sent a ten-point cable to the State Department indicating that an Allende presidency would not be in the best interests of the US."

The subcommittee said that contacts between the CIA's Broe and top ITT officials continued well into October as the agency's plan to disrupt the Chilean economy remained under discussion. Curiously, however, the ITT thought the plan was unworkable.

This is a fair recital of the 1970 events and the record shows that in the end the US abstained from rash actions although it used its influence to destroy Chile's international credit standing. But the subcommittee's report raised a major question concerning US policy-making processes in the light of the power exercised by the "Forty Committee." Put another way, the question—just as relevant today as it was in 1970—is whether the "Forty Committee" grants broad policy mandates to the intelligence community and leaves it free to implement them so that the blame for failures of specific projects would be laid to the CIA's door—not the President's.

Commenting on the Chilean episode, the subcommittee said that it cannot determine whether Helms' instructions to Broe to propose economic chaos measures to ITT officials "were a direct outcome of the 'Forty Committee' meeting." "It is clear, however," the report said, "that Mr. Broe's proposal of concrete measures designed to create economic difficulties in Chile . . . was in striking contrast to the pre-September US Government policy of allowing events in Chile to follow their natural course without substantial interference from the US Government." It describes as "weak" the testimony by Assistant Secretary Meyer that Broe's "economic chaos" proposals were a "policy option" and not a "change in policy."

The subcommittee asked these questions: "With what detail are instructions of the 'Forty Committee' communicated to the CIA? Is the 'Forty Committee' informed in advance of the modalities which the Agency contemplates using in carrying out an assignment? Specifically, in this case, was it informed by the CIA that in carrying out a mandate to explore means of

influencing the political situation in Chile, use of US companies was contemplated and specific proposals were being made to a particular corporation? Was the benefit to be potentially gained, weighed against its overall negative consequences for US business abroad by the 'Forty Committee'? Or was Helms merely given a general indication of what was desired, to be implemented as he saw fit?

"Did the 'Forty Committee' consider the consequences which would have ensued in the event that the plan to create or accelerate economic chaos in Chile had been successful? It had been the custom in Chile for the Congress to confirm as president the winner of a plurality in the popular election. There was ample evidence that an attempt to interfere with this custom would have lead to bloodshed and, possibly, civil war . . . Did the members of the 'Forty Committee' adequately consider the possibility that, once having launched the US down the road of covert intervention, other, more direct, measures might become necessary to insure the desired result: stopping Allende from becoming President of Chile?"

The subcommittee's final recommendation was that "the time is ripe for an in-depth review by the appropriate congressional committees of the decision-making process in the authorization and conduct of CIA clandestine operations."

There is a bizarre footnote to this whole story. The CIA's director last March, Dr. James M. Schlesinger, authorized Broe, his chief of clandestine operations in Latin America, to testify before the subcommittee only after Senator Church, its chairman, warned him that otherwise the record would show ITT's involvement alone and thus possibly prevent it from collecting US government insurance for the nationalization of the telephone company in Chile. As it happened, however, the Overseas Private Investment Corporation, the government's investment insurance agency, turned down ITT's claim anyway. Poetic justice?

PENTHOUSE
July 1973

by George O'Toole

Assassination Tapes

The rulers of the state are the only ones who should have the privilege of lying, either at home or abroad; they may be allowed to lie for the good of the state.
—Plato: *The Republic*, Book Three

It's a little frightening. The machine can listen to what you're saying and tell, with a high degree of reliability, whether or not you are lying. It's called the Psychological Stress Evaluator, and it is, in effect, a lie detector. Unlike the polygraph, it needs no physical connection to the subject; therefore it can be used without his knowledge. It works from recordings of his voice, so anything on tape, sound track or phonograph record is fair game for the machine. It is the first lie detector that can be used on a dead man.

Early this year, one of these instruments came into my hands. I resolved to use it to probe one of the darkest mysteries of recent history, the assassination of President John F. Kennedy. I set about collecting every recording I could lay my hands on of anyone who had any direct knowledge of the affair. Soon I had compiled the tape-recorded testimony of twenty-two persons—eyewitnesses, Dallas policemen, the pathologist who conducted the autopsy, members and staff of the Warren Commission, Jim Garrison, Clay Shaw, and even Earl Warren.

I ran the tapes through the PSE systematically, taking each controversial point in turn. Did the rifle which belonged to Lee Harvey Oswald kill President Kennedy? Was Oswald the killer? Were others involved? What of those mysterious autopsy photographs which the Warren Commission never saw—do they support the Commission's lone-gunman, single-bullet theory? And what about the Warren Commission itself? Did its members conspire to cover up the truth?

Slowly a picture emerged. It is blurred, and it is not the picture I expected. Not all the details are there, but I guarantee this: you may believe the lone-gunman theory of the Warren Report, or you may believe the government-conspiracy theory of Mark Lane, Jim Garrison and others, but either way you are wrong.

The PSE is not a crystal ball. It was invented as an interrogation aid, a function it performs well. To my knowledge, this was the first instance of its use as a tool for historical research. To understand what I did with the PSE, one should know something about the device itself.

I first heard of the Psychological Stress Evaluator last year, when I met two of its inventors, Allan D. Bell, Jr., and Charles R. McQuiston. Bell and McQuiston, both former lieutenant colonels, retired from Army Intelligence several years ago to form a company called Dektor Counterintelligence and Security, Inc. It was a logical second career for the two men. Both are experts in the technology of espionage. Either one could pick the lock on your front door in less time than it takes you to find your key. Colonel Bell wears a Black Belt in karate, is an accomplished swordsman and small-arms expert, and has a dozen inventions to his credit, from anti-bugging devices to a miniaturized microdot camera. Colonel McQuiston is one of the foremost polygraph experts in the U.S., a specialist in radio and audio surveillance, and a qualified locksmith.

The PSE grew from an effort to improve the polygraph. Standard polygraphs measure four variables: pulse, blood pressure, respiration and perspiration. Some also measure additional physiological variables. The more variables measured, the more reliable the polygraph.

Bell and McQuiston discovered that the frequencies composing the human voice are not fixed; they shift very slightly from eight to fourteen times every second. But when the speaker is under stress, this normal frequency modulation disappears. What remains are the pure component frequencies of the voice. And a strong indication that the speaker is lying.

The two men developed a device to detect this phenomenon and planned to use it as an additional "channel" on the polygraph. Then they discovered that the new variable was so reliable and accurate a measure of psychological stress there was really no need to measure the other polygraph variables.

Freed from the necessity of strapping the subject into a chair, stretching a pneumographic tube across his chest, gluing electrodes to his palms, and clamping his arm with a blood-pressure cuff, the PSE proved to be much more versatile than the polygraph. Because it can work from a telephone or tape recorder, the PSE can be used without the knowledge or even the physical presence of the subject.

I asked Colonel Bell to tell me about some of the things the PSE was being used for, especially cases in which a conventional polygraph couldn't be used. He mentioned that the police in Howard County, Maryland, have been using the PSE for two years; they have had great success in establishing the innocence of suspects who were afraid to submit to a polygraph examination because of that machine's forbidding aspect.

Bell went on to describe some of his invention's other uses, actual or potential. Dektor and the Federal government are exploring its use as a defense against skyjacking and telephoned bomb threats, and as a means of speeding up customs inspections. Some doctors and psychiatrists are using PSEs to study patients' physical and mental illness. The National Committee to Investigate Aerial Phenomena, a private

group that investigates UFO reports, is now using the PSE to interview witnesses in UFO sightings.

I asked Bell if he would lend me a PSE to experiment with, in order to write a piece about the device. He agreed, with two conditions. First, I must take Dektor's three-day course in operating the instrument; second, after using the PSE, I must review my interpretation of its output with his staff, in the interest of accuracy. This seemed reasonable, so I agreed.

The course was held in the meeting room of a Holiday Inn in Falls Church, Virginia. The eight other students were employees of customers who had purchased the device. These included a private detective agency in Pennsylvania, a New York chain store, and the security service of an East African country. The instructor was Mike Kradz, a criminologist and retired police officer. Kradz projects the tough-cop image, but he is a living rebuttal to the Polish joke. There is nothing about forensic science, from fingerprints to polygraphy, on which the man is not an expert.

The first morning of the course was devoted to the physical operation of the PSE. The device is used in conjunction with a Uher tape recorder, which has four speeds and can be manually wound back to locate a particular point on the tape. The testimony to be evaluated is recorded at a tape speed of 7½ inches per second, then played back and stopped at the beginning of the utterance in question. The recorder is slowed to 15/16 inches per second and played. The sound, no longer recognizable as a human voice, is a long, low rumble.

The PSE itself is built into an attaché case. The case opens to reveal a chart drive, similar to an electrocardiograph, and a number of buttons and knobs. A single cable connects the PSE to the tape recorder.

As the tape recorder reels slowly turn, and a rumble issues from its speaker, the PSE stylus dances back and forth across the moving chart paper, leaving behind a ragged trail. Then the recorder is stopped, the chart paper is stopped, and that's all there is to it. The result is a strip of paper with a squiggly line. The rest is up to the human eye and brain.

On the afternoon of the first day, Kradz showed us what to look for. The unstressed voice looks like an untrimmed hedge, with stalks of different heights sticking up (and down) at irregular intervals. But add some stress, and that hedge begins to look trimmed. The greater the stress, the smoother the shape. If the subject was experiencing the hard stress which accompanies deception, the over-all outline of the figure tends to take on a rectangular shape, a concertina as seen by the player. Kradz showed slide after slide of charts made during actual police interrogations. He told us the background of each case and pointed out the tell-tale signs of deception, whenever they were present.

That night each student took a PSE back to his room to practice operating it. Some coordination must be learned to become facile in handling the recorder and the PSE, but clearly the difficult part of the course would be learning how to read and interpret the charts.

The next day we learned the theory of polygraph interrogation, which applies to the PSE. There is, first of all, the matter of the "outside issue."

Most people, Kradz pointed out, have some sort of deep secret they don't want known. When faced with a polygraph examination, a person may be more concerned that this outside issue may come to light than he is about the actual substance of the interrogation. This can produce irrelevant stress in some of his answers, and mislead the examiner. Therefore it is is necessary for the examiner to interview the subject before the examination, go over all of the questions he intends to ask, and assure the subject he will ask only these questions.

I had reason to remember this later, when I ran my first real interrogation tape.

The interrogation always includes the question, "Are you afraid that I will ask you about something we have not discussed?" A negative answer with no sign of stress eliminates the outside-issue problem. Also, the examiner always asks some innocuous questions, such as, "Do you like the color blue?" in order to observe the subject's general state of tension. And there is always one "red-herring" question.

The red herring is used to identify the "guilt complex responder." Such a person shows stress when he responds to any accusatory question. The examiner may ask, "Did you steal the watch?" when it is money, not a watch, that is missing. A stressed denial will alert the examiner, who carefully compares this response to the stress produced by questions about the missing money.

That night the class was given tapes of real police interrogations. In most cases, Kradz was the examiner; and in every case, he knew the background and resolution of the matter. One case I was assigned concerned a young man accused of stealing money from his father's store. Kradz started by asking the "outside-issue" question. No, the young man replied, he was not afraid Kradz would ask him a question they hadn't discussed. Then the following exchange took place:

"Do you live in Howard County?"

"Yes."

"Do you suspect someone of having taken the money?"

"No."

"Are you wearing a white shirt?"

"Yes."

"Do you know who took the money?"

"No."

"Are you wearing a ring?"

"Yes."

"Did you take the money?"

"No."

There were a few red-herring questions to check for the guilt complex response. The questions about wearing a white shirt and a ring and living in Howard County had been included to measure the background stress elicited by irrelevant issues.

I ran the tape and charted it on the PSE. All but two of his responses were unstressed. The question about suspecting who took the money produced enough stress to indicate deception. The other question which produced stress was, "Are you wearing a ring?" In fact, his yes to that was accompanied by such stress as I had seen only once or twice in the class slides.

