

CONGRESSIONAL OVERSIGHT - CIA

A. GENERAL

CIA was established as part of the National Security Act of 1947. The Agency's enabling legislation, the Central Intelligence Agency Act of 1949, provided for the general administration of the Agency and exempted the Agency from normal reporting requirements which could compromise Agency security. On the basis of the provisions of this latter Act, the CIA appropriation is handled securely and the organization, its functions, and the names of its personnel are protected.

1. The Armed Services Committees (on the basis of jurisdiction over the legislation) and the Appropriations Committees (to approve funds) have exercised continuous legislative oversight.

(a) The Committee on Expenditures in the Executive Departments (now the Committee on Government Operations) actually held hearings and reported out the National Security Act of 1947 but under the new Legislative Reorganization Act the House Armed Services gained permanent jurisdiction.

(b) In the Senate the corresponding Committee on Expenditures challenged the referral of the National Security Act of 1947 to the Armed Services Committee, but it was defeated when the Senate upheld the ruling of the President pro tem.

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(c) From time to time the Government Operations Committees particularly on the House side have insisted on a right of congressional oversight of the economy and efficiency with which the Agency conducts its activities. Up to now the issue has not been joined, essentially as a result of our voluntary cooperation with their various investigations or informal handling between committees. Chairman Holifield has been generally supportive of the Agency position. Mr. Moorhead and Mr. Moss being most interested in asserting some type of jurisdiction.

(d) The Senate Foreign Relations Committee, over recent years has pressed to extend its jurisdiction over intelligence activities through the efforts to establish the overall authority abroad of State, which it oversees, and to include broad limitations on funding of programs principally administered by CIA.

B. CHRONOLOGICAL DEVELOPMENTS

1. 1947 through early 1950's - Oversight was benign.

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(a) Controlled by strongly entrenched congressional leadership and senior chairmen.

(b) Cold war psychology--rank and file not predisposed to interference.

(c) On the appropriation side, the basic concern was--do you have enough money?

2. Late 1950's

(a) Record of infrequent briefings of oversight committees leads to Senator Mansfield's initiative for Joint Committee (defeated in 1956 by vote of 59 to 27, with 12 original sponsors opposing the resolution).

(b) Sputnik era triggered wider congressional interest in Agency information on the Soviet threat. Agency initiated program of debriefing members of Congress who had travelled abroad, inviting them to visit Agency facilities and on occasion field installations.

3. Early 1960's

(a) The Agency furnished intelligence briefings to a number of committees including the Joint Committee on Atomic Energy on the Soviet nuclear energy program, and general intelligence briefings to House Foreign Affairs and

the Senate Foreign Relations Committee, Soviet space program briefings to the House Science and Astronautics Committee and Senate Aeronautical and Space Sciences Committee, and Soviet military posture briefings to the full Armed Services Committees and the Defense Subcommittee of House Appropriations.

(b) Pressure continued to grow for a Joint Intelligence Committee which spurred the CIA Subcommittee of House Armed Services to examine Agency activities rather intensivel

(c) Chairman Vinson appointed Representative Paul J Kilday as Chairman of the CIA Subcommittee of House Armed Services with the mandate to give CIA more attention.

(d) The "Soviet Missile Gap" argument in the 1960 Presidential election spurred further interest in the Agency's intelligence product.

(e) The U-2 flight of Gary Powers over the Soviet Union and the Bay of Pigs invasion heightened congressional debate and the Cuban missile crisis of 1962 refocused attention on the Agency's capabilities.

(f) Reflecting Senator Russell's growing responsibility for appropriations matters, sessions of the CIA Subcommittee

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of Senate Armed Services and Senate Appropriations were held in joint session. Even so by 1965 Agency briefings of these Subcommittees rose to 34 as contrasted with 9 the previous year.

4. Late 1960's

(a) In 1966, the Foreign Relations Committee reported a resolution to establish a Joint Committee on Intelligence with Senator Russell defeating the move by 61-29 on jurisdictional grounds.

(b) In 1967 the Agency undertook a programmed effort to contact and brief all new members of Congress on the Agency.

(c) 1967 was also the year of exposure of Agency funding of the National Student Association.

(d) In 1969 the Agency's intelligence product came to the front again on the ABM system leading to a closed session of the Senate to discuss the classified aspects of the subject including data provided by the Agency.

(e) Legislative initiatives were beginning to be proposed in an effort to circumscribe executive action through CIA principally in Southeast Asia.

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5. 1970's

(a) The congressional structure which has for a quarter of a century served to shield the Agency from intrusion or attack by the rank and file membership is in a state of flux. The Russell's and Rivers' are gone. McClellan is 78, Mahon is 74, and Stennis and Hebert are 73. Men down the seniority lists have become suspicious or jealous over the secretive manner in which the oversight responsibilities have been exercised and their ranks are being periodically reinforced by newly elected younger members. Many feel Agency information and Agency activities should be more broadly accessible to the Legislative Branch, and particularly to the Foreign Relations and Foreign Affairs Committees.

(b) In 1971, as a result of the limitation by the Democratic Caucus on subcommittee chairmanships and taking note of the writing on the wall, Chairman Hebert appointed Representative Lucien N. Nedzi (D., Mich.) as Chairman of a rejuvenated Intelligence Subcommittee of House Armed Services Committee. Nedzi has proved to

be an invaluable ally in dealing with problems in the House because of his reputation for diligence, thoroughness, objectivity, and skepticism.

(c) In an analogous reaction to the changed political atmosphere in the Senate, both Chairmen Stennis and McClellan have changed earlier practices. Thus both now regularly take transcripts. Senator McClellan invited Senator Church to attend and participate in a Subcommittee meeting on ITT-Chile (no leaks occurred) and Senator McClellan has offered any Senator the specifics of CIA's budget on a classified basis (Tab A).

(d) Many members while sharply critical of foreign and defense policy appear to have a high regard for the Agency's intelligence product, fearful only that the Agency's capabilities in the covert action field may be misused by an Administration. They are anxious to have a closer relationship with the Agency and thus more influence on its activities. Others are highly supportive in foreign and defense fields, but are anxious to avoid battle on issues such as the Agency's covert action authorities.

C. CURRENT CONGRESSIONAL OVERSIGHT PROCEDURES

1. Under existing guidelines so far supported by the chairmen of our oversight committees, Agency operational activities are reported solely to the four oversight committees.

2. Security Precautions: In formal sessions before these subcommittees, the following security procedures are followed:

(a) Only selected staff members of the subcommittee (no personal staff of members) are permitted to attend.

(b) Each hearing is preceded by a