The next morning Kradz called on me. Did the suspect take the money, he asked. I said I didn't think so. Kradz nodded. Did he suspect who took the money? Yes, I thought he did. Very good, said Kradz. Did I notice anything else about the interrogation? Well, yes, there was this business about the ring. Perhaps the suspect had stolen it. Kradz smiled. No, the kid hadn't taken the ring, but he was gay. He had exchanged rings with another guy. Nobody knew about it. The kid didn't really expect to be asked about it, because Kradz had gone over all the questions with him. Still, when the ring was mentioned, he panicked.

By the third day of the course, I had begun to give some thought to what I might do with the PSE. I was particularly interested in the fact that the device works from a tape recording. Sound-recording technology is almost a century old (Edison invented the phonograph in 1877), and an enormous amount of history is stored on phonograph records, sound tracks, and tape and wire recordings. I thought how many press conferences, interviews and public pronouncements are stored away in the film and tape archives of the world, and how many questions could be settled if we knew for certain that the speaker had told the truth. However, since interrogation with a PSE seemed to require such an elaborate and structured situation, I wondered if it could be used the way I had hoped, as a tool for historical research.

During the lunch break I took Kradz aside and asked him. Could the PSE be used outside interrogations, where the speaker was telling what may or may not have happened? Yes, he said, the PSE could be used for that. Where there was no stress, I could be confident that the speaker was telling the truth. However, when I did find stress, I had to be very careful about reaching conclusions about its cause; it could result from something other than deception. But if I found a stress pattern in the testimony of several witnesses to the same event, I would very probably have uncovered deception.

Encouraged, I reviewed the list of recent mysteries. Watergate was, of course, the first to come to mind. The ITT affair was also of recent interest. The Kent State incident had never been fully cleared up. But one subject seemed to loom above all the rest—the assassination of John F. Kennedy.

Like many others, I have found it difficult to believe the Warren Report. When Mark Lane's book came out, I read it carefully. I read much of the other criticism of the Warren Commission's findings. The more I read, the more I doubted the official account of what happened that day in Dallas. I waited for the real story to emerge. It didn't. I hoped that Jim Garrison would prove that he had solved the mystery. He didn't. Time passed, public interest waned, and the details of the controversy dimmed in my mind, leaving only a dull residue of doubt. I had despaired of ever learning the truth. Now I knew what to do with the PSE.

It was all there: the statements made before television cameras by eyewitnesses, policemen, medical examiners, members of the Warren Commission. Somewhere in a network-television vault were the sound tracks, with the tiny, inaudible variations in voice frequency that could settle once and for all the question, "Did Oswald, acting alone, shoot and kill John F. Kennedy?"

My immediate problem was getting access to the recordings. I was certain the television networks would have them, but I wasn't sure exactly what to ask for. There

must be thousands of hours of sound recordings relating to the assassination. Where, among all this talk, was the critical testimony?

I started digging and soon discovered the existence of a group called the National Committee to Investigate Assassinations, located in Washington, D.C. I called the number listed in the telephone directory and was soon speaking to Bob Smith, the Committee's Research Director. I told Smith that I was a writer and wanted to do a piece on the John F. Kennedy assassination. I asked him for an interview, and he agreed.

We met in the offices of Bernard Fensterwald, a successful criminal lawyer and Director of the Committee, in a modern office building a few blocks from the White House. Fensterwald is a small, dapper man with a thin beard. Smith is a lean, intense chain smoker. Both men appeared to be in their forties.

"Before we begin," I said, "I think I should mention that I used to work for the CIA."

I have run across it often, the theory that the CIA killed Kennedy. It seems absurd to me, and I don't believe it. I worked there for three years and never saw or heard anything suggesting the Agency was involved in the assassination. I never met anyone there I thought capable of doing it. Still, I have learned through bitter experience of the suspicion which attaches to former intelligence officers. Epidemics of paranoia tend to accompany us through life. I thought I'd better get that issue out of the way.

Smith and Fensterwald exchanged glances and smiled. Fensterwald told me that they did not necessarily believe the CIA assassin theory, and they certainly didn't mind talking to a former Agency employee.

Relieved, I began to outline my project. I asked if they had heard of the PSE. Both men were dimly aware of it. I described the device and started to detail the way it could be used as a research tool. They immediately understood what I was proposing and were tremendously enthusiastic. Yes, they said, there were many key statements on tape somewhere, and they would be glad to compile specific references for me. Furthermore, they could, in some cases, provide me with the tape. They said they would be in contact when they had something for me.

While I was waiting, I experimented with the PSE. I telephoned a friend and told him about the device. I asked if he was willing to play a little game to test it out, and he agreed. He picked a number between one and ten. I asked him, "Is the number one?" "Is the number two?" and so on, and he answered no each time. I recorded his responses, ran them through the PSE and called him back. The number he picked, I told him, was five.

He was dumbfounded. He had not heard of the PSE and had thought I might be concocting some elaborate joke at his expense. But when I called back and correctly identified the number he had picked, he realized I was serious. And he was shocked.

I played the same game several times with others and did not always have similar success. With Bernard Fensterwald, I was able only to narrow the answer down to two numbers, one of which turned out to be correct. With others I have been completely unable to identify the right number. The problem with this game is that the player knows that it is just that. He knows that I know he is lying, it is a socially acceptable situation, and there is nothing at stake. The stress which accompanies real deception is not always present.

I obtained a tape recording from CBS News of a portion of a *Sixty Minutes* program in which Mike Wallace interviewed Clifford Irving. The interview took place during the height of the controversy, while Irving was still claiming to have gotten Howard Hughes' life story through a series of interviews with the billionaire. It was a consummate job of lying, embellished with such convincing details as Irving's disagreement with his colleague Susskind about whether Hughes kept his organic prunes in a paper or a plastic bag. *Sixty Minutes* re-ran the segment after Irving's confession because the man's sheer virtuosity as a prevaricator was amazing. I was interested in the interview for a different reason: at the height of the controversy, Irving had been given a polygraph examination and had passed it. I wanted to see if the man who had beaten the conventional lie detector could also beat the PSE.

I selected a point in the interview at which Mike Wallace suggested that Irving had not interviewed Howard Hughes, but had happened on some transcripts of Hughes' statements. Irving asked how he could have happened on them. Wallace rejoined, "Where *did* you happen on those transcripts?" Irving replied, "I got the transcripts from Howard Hughes." I charted this statement on the PSE.

It was a perfect example of total stress, horizontally blocked, with the smooth, "trimmed-hedge" wave form. Clifford Irving was a master liar, and he had beaten the polygraph, but he would have been caught by the PSE.

A few days after our first meeting, I received a call from Bob Smith. He had turned up a few things for me. I visited him at the Committee's office in downtown Washington. He gave me a tape recording and a typewritten transcript. The recording was the Louis Lomax television program of Sunday, October 16, 1966. Wesley Liebler, a member of the Warren Commission's staff, was the guest. The transcript was of a CBS News television program entitled *The Warren Report*, which had been broadcast in four one-hour segments on June 25, 26, 27 and 28, 1967.

I examined the transcript. The programs had been narrated by Walter Cronkite and other CBS newsmen. They reviewed every major point of controversy that had been raised by the critics of the Warren Report, interviewing eyewitnesses, Dallas policemen, medical examiners, ballistic specialists and many others who had some inside knowledge of the assassination of John F. Kennedy. For what I had in mind, it was a gold mine. I telephoned CBS and learned that I could get a copy of the program's soundtrack if I would pay for the dubbing charges. I told them to go ahead.

Next I played the Lomax-Liebler tape. Apparently Mark Lane had been on an earlier Lomax program, and now Liebler was on to rebut him. I didn't need the PSE to know that Liebler was stressed. He seemed very agitated, and his breathing audibly indicated his tension. He was angry about the things Lane had said, the questions Lomax was asking him, and the reaction of the studio audience. Given his highly emotional state, he did not seem a very promising subject for the PSE. Nonetheless, I decided to give it a try.

Charting a tape with the PSE is a long and tedious process, and it was impractical to chart the entire program. I ran some of Liebler's statements which were not in dispute and discovered, as I had expected, a great deal of stress. He was pretty charged up.

Most of the exchange between Liebler, Lomax and the audience was argumentative and did not deal with specific factual points. I found two key statements by Liebler, though, and I charted them.

The first statement, in response to a question by Lomax, was, "I have no doubt about the conclusions of the [Warren] Report." Plenty of stress was evident, but not much more than in other statements.

The second statement related to those Warren Commission documents which were not included in the Report—they were locked up in the National Archives. Lomax asked Liebler if there was anything in the documents which would alter Liebler's opinion. Taken literally, it was a strange question, since Liebler had seen the documents and, if they would alter his opinion, they would already have done so. Lomax probably meant to ask if the documents would conflict with the conclusions of the Warren Report. Whatever Liebler thought the question meant, he answered quickly, "Oh, none, none at all." The PSE showed much more stress here than during any of Liebler's other statements.

It was all pretty confused and fuzzy, and it didn't tell me more than I'd already known: Wesley Liebler was pretty upset when he appeared on the Louis Lomax program. I hoped that the CBS tapes would yield more enlightening results.

I finally received a call from CBS's Washington office saying the tapes had arrived. I broke a few traffic laws getting there to pick up the tapes and returning to my apartment. I had already selected the points I wanted to check from the transcript of the program. I mounted the first tape on the recorder, ran it down to the first point of interest, and turned on the PSE.

For the next three days and nights, I ran charts. When I finished, I had a splitting headache, my kitchen floor was ankle deep in chart paper, but I had a much clearer idea of what did and did not happen that day in Dallas.

Before I describe my results, I feel that I must offer the reader a few comments and words of caution:

1. Although the PSE is a well-established interrogation aid, it has not been validated as a tool for historical research. Even though experts familiar with the machine believe that it can be used in this way, my project was the first attempt to do so.

2. It is easier to demonstrate with the PSE that a speaker is telling the truth than to show he is lying. Stress can be caused by things other than deception; but the absence of stress is an extremely reliable indication of truthfulness. Of course, the absence of stress does not prove that a statement is true, only that the speaker *believes* it to be true.

3. Although I found a great deal of stress in the testimony of the assassination tapes, in no single instance can I say that the individual was lying. I point this out not only

to protect myself from libel suits but because I am not morally certain any one individual was not telling the truth.

4. Nonetheless, stress in the testimony of many witnesses to the same event makes the mathematical probability overwhelming that at least some of them were lying.

These points could not be better illustrated than they were by the Jim Garrison–Clay Shaw Affair.

Garrison, it may be recalled, was the New Orleans District Attorney who, in 1967, claimed to have solved the Kennedy assassination. He presented an elaborate case against a local businessman, Clay Shaw, and others, as members of an assassination conspiracy. In one of the hour-long programs, CBS interviewed Garrison, Shaw, and two other people involved in Garrison's allegations.

In his interview, Garrison was hostile and did not make many firm, factual statements I could test with the PSE. However, he did say, "There's no question about it [that he knew how the assassination had been carried out] . . . we know the key individuals involved . . . there is no question about the fact [the conspirators] were there [in Dealy Plaza]." The PSE showed good to hard stress on each of these statements. I also ran a noncontroversial statement of Garrison's as a control: "Oswald was not killed here [at the movie theater where he was arrested]" and found no stress. Garrison's statements about his case against Clay Shaw strongly indicated deception.

Next I ran some statements by Clay Shaw denying his involvement in such a conspiracy, and denying ever knowing or meeting Lee Harvey Oswald. I also ran a control statement. Shaw turned out to be heavily stressed throughout.

This was not particularly surprising. The man had been accused of conspiring to murder the President of the United States and was being interviewed about it before television cameras. He would have to have been a pretty cool customer not to show a lot of stress, even if he were telling the complete truth.

Finding that both Garrison and Shaw showed stress was not an encouraging development. Of course, *both* men could be lying. Garrison might have found some valid evidence linking Shaw to the assassination and then, in the time-honored tradition of prosecutors, invented the rest of his case. But Shaw's stress could easily be the result of his predicament, and Garrison's might also be the result of some outside issue. The situation was ambiguous.

I ran the testimony of Lee Odom. Odom, a Dallas businessman, was attempting to explain the mysterious coincidence of the post office box numbers. It seems that the Dallas post office box number 11906 appeared in the notebooks of both Clay Shaw and Lee Harvey Oswald. In his testimony, Odom stated that he could not account for the number appearing in Oswald's notebook, he knew how it got into Shaw's. It was Odom's box number, and he had given it to Shaw, whom he'd met by chance on a business trip to New Orleans. The PSE showed hard stress during his statement. No unrelated control statement was available for me to run for comparison.

This didn't really clear things up. There were several obvious alternative explanations for Odom's stress. For example, there had been a number of rather unsavory allegations in the press about Clay Shaw, unrelated to the Garrison charges. Odom may have felt extremely uncomfortable about linking himself to this man in any way. The coincidence of the box numbers seemed very suspicious, but Bob Smith of the Committee had pointed out to me that both Shaw's and Oswald's notebooks were filled with numbers, so the chance of such a coincidence was not that remote.

At this point I began to wonder if the television camera was the "outside issue" in every case. Perhaps just being on television will so thoroughly rattle the average person that, lying or not, he is going to show stress on the PSE. I checked this out by recording and charting a number of people on television programs—public officials, men in the street, even witnesses to a particularly gruesome accident. There was occasional stress, but it never reached the high level I was finding in the assassination tapes.

I also recalled something else which put my mind to rest on this point: the PSE had been used to analyze the statements of contestants on the television program *To Tell The Truth*, and identified "the real Mr. So-and-so" with an accuracy of better than 94 percent. The problem obviously was not the television camera.

I ran the testimony of William Gurvich on the PSE. Gurvich had been Garrison's chief aide in the investigation of Clay Shaw until he resigned, charging Garrison with wrongdoing. He said, "The truth as I see it is that Mr. Shaw should never have been arrested." He was asked if Garrison had known of certain illegal and unethical methods Gurvich had alleged were being used by Garrison's staff. He answered, "Yeah, of course he did. He ordered it." There was no stress in Mr. Gurvich's statements. The PSE showed that he believed what he was saying.

Obviously I did not have enough testimony from a large enough number of witnesses to create a detailed picture of the Garrison–Shaw affair, but it seems probable that, at the very least, Garrison did not have much of a case against Shaw (a view later held by a New Orleans jury) and likely that Shaw was completely innocent of complicity in the assassination. The lesson of this episode is twofold. First, stress in any one person's testimony does not prove deception. Second, given enough testimony by different witnesses, the PSE can arrive at the truth.

The first person I ran on the PSE who had any direct knowledge of the assassination was Oswald's widow, Marina. Unfortunately, only one of her statements was on the CBS tapes—that Oswald had owned a rifle. The PSE said she was telling the truth.

The rifle had been one of the major points of controversy raised by critics of the Warren Report. The debate centered on two points: whether the Mannlicher-Carcano alleged to have belonged to Oswald was the rifle found by the Dallas police in the Texas School Book Depository, and whether that particular gun could have been the murder weapon.

On the tapes, Darrell C. Tomlinson, an employee of Parkland Hospital, testified that he had found a rifle bullet on a stretcher which he believed had carried Governor Connally. There was no stress in his statement. The PSE said he was telling the truth.

Dr. Joseph D. Nicol, Superintendent of the Bureau of Criminal Investigation for the State of Illinois, ran ballistic tests on bullet fragments found in the presidential limousine, and on the intact bullet found by Tomlinson. Nicol testified that both the intact bullet and the bullet fragments had been fired by the Mannlicher-Carcano. He, too, was apparently telling the truth.

Deputy Constable Seymour Weitzman of the Dallas police claimed that he found Oswald's Mannlicher-Carcano on the sixth floor of the Texas School Book Depository. However, on the day of the assassination, he had told the press that the rifle he found was a German Mauser. The following day he signed an affidavit to that effect. But on the CBS tapes he testified that he had been mistaken about that point, that it had really been Oswald's rifle. The PSE showed considerable stress in his statements.

Patrolman Gerald L. Hill testified that he found three spent bullet hulls on the floor beneath the window from which the fatal shots allegedly were fired. The PSE showed hard stress in his statements.

The rifle was one of the principal points used by the Warren Commission to link Oswald to the assassination. The PSE substantiated the testimony that Oswald owned a rifle and that the evidence supplied to a ballistics expert indicated this rifle was the murder weapon. However, the PSE did not substantiate the controversial claims of Dallas police regarding the discovery of this evidence.

The hospital employee was apparently telling the truth when he recounted finding the bullet on a stretcher at Parkland Hospital, but many critics have charged that the bullet had been deliberately planted there. This is the famous "single bullet" which the Warren Report says passed through the bodies of both the President and Governor Connally, and then lodged in Connally's wrist. Several researchers have tried to repeat this, firing the same type of bullet into the wrist of a cadaver. The bullets never remained perfectly intact, as the one found on the stretcher; they became twisted lumps of lead and copper.

The second link between Oswald and the assassination is the charge that he killed Officer Tippitt, a Dallas policeman, while fleeing from the scene of the first shooting. A number of eyewitnesses have testified that they saw Oswald shoot Tippitt, and one of them, Domingo Benavides, was interviewed on the CBS tapes. He was asked if there was any doubt in his mind that Oswald was the man he saw shoot Tippitt. He replied, "No, sir, there was no doubt at all." There was absolutely no stress in his statement. He was telling the truth.

The killing of Officer Tippitt by Oswald has fueled the fires of controversy over the Warren Report. Tippitt was far from his usual beat when he was shot. Some witnesses have alleged that Tippitt and Oswald were seen together in Jack Ruby's nightclub. They theorize that the three men were part of an assassination conspiracy, and that Tippitt had been sent to silence Oswald, but had been beaten to the draw.

The Dallas police radio dispatcher, Officer Murray Jackson, was asked if he thought Tippitt knew Oswald. "No," he replied, "I don't think he knew Oswald." Did Jackson know Oswald? "No," answered Jackson, "I didn't either." The PSE showed heavy stress in both statements.

Perhaps the greatest source of controversy over the Warren Report is it's claim that all the shots were fired by one gunman,

Some eyewitnesses claim to have heard shots and seen gun smoke in the area of a low hillock ahead and to the right of the presidential motorcade. This hillock has come to be known as "the grassy knoll." One of these witnesses was a railroad worker named S.M. Holland, who observed the scene from an overpass near the knoll. The PSE confirmed that he thought he had seen a puff of smoke on the knoll, but it could not support his claim that he had heard a shot from that direction.

Another witness, Charles Brehm, was quoted by Mark Lane as having said that he had seen a portion of the President's skull flying back over the left rear end of the limousine. Lane offered this as evidence of a shot from the grassy knoll. On the CBS tapes, Brehm stated heatedly that he had been quoted out of context, and emphatically denied that any shots had come from the knoll. Despite his emotional state, there was almost no stress in this statement.

Officer Jacks of the Dallas police, who was riding in the limousine of Vice-President Johnson, denied that any of the shots had come from the direction of the grassy knoll. The PSE turned up a fair degree of stress.

Three witnesses, Mrs. Caroline Walther, Arnold Rowland and Howard Brennan, claimed to have seen gunmen in the windows of the Texas School Book Depository building. Mrs. Walther said she saw two men, one armed with a rifle, the second with a shorter gun. Rowland told the Warren Commission he had seen two men, one an elderly Negro, in the window Oswald is alleged to have fired from, but on the CBS tapes he claimed he had seen an armed man at a different window. The Commission relied heavily on the testimony of Brennan, who claimed to have seen a gunman in the "Oswald window" actually firing the last of the shots. The PSE showed hard stress in the testimony of all three witnesses.

The PSE analysis of the eyewitnesses' testimony regarding the source of the shots is ambiguous. It supports Holland's claim to have seen a puff of smoke on the knoll, and Brehm's denial that any shots came from that direction, and it raises serious doubts about all other claims and counterclaims. This contradiction seems to result from the notorious unreliability of eyewitnesses, perhaps compounded by a fair amount of fabrication. Deception, if it is present here, may have been motivated merely by a desire for attention. Or there may have been darker reasons.

There is, however, other evidence and testimony that could shed some light on the existence, number and location of assassins other than Oswald. This brings us to perhaps the most dubious and controversial element in the Warren Commission's version of the event—the autopsy.

Within minutes after the shooting, Kennedy had been rushed to the emergency room at Parkland Hospital, where Dr. Malcolm Perry tried to save his life. The physician saw that the President had suffered a massive head wound and a smaller wound in the throat. Perry performed a tracheostomy, cutting through the throat wound in an attempt to open a breathing passage. Afterward, when hope for the President had been abandoned, Perry met with the press and declared that the wound in the front of the neck had been an entry wound.

The President's body was flown to Washington, D.C. There, approximately eight hours after the shooting, an autopsy was performed at Bethesda Naval Hospital. Because of the tracheostomy, the nature of the neck wound could no longer be observed and was, at first, overlooked. Later, after consulting the Dallas doctors, the Bethesda pathologists concluded that it was an exit wound. The autopsy report stated that there were two entry wounds, one low in the rear scalp and one at the right base of the neck; and two exit wounds, the throat wound and a large irregular wound on the right side of the head.

The confusion was compounded when two FBI agents present at the autopsy reported that a wound had been found in the President's back, and that no corresponding exit wound had been located. Diagrams made during the autopsy seemed to confirm this, showing the lower of the two entry wounds to be below the shoulders, not at the base of the neck. What became of the bullet? The agents reported that Bethesda doctors thought the bullet had dropped from the wound when the Dallas doctors attempted external heart massage. But this was the shot that the Commission claimed had passed through Kennedy and struck Governor Connally.

X-rays and color photographs of the autopsy were made. The brain was removed from the body. Brain and skin tissue slides were prepared for microscopic examination. Remarkably, the Warren Commission never asked to see any of this evidence, relying instead solely on the testimony of Captain James J. Humes, one of the pathologists who conducted the autopsy. Even more incredible is the disappearance of the brain, the slides, and some of the photographs, which were alleged to have been turned over to the National Archives by the Bethesda Naval Hospital.

Both Dr. Perry and Captain Humes were interviewed on the CBS tapes. Perry was asked about the throat wound he'd seen when the President was brought to Parkland Hospital. His answer seemed evasive. He neither confirmed nor denied that he had thought it was an entry wound, talking instead about the difficulty of making such a determination and the fact that his attention had been devoted to saving the President's life. Then the interviewer asked him directly whether he had thought at the time that it was an entry wound. "Actually, I didn't really give it much thought," he replied. He showed hard stress on the PSE. Unfortunately, he made no other definite statement about the nature of the wound.

The interview with Captain Humes was more informative. Just before the interview, in 1967, Humes had re-examined the autopsy photographs and X-rays, and he discussed them at length on the CBS tapes. The diagrams drawn during the autopsy, he said, had not been intended to precisely represent the location of the wounds. However, he now produced a sketch which, he said, did represent these locations accurately. The interviewer asked, "Your re-examination of the photographs verify that the wounds were as shown here?"

"Yes, sir," he replied. No stress.

Were there any wounds other than one at the base of the neck and one up in the skull? "No, sir, there were not." Moderate stress, not enough to suggest deception.

Was there any doubt that the wound at the back of the President's head was an entry wound? "There is absolutely no doubt, sir." Again stress, but again moderate.

Altogether, how many wounds were there? "There were two wounds of entrance and two of exit." At this point the stress became hard.

And where were the entry wounds located? "Posteriorly, one low in the right posterior scalp, and one in the base of the neck on the right." Hard stress again.

Could he be absolutely certain that what he said was an entry wound was, in fact, that. "Yes, indeed we can." Hard stress.

The interview with Humes was one of the longest and most detailed on the CBS tapes, and I charted most of it with the PSE. It was clear to me that he believed much of what he was saying, but the frequent flickerings of moderate stress and the occasional flashes of hard stress suggested that he wasn't nearly as confident of his testimony as he claimed to be. As Dr. Perry had pointed out, sometimes it's not easy to tell an entry wound from an exit wound.

The interviewer asked him one good "bottom line" question:

"Do you have any different conclusion, any different ideas, any different thoughts now, after seeing [the autopsy photographs] again, than you had at that time?"

"No," replied Captain Humes, "we think they bear up very well, and very closely, our testimony before the Warren Commission."

The stress was hard.

Arlen Specter, one of the Warren Commission's principal investigators, also spoke on the CBS tapes. He said that the case against Oswald fitted together very well, and that seldom could one find among actual criminal convictions a case equally persuasive. He added that there was no foundation for the charge that the Commission had been formed to whitewash the facts.

The PSE said he was telling the truth.

John McCloy, a member of the Warren Commission, said much the same thing, and added that he had seen no credible evidence to contradict the findings of the Commission. The PSE backed him up on this, but it failed to do so when, speaking of the Warren Report, he said, "There was nothing fraudulent about it." Here the PSE showed hard stress.

If Specter and McCloy were as confident as the PSE shows them to be in the truthfulness of the Warren Report, what could be fraudulent about it? Perhaps the snipping off of a few loose ends, the suppression of a few pieces of inconvenient evidence which conflicted with a version of events they believed to be essentially true.

The one man who could be expected to have the most informed opinion regarding the work of the Warren Commission is former Chief Justice Earl Warren himself. He had declined to be interviewed on the CBS program in 1967, but he did appear on television in May, 1972, in an interview which was part of a series called *The Brandeis Television Recollections*. Bob Smith of the Committee provided me with the tape.

The interview was an hour long, but the Kennedy assassination and the Warren Commission came up only briefly. The interviewer, Abram Sachar, Chancellor of Brandeis University, was friendly and deferential. I charted some of Warren's remarks unrelated to the assassination and found that he was generally unstressed. Sachar

raised the subject of the Commission obliquely, and Warren volunteered several rather lengthy statements about it

Warren said that immediately after the assassination there were two theories, one that Khrushchev and Castro were behind the killing, the other that a group of right-wing Texas oilmen were responsible. He said:

"We explored both of those theories for ten months and found no evidence that either of them was involved in it."

The PSE showed hard stress.

He continued:

"... we found no evidence of any kind that there was any conspiracy."

Again there was stress, and particularly hard stress on the words "no evidence."

"I have read everything," said Justice Warren, "that has come to my notice in the press, and I read some of the documents that have criticized the Commission very severely, but I have never found that they have discovered any evidence of any kind that we didn't discover and use in determining the case as we did."

Hard stress once again. The word "never" was a perfectly "trimmed hedge."

"I have found nothing since that time," he continued, "to change my view, nor have I heard of anything that has changed the view of any member of the commission since that time."

The stress was hard. As I had now come to expect, the word "nothing" seemed a particularly beautiful example of stress. Another word seemed to show even more stress: "member." Could he have been thinking of someone in particular? On January 19, 1970, Senator Richard B. Russell, a member of the Warren Commission, revealed that he had never believed that Lee Harvey Oswald acted alone.

I had charted the last of the assassination tapes. Of course, these few thousand feet of recording tape are only a small fraction of the relevant testimony recorded and stored away in the archives of television news departments. There is, for example, Lee Harvey Oswald, as he was led through the Dallas police station, denying that he had killed the President. There are statements by Marina Oswald, Jack Ruby and by others.

I have no doubt that with these tapes, a Psychological Stress Evaluator, and time to work on them, a very detailed picture of the assassination of John F. Kennedy could be reconstructed, a picture that might even reveal the identities of the assassins and their co-conspirators. I hope that sooner or later someone does this. I have gone as far as the private resources of a free-lance writer permit.

What, given the sample of testimony I have processed with the PSE, can I say about the assassination?

We should first examine the testimony in which *no* stress was found, since it is almost certain that these people were telling the truth as they saw it. This strongly suggests the following:

1. Oswald owned a rifle.
2. A bullet fired from that rifle was found on Governor Connally's stretcher at Parkland Hospital.
3. Bullet fragments *alleged* to have been found in the presidential limousine also came from Oswald's rifle.
4. At least one eyewitness believes he saw gunsmoke on the grassy knoll, but another is equally certain no shots came from that direction.
5. Oswald shot and killed Officer Tippitt.
6. At least one member of the Warren Commission and one member of the Commission's staff really believe in the validity of the Warren Report.
7. Jim Garrison had little or no case against Clay Shaw.

Almost all of this tends to support, in one way or another, the Warren Report. But now let's look at the testimony that is called into question by the PSE:

1. The claim that Oswald's rifle was found in the Texas School Book Depository.
2. The claim that bullet hulls matching Oswald's rifle were found in the same place.
3. The claim that one gunman was seen in the "Oswald window" of the Dallas Book Depository.
4. The claim that two gunmen were seen in this window.
5. The claim that a gunman was seen in a different window of that building.
6. Another claim that no shots came from the grassy knoll, and a claim by the witness who saw the gunsmoke on the knoll that he also *heard* a shot from that direction.
7. A claim by a Dallas policeman that neither he nor Officer Tippitt knew Oswald.
8. The claim by the pathologist—the Warren Commission's only source of information about the autopsy—that the X-rays and autopsy photographs support his testimony before the Commission.
9. The claim by a member of the Warren Commission that there was nothing fraudulent about the Warren Report.
10. The claim by Earl Warren that the Commission found no evidence of a conspiracy; that none of the Warren Report's critics ever found anything the Commission had missed; that he had found nothing since the publication of the Report to change his view; and that he knew of no Commission member who had ever changed his mind about their conclusions.

If we accept that each instance of stress indicates deception, an interesting and unexpected possibility emerges:

Oswald was involved in some way in the assassination, if only as a fall guy. Some of the Dallas police force may have been involved, planted the evidence that implicated Oswald, and covered up the fact that there was a conspiracy. The medical examiner believed his own testimony to the Warren Commission, but later had doubts. The Commission found evidence of a conspiracy but didn't believe it, so they covered it up in order to present a tidy package to the public. Later, at least one member of the Commission changed his mind, but since he didn't know what really did happen, he decided to say nothing. So there was conspiracy in Dallas, and in Washington nothing worse than blundering.

I could say all this with certainty if I knew that stress always equals deception. Unfortunately, I do not know that. But the PSE analysis of the assassination tapes has generated a staggering amount of fresh doubt regarding the Warren Report. This doubt rises not only from specific points the PSE has called into question, but from the very sinister implications of the very existence of deception among policemen, government officials and Commission members. The question remains: did such deception exist or was the stress found by the PSE the result, in every case, of an outside issue?

Obviously, whenever stress is found by the PSE and cannot be cross-checked by a structured interrogation, some probability must be accepted that this stress is caused by an outside issue. No study has yet been conducted to establish what this probability might be, but let us pick, for the sake of discussion, a figure that may seem ridiculously high—70 percent. In other words, we are assuming that 70 percent of the times the PSE finds stress in testimony, it results from something other than lying.

Now, let's ignore the deception indicated in the testimony of the eyewitnesses; even if present, it might have resulted from mere desire for attention. That leaves eight "insiders" who have demonstrated stress when making statements supporting the Warren Report: the Dallas policemen Hill, Jacks, Jackson and Weitzman; the medical examiner, Captain Humes; Commission staffer Wesley Liebler; Commission member John McCloy; former Chief Justice Earl Warren.

Assuming that there is a 70 percent chance that any *single* instance of stress is "outside issue," what is the probability that all eight instances are due to factors other than deception? Elementary probability theory tells us that it is seven-tenths raised to the eighth power, or approximately 6 percent.

In other words, even making some fairly conservative assumptions, there is a 94 percent chance that at least one of these eight men is lying.

My own personal opinion? I don't know. I remember the young man with the ring. He said he was wearing it, and he was, but he stressed. He stressed not because he was lying, but because there was something about that ring that really bothered him, something he didn't want the world to know. Perhaps that is also true of these men who, in one way or another, learned some part of the truth about the assassination of John F. Kennedy.

I suppose I'm not absolutely sure even of that. When I first met Bob Smith of the Committee, I asked him if there was any one thing the government could do to clear up the mystery. Yes, he replied, the one thing that would help more than anything else would be to make available the physical evidence — the detailed FBI lab reports, the X-rays and autopsy photographs, the microscopic slides, the bloodstained clothing, yes, even the President's brain, wherever it has been hidden. These things, he said, would go far toward answering the questions about what actually happened that day in Dallas. Maybe they would even confirm the Warren Report.

So when I say I'm not absolutely certain these men are concealing something, I mean I can think of something that could conceivably change my mind. That is, if the government would open all its files on this matter to us and prove that we are wrong —we, the people who ten years later still believe we haven't yet heard the full account of the events of November 22, 1963.

GENERAL

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A Three-Way Oil Scramble Looms

This is one of a series of occasional articles on the world's energy problems.

By David B. Ottaway
and Ronald Koven
Washington Post Staff Writers

After having pressed during the past year for a common front with Western Europe and Japan to meet the current energy crisis, the United States now appears to have growing doubts that such an approach is feasible or desirable.

With less than 10 days to go before a critical meeting of the major oil-consuming nations in Paris, the U.S. government has so far failed to do more than draw up a restricted list of areas in which some cooperation might be possible.

On the key issues of dealing with spiraling oil prices and of international sharing of the available oil in times of emergency, the U.S. government has no concrete proposals to present to the conference.

The irony of the situation is that Washington, which had been stressing the urgency of establishing a common policy, seems to be playing for time while administration energy planners figure out where American interests really lie.

The upshot may well be what Under Secretary of State for Economic Affairs William J. Casey has called "an increasing Balkanization of the oil market" as each country seeks its own private oil preserves.

There is a real danger that, as decisions are put off and deadlines for studies on both sides of the Atlantic are pushed back, the competitive scramble may come and go before governments have even drawn up their plans for cooperation.

Solutions that seemed self-evident as recently as two months ago now seem, under closer scrutiny, to pose as many problems as they may solve. The resulting internal debate among U.S. policy planners has left the Nixon administration with no clear policy.

Middle-level officials who once had a clear run of U.S. oil policy have been displaced since the energy shortage has become a pressing political issue. White House national security adviser Henry A. Kissinger and Secretary of the Treasury George P. Shultz are currently grappling with the complex issue.

While the middle-level officials had relatively clear ideas, and even detailed proposals, about U.S. oil policy, their top-level successors are only beginning to think the question through as they engage in a process of self-education.

"We should not minimize the issues we face in considering cooperative measures" with Europe and Japan, Under Secretary Casey recently testified.

Among the questions he listed were whether Washington is ready to accept "binding arrangements" with Europe for sharing oil imports in an emergency, whether Americans are ready to accept transatlantic petroleum rationing and whether U.S. business is ready to share its fuel-industry patents and technology with foreign nations.

"We have not even finished inventing the questions" about dealing with the energy crisis, said one top-level government adviser.

As for earlier governmental consideration of forming what Walter Levy, possibly the top American private oil consultant, has called a "countervailing power" to the oil-producers cartel (OPEC—the Organization of Petroleum Exporting Countries), most top U.S. oil officials have concluded that such a "confrontation organization" would be counterproductive.

Instead, U.S. officials are talking at least as much about how to establish cooperative relations with the oil-producing nations as with our fellow consumers.

Long Deadline

The Europeans are in no better shape than the Americans. A recent session of the energy ministers of the nine-nation European Economic Community failed to agree on a common policy. They set Dec. 31 as a deadline for drawing up a plan for a community oil market. At the earliest, proposals will be set before the ministers in the autumn.

Henri Simonet, the Common Market's energy commissioner, who is just finishing a round of talks with Washington officials, concluded that the Americans are "quite far away" from establishing a petroleum foreign policy. "I suppose they are probably in the same state as we are," he said.

This week, the State Department's top oil expert, James E. Akins, said that the United States, in an effort to avert cut-throat competition for exclusive oil supplies, had turned down a Saudi proposal last fall for a "special relationship. The Americans also asked the Europeans and Japanese to shun similar offers, he added.

The U.S. effort failed, Akins said, and "The scramble started anyway." American companies are also involved, he said.

Starting a year ago, the United States twice issued urgent calls at meetings of the Organization for Economic Cooperation and Development, the 23-nation club of this world's industrialized nations, for the establishment of close cooperation in petroleum policy.

Saudi Petroleum Minister Sheikh Zaki Yamani denounced what he took to be an American plan as a call for economic "war." Backing off, American officials said that Yamani had misunderstood the most militant position expressed in America—an oil consumers' cartel to deal directly with OEC—as representing U.S. policy.

Nevertheless, President Nixon dispatched former Commerce Secretary Peter G. Peterson to Japan and Europe as a special ambassador to explore prospects for policy coordination.

In testimony before Congress this week, Deputy Treasury Secretary William E. Simon indicated U.S. official reluctance to make any speedy commitments to its European and Japanese partners.

For example, on the question of emergency oil sharing, he said, "If we should agree to serious negotiations with European members of the OECD over a sharing formula, these negotiations can be expected to be difficult and protracted."

A major dilemma for the United States is whether to include American domestic petroleum reserves in any common oil pool.

U.S. government staff studies have shown that the United States—still the world's largest oil producer, although its production is not increasing—would probably lose more oil than it would gain in any sharing formula likely to be acceptable to the other industrialized nations. Except for the North Sea area now under development, neither Europe nor Japan has any substantial oil sources to share.

If Arab oil to the West were cut off, the United States could therefore be called upon to contribute a disproportionate share of everyone's oil rations.

American reluctance may stem from a growing awareness that the United States is in the best position to go it alone in any oil scramble. Not only does it have its own domestic oil production and the as yet untapped Alaskan deposits, it also has a preponderant position with the top three oil-exporting nations—Saudi Arabia, Iran and Venezuela. American companies are the major producers in Saudi Arabia and Venezuela and share the wealth with the British in Iran. Washington exercises the preponderant foreign political influence in all three.

The United States is considering its own plans for stockpiling a 90-day oil supply against an emergency, at an estimated cost of about $3 billion. Stockpiling is one of the issues that Washington says it is ready to discuss with OECD nations, most of which already have their own stockpiling plans.

The other major topic at the forthcoming OECD oil committee meeting in mid-June is expected to be joint plans for international cooperation in research and development of alternatives to oil.

But U.S. officials see no way of coming to grips with what is perhaps the most intractable issue of all—the ever-rising price of oil. Independent American oil companies are in the forefront of the scramble to sew up oil at almost any price.

In the past three years, the price of oil has doubled, and it may more than double again to $10 a barrel or more by 1980. But in a world sellers' market, U.S. and European officials doubt that prices can be held down even if bidding among consumers is eliminated. None seriously believes that an oil-consumers' organization could stand up to the steady OPEC demands for ever higher prices.

In 1980—when most estimates are that the United States will be importing about half of a total oil consumption of around 26 million barrels a day—it is calculated that every one-dollar increase in the price of a barrel of oil would add $7 billion to America's foreign oil bill.

Deputy Secretary Simon testified that U.S. oil imports are expected to reach about 33 per cent of our total consumption this year. State's Akins suggested last week that this might reach

50 per cent even before 1980—by 1976. According to Simons, U.S. payments for foreign oil should reach about $7 billion this year, $10 billion in 1975 and $17 billion by 1980.

Nor do U.S. planners see precisely how the oil consuming nations, widely divergent in their interests and their internal economic organizations, can mesh their policies. Some countries, like France and Italy, have government-directed oil industries, while others, like the United States, have thus far largely left the making of oil policy to private companies.

Even the interests of private companies have often been widely divergent. Oil-producers like Iraq and Iran have been very successful in playing the members of oil-company consortiums off against each other. In Libya, where American companies now face the threat of nationalization, the big, established oil companies like Exxon fear that the small U.S. independent companies will cave in and make separate deals.

The European nations, suspicious of the motives behind American calls for cooperation, point out that the Anglo-American companies dominate the international oil industry. So long as there was plenty of oil to go around, this was tolerable to the Europeans. With shortages looming, however, they inevitably suspect that the major companies will be forced to supply their own countries first in any emergency.

Jean Leclerq, a Common Market energy expert, recently remarked, "Any cartel we formed would be under American controls." Such distrust is mutual. One American official said, "The Europeans don't want us to make special relationships, but they don't want to forego any special relationships of their own."

Atkins testified, "The Europeans don't like seeing us in the market competing for the available energy. They wanted us to find more sources at home."

U.S. officials often cite the French deals to buy petroleum directly from Iraq behind the back of the Western consortium to which they belonged after most Western oil holdings were expropriated last year.

Inside the Common Market, the French accuse Britain, West Germany and the Netherlands of wanting to come to terms with the United States even before there is an agreed European community oil policy. The French favor establishment of a centralized community petroleum marketing organization, a supranational agency that would regulate exports and imports and perhaps make direct deals with the oil-producing nations.

Such an organization could severely restrict the freedom of action of such major companies as British Petroleum and Royal Dutch Shell and could also displace the positions of the major American firms in the European market.

One of Europe's worries, Commissioner Simonet said, is that if there is no control of exports from the Common Market, U.S. companies will buy up Middle East crude oil imported for refining on the Continent. He said that there are already large American gasoline purchases in France, Italy and the Netherlands.

Distance From Israel

Perhaps the overriding European objection to tying themselves up to the Americans is U.S. backing for Israel in the Middle East Britain, France and Italy have grown more distant from Israel in their drive to secure assured sources of Arab oil. They argue that any Arab oil embargo would more likely be aimed against the United States than against Europe or Japan.

Therefore, any oil-sharing alliance under which a boycott of one is seen as a boycott of all would serve primarily as an oil insurance policy for the United States.

The Japanese seem to be the only ones who know exactly what they want and are going all-out to get it. They have told the Arabs that Japan rejects a consumers' organization. While professing the need for cooperation among the industrial oil consumers, the Japanese have been feverishly staking out their own exclusive sources up and down the Persian Gulf and elsewhere.

Although no clear U.S. policy line has been set out, there has been a definite change in tone toward the oil-producers, especially Saudi Arabia, which is widely regarded as holding the key to an adequate U.S. oil supply in the coming decade.

Significantly, the United States has announced, over strenuous Israeli objections, its willingness to sell the Saudis the most advanced war planes available to Israel.

There has been a multiplication of welcoming official statements about Saudi ideas of investing their funds in America.

There has also been a multiplication of statements that Washington wants cooperation, not confrontation, with the Arab oil-producers.

In private conversation, U.S. officials now place a new stress on the need for "understanding" of the Arab nations' needs and psychology. There is talk of a new kind of foreign-aid approach for countries that do not need U.S. money grants but do need American technology and know-how to develop their societies.

Although U.S. officials still say for the record that "special relationships" with the producing nations may be destructive of consumer-nation unity, nevertheless there is increasing evidence that the Americans are now quietly exploring such relations. Akins testified that the United States had told the Saudis they can get everything they want from the United Sates "without a formal special relationship."

In a hint that Washington is already thinking beyond focusing its efforts on cooperation with Europe and Japan, Deputy Secretary Simon said that, if those areas will not agree to eschew special deals with the producers, then, "Obviously, if the world disagrees, we will have to revise our plans."

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U.S. Oil Nightmare: Worldwide Shortage

By Ronald Koven
and David B. Ottaway
Washington Post Staff Writers

This is one of a series of occasional articles on the world's energy problems.

While Congress debates who is responsible for the closing of 2,000 gas stations across the land and farmers cry that there is not enough fuel to move their tractors this summer, U.S. policy planners are worrying that the worst is yet to come—an absolute worldwide shortage of oil.

No one disputes that there is an abundance of oil in the ground to meet the industrial world's enormous and growing appetite for energy—at least for a while.

The nagging question is whether those who have the oil will produce it, mainly to please the United States, whose wasteful ways the world is coming to resent.

There are growing indications that the answer might well be "no."

In the words of Deputy Treasury Secretary William E. Simon, chairman of the Nixon administration's Oil Policy Committee, "The producing countries will produce their reserves, or conserve them, to the extent that they consider it to their economic and political advantage to do so.

The United States, whose 6 per cent of the world's population now consumes 33 per cent of its energy, is suddenly emerging as the leading importer of oil, destabilizing the international petroleum market.

As James E. Akins, the State Department's top energy specialist testified to the Senate Foreign Relations Committee recently, "The United States alone, through its increased imports, is creating a new demand for oil each year equivalent to the entire production of Algeria (1.1 million barrels a day) or approximately half that of Libya, or Nigeria."

America's traditional foreign oil providers—Canada and Venezuela—have determined that their reserves are relatively limited. They are turning their backs on America's calls for help with its energy problem to concentrate on their own national interests.

Other countries which earlier looked as if they might be a big help, such as Indonesia and Nigeria, now appear small factors in the changing world oil supply situation.

The only country capable of meeting the world's growing needs is Saudi Arabia, which sits on at least a quarter of the earth's proven oil reserves, but has only 4.5 million souls to provide for.

Not only is the economic incentive for the Saudis to expand their production limited (they now hold more than $3 billion in monetary reserves), but they are coming under increasing political pressure from their Arab brothers to refrain from bailing the Americans out.

"When we talk about our oil needs, we're talking about one country—Saudi Arabia," said Rep. John C. Culver (D-Iowa), chairman of the House Foreign Economic Policy Subcommittee.

The implications of this stark fact are only now beginning to be taken into public account by top U.S. officials. But Washington ignored a Saudi invitation last fall to establish a special oil rela-

tionship, and the invitation is no longer open.

After a decade during which oil producing capacity exceeded the need by about 30 per cent, world supply and demand is now in practically perfect balance. If one producer, even an only moderately important one like Libya (2.2 million barrels a day), turns off its oil tap, a world shortage will be upon us.

In 1972, the world produced 52.9 million barrels a day and it consumed 52.7 million barrels, leaving practically nothing for inventories.

Until the turn of the decade, America's profligate ways were no real problem. Until 1970, America produced as much oil as it consumed—a policy David Freeman, head of the Ford Foundation's energy policy research project, has described as "Drain America First."

Now, in a world of shortage, there may be a theoretical alternative to oil in the mountains of coal in this country which would be enough to cover U.S. energy needs for 500 years.

But American society has become addicted to oil and gas, which account for more than three quarters of all U.S. current energy consumption, to maintain its chosen lifestyle of cleaner industrial smokestacks and vehicles powered by the internal combustion engine. It is hard to conceive a shift back to the age of coal, which for a start would force abandonment of our self-imposed clean-air standards.

In effect, while waiting for the tardy atom and other Buck Rogers alternatives to start producing much of our energy in the mid-1980s, the United States is stuck on oil (already 44 per cent of all U.S. energy consumption and rising) and must count on foreigners to supply it.

There is no spare producing capacity in the United States. Alaskan oil, when it is finally extricated from its current judicial quagmire, will do little more than make up for the decline in the lower 48 states' production, according to the National Petroleum Council.

Last year, the United States imported 27 per cent of the oil it used and expects to bring in 33 to 35 per cent this year, according to official forecasts.

By 1980, most estimates — industry, university and government—are that the United States will need to import half or more of its total needs. One respected view is that this may happen as early as 1976.

The usual estimates are that the United States imported about 15 per cent of its petroleum products from the unstable Arab world and Iran in 1972—2.1 per cent of its total energy consumption.

But that statistic vastly understates the importance of Middle Eastern imports, since at least a third of petroleum refined in the Caribbean for the U.S. market originates in the Middle East, but is classified as Latin American oil.

A more accurate view can be had from a look at the percentage of unrefined oil imported directly into the United States. Using the U.S. Bureau of Mine's figures, Arab and Persian crude oil represented 28.6 per cent of U.S. imports last year.

The Arab world and Iran already produce 42 per cent of the world's oil, and they hold two-thirds of the 670 billion barrels of proven reserves. The trend is toward ever-increasing dependency on Middle East oil, at least through 1980 or 1985. In seven years, according to conservative estimates by the U.S. government, a third to a half of total U.S. oil imports will be from the Arab world and Iran.

It is estimated that one out of five barrels of oil then used in the United States will be coming from Saudi Arabia alone. The Saudis are expected to provide three-quarters of the growth in Middle East petroleum production from here on in.

A country by country analysis shows there are no viable alternatives to Arab oil.

Iran, the only non-Arab source in the Middle East, has been playing on U.S. fears to present itself as a potential replacement. But the shah's own announced plans are that Iran will impose a plateau on production in 1977 so as not to deplete his country's dwindling reserves too fast.

Iran is now producing about 5 million barrels a day and will peak out at 8 to 9 million barrels. Most of that oil is already committed to Western Europe and Japan and could not be shifted to the United States in a crisis, except at the expense of America's allies.

Iraq is the Arab world's sleeper—its vastly underestimated reserves are second only to Saudi Arabia's. But the future of Iraq's oil industry is highly uncertain. Some oil economists believe that country could step up production from its current stagnating 1.5 million barrels a day to as much as 5 million. The political instability that has traditionally been a major obstacle to expansion of Iraqi production, however, raises serious questions about getting much oil from there.

Outside the Arab world, Nigeria is the only non-Communist country where oil production is now increasing significantly, with expectations of exports of 2.4 million barrels daily by 1975. The West African country has suddenly become extremely important to the United States. This, however, is a passing phase. America's voluminous needs will outstrip the limited capacity of Nigeria's fields. Some of the older ones are already declining in production.

Many energy planners have been fooled by mirages of great oil bonanzas outside the Middle East, especially in the seabed in places as near to home as the Long Island and New Jersey coasts and as far away as the China Sea.

No actual drilling has taken place in any of these offshore sites. The evidence is that they are potentially rich in oil, but many past explorations have proven the most geologically promising areas to be dry holes. The likelihood is high that most of the world's easy-to-exploit shallow-water offshore oil, like Venezuela's Lake Maracaibo and the Abu Dhabi Marine Areas in the Persian Gulf, have already been found.

Even if a gigantic offshore oil pool were to be found, exploiting it would almost certainly be far more costly and difficult than extracting the oil from the sands of Saudi Arabia, where a barrel of oil costs 8 to 10 cents to produce at the wellhead. From discovery to full-scale production involves a minimum lead time of five years even under the best conditions.

The troubles the Europeans have encountered in the North Sea are an object-lesson for many pursuers of fools' oil rushes. Deep in some of the world's stormiest waters, North Sea oil is proving to be a costly enterprise. Destruction by wind and waves of oil rigs worth millions of dollars is a common occurrence. There have been innumerable dry holes at $3 million each. The British government estimates North Sea production by 1980 at 2 million barrels a day—only enough to cover Europe's annual growth in demand for perhaps two years.

Closer to home, oil alchemists are dreaming up schemes to turn rocks, sand and tar into black gold, bedazzling their audiences with fantastic estimates of such deposits as the Athabasca Tar Sands in northern Alberta (300 billion barrels), the oil shale deposits of the Rocky Mountains (1.7 trillion barrels) and the Orinoco oil tar belt in northeastern Venezuela (700 billion barrels).

These latter-day alchemists have successfully developed the technology of extracting the oil. What they often fail to say, however, is that the investments in time and money are so high as to represent major obstacles for private industry alone —at least $5 billion in Venezuela and $6 billion in Canada. The lead times make major oil production unlikely in the crucial decade before us, if then. Extraction of more than 10 per cent of the oil in place under any of these schemes is highly doubtful.

Not only are these plans still farfetched from a practical viewpoint, but they do not deal with the political realities of mounting anti-American nationalism in Canada and Venezuela.

The turning point in Canadian-American economic relations may already have come in March of this year, when Canada's National Energy Board announced a "temporary" limit on crude oil exports to the United States of a little more than 1.2 million barrels a day, turning down applications for another 50,000 barrels. Last Thursday, similar "temporary" restrictions were placed on Canadian exports to the United States of gasoline and home heating oil after U.S. imports of gasoline jumped from 709 barrels in January to more than 500,000 in May, threatening to draw all of Canada's own supply.

Canadian officials cite the French proverb, "Nothing is so lasting as the temporary."

The Energy Board justifies its actions under a strict intrepretation that its responsibilities require it to keep in reserve enough to cover Canada's energy needs for 25 years.

Canadian officials here point out that Canada's production from its established oil fields is expected to peak in three years and that exploration on Canada's vast northern frontiers has so far turned up large gas deposits but relatively little oil.

From the frontier areas, where the expectation is that oil will eventually be discovered in sizable quantities, the surpluses would normally go to the American market. But there are influential voices being raised in Canada, such as Eric Kierans, economics professor at McGill University and a former federal Cabi-

net minister, who questions whether it is in Canada's interest to invest the huge sums required to develop the north primarily for the benefit of the Americans.

"We reject continentalism," says one high-level Canadian official. "The idea is unacceptable to Canada. You know what happens to little guys."

This seems to be partly an expression of pique over the American failure to reply to a Canadian offer in March 1972 for a joint Trans-Canadian Pipeline to carry oil from Alaska's North Slope and Canada's promising nearby Mackenzie River Delta area to the American Midwest.

This alternative to the Trans-Alaska Pipeline was offered, according to a later letter from Canadian Energy Minister Donald S. McDonald to U.S. Interior Secretary Rogers C. Morton, to "enhance the energy security of your country."

But, McDonald warned, if the oil transportation problem from Alaska were "not solved with reason and wisdom by us today," then it "could produce difficult influences in Canada-United States relations."

Eleven months later, in February, 1973, McDonald snappishly told the House of Commons that he still had not had a reply from Morton and that Canada has "no intention of renewing its representation."

In retrospect, the failure to take up the Canadian offer may turn out to be a major missed opportunity second only to the failure to respond to the Saudi offer.

The prospect is that Canada in the foreseeable future will remain a static source of oil for the United States. Even the present 1.2 million barrels of crude a day that the United States gets from Canada overstates its importance in the American import picture. A large amount of Canadian petroleum shipments to the U.S. Midwest represent oil freed for export by major imports of Venezuelan oil to Canada's energy-poor eastern coast. Much of the petroleum products the United States buys from Canadian refineries, moreover, are processed from Middle Eastern and Venezuelan crude.

As for Venezuela, traditionally the largest exporter of oil to the United States and once virtually an American economic colony, its current approach toward helping the "Giant of the North" is demonstrated by what happened last year. For technical reasons, Venezuela's production dropped by 9 per cent, while its oil revenues increased by 11 per cent, thanks to ever higher world prices.

This, Venezuelan officials indicate, is fine with them. They are mainly concerned with maintaining their country's income. They do not worry about whether the United States will get enough oil.

The Venezuelan attitude toward American hopes of getting a great deal of secure Western hemisphere oil in the future is reflected in one official's words:

"It is not Venezuelan policy to increase production abruptly. We want stable, gradual growth. . . . A lot of energy is being wasted in America. We don't want to waste our oil."

To U.S. Secretary of State William P. Rogers' recent invitation to the Venezuelans to produce more for the U.S. market, President Rafael Caldera replied, "Venezuela will not join the mad race of production."

When Americans talk about getting help, Venezuelans note that in the 1960s, during the world's oil glut, the effect of U.S. government policies was to draw private American oil investment away from Venezuela to the Middle East. As a result, there has been practically no oil exploration in Venezuela for more than a decade.

U.S. companies have been told that their Venezuelan concessions will not be renewed after they expire in 1983. This expression of economic nationalism has cast a pall over new investment plans, including those for the development of the Orinoco River oil tar belt.

During his recent Latin American tour, Rogers offered a "long-term arrangement that would facilitate the mobilization of the necessary capital and technology, and establish stable trading arrangements" for the hard-to-extract Orinoco oil.

However, with Venezuela now immobilized in campaigning for its presidential election in December, no Venezuelan leader is prepared to risk a response to the Yankee offer.

Both major political parties in Venezuela have made it clear that the days of private oil concessions are over and that the government will insist on controlling any new oil ventures.

Venezuela's contribution to America's energy needs is not likely to rise much beyond the 1.6 million barrels a day of both crude and refined petroleum it now provides. Venezuelan oil specialists indicate that it should take two or three years for their country even to get back to its 1971 production level and that future production increases will be kept to a 2 to 4 per cent annual range.

"Venezuela realizes that oil is a non-renewable resource," was the way one Venezuelan specialist summarized his government's attitude.

For the United States and the world, then, Saudi Arabia is, in James Akins' phrase, the "swing producer." It is the country whose production is expanding the most rapidly.

It went from 6.5 million barrels a day in January to 9 million daily this month, fulfilling its expansion plans six months ahead of schedule.

In other words, Saudi Arabia has added more than "another Libya" to world oil production so far this year and will add still another Libya some time in 1975.

The world's energy planners are banking on Saudi Arabia's meeting its announced plan of 20 million barrels a day by 1980. But Arab world pressures have been growing steadily on the Saudis to curb their production growth unless Washington changes its pro-Israeli policies in the Middle East.

Speaking in Beirut last week, Nadim Pachachi, former head of the Organization of Petroleum Exporting Countries (OPEC) and still an influential figure in Arab oil politics, said that to produce a severe American shortage within a year the Arab countries need only "refuse to increase production."

In the past few months, Cairo in particular has been bearing down on the Saudis to use their new-found oil leverage to force an American policy shift.

On May 3, King Feisal delivered a lecture to the president of the Arabian American Oil Co. (Aramco), the U.S. consortium producing practically all of Saudi Arabian oil. Aramco President Frank Jungers cabled home to the American parent companies a detailed summary of Feisal's description of the pressures he is feeling and of his attempt to transfer some of that pressure to the oil industry so that it would in turn place pressure on the U.S. government.

The king stressed that he is "not able to stand alone much longer" in the Middle East as a friend of America, Jungers reported. Feisal said every Arab country but his is "most unfair for American interests" and that even in Saudi Arabia, "it would be more and more difficult to hold off the tide of opinion that was now running so heavily against America," Jungers cabled. The report of Feisal's plea continued:

"He stated that it was up to those Americans and American enterprises who were friends of the Arabs and who had interests in the area to urgently do something to change the posture of the USG [United States government]. He said a simple disavowal of Israeli policies and actions by the USG would go a long way toward quieting the current anti-American feeling. He kept emphasizing that it was up to us as American business and American friends to make our thoughts and actions felt quickly."

Abandoning their previous low profile, American oilmen have been doing just what Feisal asked—offering to testify before Congressional committees, buttonholing State Department policy makers, even taking their case to the White House.

Aramco officials are understood to be worried that their ambitious expansion plans will be curbed. U.S. intelligence analyses are already said to be based on the assumption that Saudi Arabia will only be willing to expand production to 15 million barrels a day, rather than 20 million.

There are also reports that some influential members of the Saudi royal family are arguing within the government that their country does not need the extra revenue and that it would better serve Saudi interest at home and abroad to freeze petroleum production at present levels.

Saudi Petroleum Minister Sheika Zaki Yamani, who brought a similar message to Washington in April, is understood to be arguing for continued expansion. This position, however, may prove increasingly untenable in a country that stands to earn around $5 billion in oil revenues this year and was only able to spend 60 per cent of its $2.4 billion budget last year.

Already, as a result of growing political pressures at home and an ambiguous U.S. response, the Saudi government has backed off its offer of last fall to provide the United States with a guaranteed large oil supply in return for preferential treatment in the American market.

Perhaps the best chance American oil diplomacy has to convince the Saudis to do the United States the "favor," as Yamani calls it, of expanding its oil prod-

uction is to stress the tacit U.S. role as Saudi Arabia's great-power protector against major aggression.

Washington's problem is the tension between America's position as the tacit protector of Israel and as the tacit protector of Iran, Saudi Arabia's main rival in the Persian Gulf. Walking carefully among all those potential contradictions is not a task for narrowly defined oil diplomacy, but for Kissinger-style global thinking.

In the most concrete expression so far of the new American awareness of the need to placate the Saudis, the State Department announced U.S. willingness to sell Saudi Arabia a "limited number" of the coveted Phantom fighter-bomber, the same plane that is the pride of the Israeli air force and that has been the symbol of Israel's special relationship with America.

Israeli Defense Minister Moshe Dayan called the American offer to the Saudis a case of "oil and sympathy." A few days later, Prime Minister Golda Meir put things firmly in perspective:

"Let me tell you something that we Israelis have against Moses. He took us 40 years through the desert in order to bring us to the one spot in the Middle East that has no oil."

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Saudis Ponder Whether to Produce the Oil U.S. Needs

By Jim Hoagland
Washington Post Foreign Service

DHAHRAN, Saudi Arabia —The midnight sky glows in lerce red hues here at the dge of the world's largest oil field, where American ompanies are racing to esca- ate production needed to ill spiraling global energy emands.

The dancing, hissing natu- al gas flares that burn in he horizon ripple in the de- ert wind.

Across the Arabian Penin- ula 1,000 miles away, Saudi rabian merchants sweep nto American banks in Jed- ah each morning with huge acks of 100 rial notes, each qual to $25. A tidal wave of oney is rushing into the ountry as more oil pours ut.

In his modest, green-tile- oofed summer palace in the ountain town of Taif, King aisal receives visitors with n elegant politeness, stand- ng as they enter and shak- ng hands with them.

Rapidly and perhaps some- what reluctantly becoming ne of the most powerful eaders in the Arab world, aisal quickly shows that he s spending much of his ime brooding about the win flows of oil and money nd their impact on the en- ire Middle East.

Suddenly, Saudi Arabia as shifted from being seen s the West's main hope for olving the energy crisis to eing another unpredictable factor in the volatile world of oil and politics.

"The United States cannot take us for granted any longer," a Saudi leader, who was educated in the United States and describes himself as pro-American, said strongly. "Cooperation has to work both ways."

The four large American petroleum companies that jointly operate here are pushing ahead with a crash expansion program around Dhahran that could thrust Saudi Arabia beyond the United States and the Soviet Union as the world's largest petroleum producer in four years.

Increasingly, however, company officials wonder if they will be allowed to use the new facilities they are frenetically installing at the rate of $500 million a year. Specific warnings by the Saudi petroleum and foreign ministers and a more general declaration to this correspondent by King Faisal last week have make it clear that Saudi Arabia is seriously considering blocking future oil production increases because of what is seen here as all-out American support for Israel.

A Saudi decision to freeze production at current levels could create chaos in an energy-hungry world, and competent Saudi officials predict that the psychological impact of such an announcement would drive already rising oil prices upward even more sharply overnight.

The open discussion of such a possibility by the Saudis already amounts to a major policy setback for the Nixon administration in the Middle East.

An unstated but priority aim of the administration has been to keep America's growing need for Arab oil and its support for Israel separated, or, as a member of the Washington foreign policy community put it recently, "on two separate tracks." The pronouncements of Saudi leaders are the first serious merging of the two tracks.

They also signify Saudi Arabia's new awareness of its growing power. Amassing foreign currency reserves at a rate of $100 million a month faster than it can spend them, this nation of about 5 million people is abandoning its traditional isolationism and is cautiously emerging as a major force in international, Arab world and Persian Gulf politics.

"All the Arabs know that it is in the hand of this government alone to 'get the West to behave' as they tell us again and again," a key Saudi policymaker said.

The other major factor in the new Saudi willingness to tie oil to politics is the growing realization here that this desert kingdom's still developing economy cannot absorb the enormous revenues that increased production and higher oil prices are bringing. Given its conservative investment policies and the present uncertainty of international monetary conditions, top Saudi officials feel that production above the 8 million barrels a day figure of May is wasteful for them.

The Saudis have passed this message to Washington through a number of channels. They have not made it clear exactly what they want in the way of a change in American Middle East policy.

But a series of conversations with Cabinet-level officials over the past week did indicate that the Saudis feel they need some public sign of American willingness to consider the Arab cause more seriously, especially in areas like voting in the United Nations Security Council.

"We are not asking for the destruction of Israel," said a Saudi minister. "We want a reasonable policy to bring a settlement."

Other Saudi leaders stress that their government has been "disappointed and embarrassed" by the Nixon administration's failure to move on the diplomatic front while stepping up new military aid to Israel, despite what Saudis insist were clear promises of a shift in the Middle East after President Nixon's reelection last year.

The underlying suggestion is that the Saudis went out on a limb by counseling restraint on other Arab countries, especially Egypt, on the basis of an expected American shift that has not materialized.

Previously undisclosed production statistics for this year underscore the West's increasing dependence on Saudi Arabia, which has oil reserves estimated by the Saudi government at 156 billion barrels, 22 per cent of the non-Communist world's total proved oil reserves.

In May, production by Aramco, the operating company for Exxon, Standard Oil of California, Texaco and Mobil, soared above 8 million barrels a day. If oil industry estimates of Soviet production are accurate, Saudi Arabia has quietly surpassed the Soviet Union as the world's second largest producer by a small margin.

Sand storms in the Persian Gulf hindered ship loading in June and production slipped back to 7.2 million barrels a day for the month, even with the oil port closed 49 per cent of the time. This was the original target figure for average production by Aramco in 1973. Since production usually rises more sharply in the second half of the year, it will easily be exceeded—if Saudi Arabia permits the increases. In the first week of July, Aramco says its production was running at 8.6 million barrels a day. U.S. production is less than 10 million barrels daily.

In six months, Saudi Arabia has increased its total crude oil production by 40 per cent. Aramco's estimated capital budgets of $500 million for 1974 and 1975 indicate that the company plans at least a 20 per cent increase in production in each of those years, meaning that, by the end of 1975, the company sees a worldwide market for Saudi production of 12 million barrels daily.

This month, 500,000 barrels of Saudi oil will be imported into North America. Industry sources predict that

the United States will need to import five times that figure by 1975 to keep pace with growing energy demands.

At current production, Saudi Arabia will earn more than $4 billion in oil revenues this year, a 30 per cent increase from last year. At least $1 billion will be added to Saudi Arabia's present foreign exchange holdings of $3 billion.

The rush of new oil revenue into Saudi Arabia has stunned even Saudi financial managers, who until a few months ago were predicting that their sparsely populated country, which has few telephones and long-distance highways, and insufficient numbers of schools, would be able to spend enough of the revenue to make oil production increases worthwhile.

Faisal, who sees a long-term danger to the intensely conservative Saudi society from too much easy money, has resisted large-scale social welfare programs and bureaucracies such as those that have helped other gulf states soak up their oil money.

The national development budget has spurted from virtually zero four years ago to $3 billion in the last fiscal year. But only 62 per cent of the development funds could actually be spent last year.

"We don't have enough contractors to do what we can budget, and what we want to do," Hisham Nazir, president of the government's Planning Organization, said. "There aren't enough contractors in the world."

Nazir's organization is drawing up a new five year economic plan to begin in 1976. It will call for $40 billion to $50 billion total expenditures. The budget figures assume that Saudi oil production will increase only by 10 per cent annually in the future.

"Saudi Arabia must draw a firm policy on oil production," said Nazir, one of five key officials named by Faisal to the newly formed Supreme Petroleum Council. "The policy will have to put an end to waste" brought about by overproduction, which adds to Saudi internal inflation and the piling up of devaluing dollars.

"We have to strike a balance between competing factors that include our development requirements, prolonging our national oil reserves over the longest period, the absorptive capacity of our economy, the accumulation of monetary reserves that decline in value while prices for oil rise, and world energy requirements."

A Saudi Cabinet minister explained: "We have found that the maximum revenue we can usefully absorb is brought in by production of 7 million barrels a day. Anything we produce over that harms our own interests, by keeping prices down and by disturbing our economic balance.

"We are prepared to go out of our way and produce more. But we have to have a reason."

The Petroleum Council which clearly mixes foreign and oil policy interest, will recommend Saudi Arabia's first national petrolium policy to Faisal. The debate over freezing production at current levels is expected to go on for some months, while the Saudis look for signs of a change in Washington.

Saudi officials stress that in their view they are not talking about "using oil as a weapon," as more militant Arab states have demanded. There are no suggestions here of a complete oil cutoff to Western countries similar to the one that was briefly tried in 1967.

But if Arab-Israeli fighting should resume, these same officials make clear, Saudi oil would be immediately cut off. "If there is a battle, we are in it," said one authoritative source. "People had better understand that now.

One suggestion that will reportedly surface in the Petroleum Council involves freezing production at this year's original target figure, 7.2 million barrels a day, for the rest of this year and 1974. This would have an especially sharp impact on the oil companies, who would see the return on their massive new investment delayed.

The Saudi Finance Ministry, which faces difficult decisions on the accumulating revenue increases, is reliably reported to be pushing hard for a production freeze. So is the Foreign Ministry, which must bear the brunt of Arab criticism of Saudi Arabia's traditionally close ties to the United States.

Saudi Arabia's new activism in Arab affairs was underscored last week when the kingdom granted the Arab Socialist Baath government in Syria a $24 million development loan.

Top aides credit Faisal, 67, with having dissuaded Egypt's President Anwar Sadat from launching a military strike into the Israeli-occupied Sinai Peninsula in early June, and a top envoy was to be dispatched to Cairo this week to assure Sadat of continued Saudi financial support of Egypt stays out of the proposed merger that Libya's firebrand young leader, Col. Muammar Qaddafi, is pushing.

Saudi officials are diplomatically vague when asked what first step the United States could take to evidence a change toward the "evenhanded" policy Faisal called for last week.

"The puzzle is what is it that our American friends want," said Foreign Minister Omar Saqqaf. "Why is the help always for Israel? There are more than 2.5 million Palestinian people either in refuge (abroad) or under occupation. . . .

"If people think this question is going to be as it is now forever, they are wrong," he added. "We are friends with the United States. We want to be friends. But there is always a limit."

WASHINGTON POST
12 July 1973

Japan, Europe Criticize U.S. Plan on Oil Sharing

By David B. Ottaway
Washington Post Staff Writer

Japan and European nations have raised serious objections to a recent U.S. proposal for an oil sharing arrangement in times of emergency, raising fresh doubts about the possibility for cooperation among the major oil-consuming nations.

Under Secretary of State William J. Casey told a House subcommittee yesterday that the U.S. government proposed in June before the 23-nation Organization of Economic Cooperation and Development a sharing scheme involving only the world's imports transported over international waters.

Japan imports nearly all of its oil and Europe more than 70 per cent, while the United States currently depends on imports for only 33 per cent of its total needs. Thus, the U.S. plan amounts to asking Europe and Japan to accept a far larger cut in their total oil supplies than the United States would incur in any emergency.

Casey said Japan had made a counterproposal at the same OECD meeting in Paris that the United States include its entire domestic production in any sharing arrangement, a position the European countries are understood to have supported.

But Casey indicated that the U.S. government strongly opposed the inclusion of America's oil production in a common oil pool.

Although he admitted under questioning from Rep. Lee H. Hamilton (D-Ind.), chairman of the House Near East Subcommittee, that the U.S. position was a "considerable complication" in efforts to reach an agreement, the under secretary said he thought there was still a "pretty good chance" of the United States, Europe and Japan cooperating on an emergency oil-sharing plan.

Casey also told the subcommittee that he did not find a "threat" in King Faisal's recent warning that Saudi Arabia's close cooperation with the United States was endangered by Washington's policy of strong support for Israel.

Saudi officials have been hinting recently that Saudi Arabia, the key country in meeting the industrial world's growing energy needs, may limit its oil production if the U.S. government does not follow a more "evenhanded and just policy" in the Middle East.

Casey disclosed that Washington is planning to send a mission to Saudi Arabia this summer to discuss what role American companies and the U.S. government could play in helping the Saudis develop their economy.

But he excluded any possibility of the two countries signing a government-to-government agreement for oil supplies, saying that Washington believed such accords were "counter-productive."

WASHINGTON STAR
8 July 1973

Arabs Hunt Plan To Freeze U.S. Oil

By Andrew Borowiec
Star-News Special Correspondent

BEIRUT — Arab sheiks, potentates and economists are all trying to come up with a formula to turn their oil into a major pressure weapon aginst the United States.

The ultimate objective is to force America to abandon its unconditional support of Israel and help redraw the map of the Middle East.

As usual, the Arabs are torn between the practical and the emotional aspects of their struggle against Israel and its powerful American backer. But in the torrent of words and amidst confused and often quarrelsome meetings, an embryo strategy has begun to emerge.

It is called "selective sanctions." In a nutshell, it means that the Arabs will continue to pump oil but increases in shipments will be applied selectively to countries friendly to the Arab cause. Conversely, staunch friends of Israel, such as the United States, will be punished by production freezes and possibly reductions in supplies.

All this is still basically on paper and a number of observess remain skeptical about the extent of Arab unity and effectiveness in this field. But a number of American diplomats and oil experts in the Middle East are worried.

MOST ARABS have little doubt that the United States has no Middle East policy of its own but merely backs Israel's strategy, which has been that of defiance of the widely dispersed and constantly feuding 120 million Arabs.

"Indeed, we and Israel have a perfect entente," said an American diplomat in this Arab capital. "We even fight their (the Israelis') battles for them — such as helping to get Jews out of Russia."

This diplomat was seriously concerned about the possible effectiveness of a concerted action by such oil-producing states as Saudi Arabia, Kuwait, Bahrain — all conservative countries. Another American expert, however, feels that "people have been crying wolf for 25 years" and that no concrete Arab measures are in the offing.

He pointed out that despite the Arab clamor for anti-U.S. sanctions, the expansion of oilfields in such Arab countries as Saudi Arabia and Iraq was continuing. Saudi Arabia alone plans to increase its present production of 7.2 million barrels a day to 20 million barrels by 1980.

This will be the year in which the United States is expected to rely on Middle Eastern oil for 50 percent of its consumption. Can Saudi Arabia, which relies on American arms and possible protection in case of conflict with "revolutionary" states, turn off the tap?

IF ONE LISTENS to various Saudi and Kuwaiti statements, this is very much in the cards. Yet the Arab record on this and other issues has been that of confusion and contradiction. Money pouring into Arab coffers has failed to serve Arab political objectives in concrete terms. While capable of creating havoc in money markets, this accumulated mass of gold and Western currency has yet to harm Israeli and American interests in the Middle East.

As with almost everything, the Arabs do not appear to be in a hurry. They point out that the oil consumption of all industrialized countries is rising steadily — 8.7 percent annually in the United States alone, which is higher than anywhere else in the world.

They stress that 60 percent of the world's known reservers are in the Middle East (including Iran) and that sooner or later any country wishing to keep its industrial machinery going has to pay more attention to Arab views and desires.

Meanwhile, money continues to flow into Arab banks and private vaults. The oil income of the Arab countries has already topped $10 billion and is expected to reach $40 billion dollars by 1980 — the expected energy crisis year in the United States.

It is no secret that Saudi Arabia is on its way to accumulating staggering monetary reserves, expected to surpass those of the United States and Japan combined.

WILL THIS mass of money be used toward a cohesive plan likely to foster the Arab cause? Or will it continue to be dissipated in grants for grandiose projects, arms and other expenditures that have yet to increase the Arab World's military prowess or economic situation?

No ready answers are available. But discarding the passionate outcries of such Arab hotheads as Libya's Col Muammar Kazzafi, there are some very level-headed efforts to make Arab oil a powerful political weapon.

For example, Nadim Pachahi, former secretary general of the 11-nation Organization of Petroleum Exporting Countries (OPEC) urged the organization's Arab members to freeze their crude production at its present levels until America shows a more balanced Middle Eastern policy.

Said Pachahi:

"In the present seller's market for crude oil, there is no need for Arabs to threaten to stop the flow of oil altogether, thereby cutting off their noses to spite their faces.

"All they (the Arabs) would have to do is to refrain from increasing production. This would be sufficient to cause a worldwide supply crisis in a very short period of time."

In Egypt, Dr. Issam Eddin el-Hinawi, a professor of that country's National Research Institute, suggested that Arab strategy should be based on controlling the flow of oil to the West.

He proposed the creation of a "strategic materials office" that would be attached to the Arab League.

This proposal was echoed to some extent by Saudi Arabia's influential oil minister, Sheik Ahmed Zaki Yamani, who would like to exploit the international concern caused by the energy crisis.

NEEDLESS TO SAY, the Arab moves are being watched carefully by Israel, which is trying to reassure the United States that all these plans, suggestions and schemes are far from being concrete.

Said the Israeli Jerusalem Post in a recent editorial:

"It is no coincidence that the Arab states advocating the use of oil as a political weapon are those who do not possess oil, led by Egypt which is permanently short of funds.

"American public opinion would be well advised to take all these factors into consideration so that when gasoline rationing may become necessary, anger and frustration will be directed where it belongs and not at Israel.

"Serious questioning of how America is to maintain her present position as a superpower must lead to planning for alternative sources of energy and new sources of oil not subject to Arab pressure and demands," the newspaper concluded.

Not many American oil experts in this part of the world agree with this view. According to one of them, "Israel is not likely to be harmed by the looming energy crisis. But I am worrying about the United States."

July 9, 1973 THE WASHINGTON POST

Peterson Urges Cooperation

By Hobart Rowen
Washington Post Staff Writer

Energy will be such an overwhelming and complicated issue for the United States over the next decade that the nation must not risk "going it alone," says Peter G. Peterson, former Commerce Secretary and recently special ambassador for President Nixon.

In an interview, Peterson — now a senior partner in the investment firm of Lehman Brothers of New York — said that the whole energy question should be part of any summit meeting scheduled later this year.

Peterson has just completed a confidential report for the President on international trade, security, monetary, and energy problems. It is titled "The Year of Our Friends —The Year of Europe *and* Japan *and* Canada."

The way Peterson sees it, the failure to cooperate with Japan and Europe and the Mideast on the use of energy might result in "cannibalism," driving oil prices out of sight. And each dollar per barrel increase in the price of oil, he calculates, would add about $4 billion to $5 billion to the annual U.S. import bill and $15 billion to $20 billion to the world's by 1980.

The frightening prospect that he draws is that by 1980, the United States will be shelling out some $25 billion for foreign oil, seriously aggravating the balance of trade and payments. What this would do to a dollar already weakened in the eyes of the world's businessmen and traders is anyone's guess. Repeated devaluations, he adds, are no answer because all major industrial nations are in the same boat.

Another major reason for cooperation is that the oil companies themselves won't be able to resist the demands by the oil-cartel producing countries for price increases.

And above all, Peterson insists, unless some sensible approach to the energy problem is worked out, it will get intermingled with the tricky Mideast political conflict and cause major security problems.

Peterson's report to the President has not been made public, but it is clear that he thinks that energy is the common element among America's many international problems.

The President recently appointed former Gov. John A. Love of Colorado as his new top man on energy problems, but so far, the administration's focus has been on the domestic use side of oil, and has not been directed at the international problem. But he reveals that presidential aide Henry Kissinger is showing "deep interest" in the international aspects of the energy problem.

The way Peterson sees it, a first element of a cooperative approach with the Japanese and the Europeans would deal with such things as temporary shortages, which can be met by stockpiling for emergencies. Rather than confront the Mideast countries, he opts for cooperation, thus avoiding what is recommended by many others—a buying consortium. Such a "draconian approach" would be a last resort. He also advocates a massive project on energy research, comparable in magnitude to the Apollo program, to develop new sources from nuclear fusion, solar energy, and anything else that comes along.

Another cooperative area would be conservation, possibly higher taxes on automotive horsepower and study of insulation standards for new construction that would prevent the waste of energy. A horrible example often cited is the new World Trade Center in lower Manhattan. The twin towers of that edifice are said to have an efficiency ratio for their heat use of less than 10 per cent.

The international monetary complications of the energy problem are among the most intriguing. Peterson says that by 1980, the dollars pulled in by the oil producing countries will be, according to a conservative estimate, about $50 billion to $75 billion, compared with about $25 billion in 1975.

He cautions against taking precise estimates too seriously because the volume of oil imports and price are necessarily conjectural.

The Saudi Arabia government alone will be earning about $30 billion by 1980, or 40 per cent of the total of the producing countries. This compares with $8 billion in energy receipts by Saudi Arabia by 1975. Iran would pick up about $15 billion compared with $5 billion in 1975.

In terms of American dependance on North Africa and Middle East oil, Peterson's estimates are that by 1980 our imports from that part of the world will account for 20 to 40 per cent of our total oil use. That compares with only 2 per cent in 1970. Western Europe, Japan, and the rest of the free world, already heavily dependent on the Middle East, will be even more so.

Peterson's figures assume that the Middle East countries will continue to be attracted by higher prices, increase their production, and sell the West all the oil it wants to buy.

But the Middle East countries, knowing that their oil resources are finite, may decide not to increase production so rapidly. And in any event, the Middle East countries broadly suggest that unless there is a solution to the Arab-Israeli conflict more satisfactory to them, they may not cooperate with the West at all.

Peterson recognizes these problems. He made the point in the interview that many Arabs want to be treated as responsible members of the family of nations.

What Peterson recommends is a recognition of Arab demands for treatment as an equal partner in the international system.

He would establish an economic development commission for the Mideast to help plan major new projects of all kinds in conjunction with the Arab countries. He would also do things to assuage the Arab ego. Example: he would send senior ambassadors to the oil producing countries and try to attract Arabs to international institutions such as the IMF.

Meantime, he thinks the United States should give more study to ways in which the excess funds—he calls them "petro dollars"—can be soaked up. Anticipating that there will be large amounts of Arab capital flowing in all directions, the United States ought to have a policy on whether to encourage or limit investments in particular industries.

In the delicate area of Arab-Israeli relationships, Peterson observes that the United States will be under great pressure to differentiate its policies from those of the state of Israel. He is careful to say that we should not reduce our political support of Israel or make Israel the scapegoat because of our needs for new sources of energy. On the other hand, he thinks there is a need to understand the Arab view that American policy too often sounds like an echo of Israeli policy.

One of Peterson's main arguments is that time is short for handling the energy problem. In the course of his survey of the situation for the President, he found that the Europeans and the Japanese look to the United States for leadership. He would get an immediate start on the stockpiling and researching problems by setting up task forces.

He would buttress this with a small team of experts drawn from various U.S. agencies who would visit each Mideast country to sound out the potential degree of cooperation and their specific development needs. In terms of structure, Peterson would set up a high level position, a presidential ambassador-at-large for international energy policy.

The Peterson timetable would call for a new international energy institution to plan and implement the cooperative proposals along with an agreement on a broad set of principles of cooperation, by the time of President Nixon's proposed summit meetings this year.

Underlying Peterson's sense of urgency is the fact, he feels, that the oil-producing countries have alternative ways of reaching their objectives. They can restrict production, or emphasize their own longer-term domestic objectives.

The financial side of the energy problem, of course, exacerbates the intrinsically sticky question of the weakness of the dollar, and prospective international monetary reform.

In Peterson's view, a reformed international monetary system is farther off than most officials in the U.S. government have been hoping, partly because of the "petro-dollar" problem.

The Europeans Peterson talked to in the course of reporting for the President want a resumption of convertibility of the dollar. But the United States can't even think of convertibility while the dollar is weak and the balance of payments still in a big deficit.

In his travels abroad for the President, Peterson found that some Europeans are seriously worried by the proposal made last year by Treasury Secretary George Shultz that would key balance of payments adjustments to the level of reserves on a more or less automatic basis. Some important Europeans appeared not to understand the Shultz proposal.

The Europeans are afraid that large speculative flows that affect reserves would cause unwarranted changes in their exchange rates. They say quite vigorously that they won't tolerate what they view as a threat to their own exports and full employment possibilities.

Perhaps even more serious, Peterson believes, is the European view that the United States has ulterior motives. Some Europeans charge that the United States would use capital outflows to depreciate the dollar and thus shift to them the burdens of our domestic policies.

Moreover, for all of the talk of increased exchange rate flexibility, Peterson quotes at least one influential European, French Finance Minister Valery Giscard d'Estaing, who suggested again that exchange rates shouldn't change more frequently than once every three or four years. That is a far cry from the kind of flexibility that Shultz, Peterson, and many others feel is crucial to a reformed monetary system. Nonetheless, Peterson wants the United States to push ahead for an agreement on general principles and interim rules.

But none of these things, Peterson concludes, will mean much unless we get a handle on what is unknowingly the fortunately difficult problem. "Energy is the new international issue for as far ahead as we can see," he says emphatically. "It is tied to trade, money, politics and everything else."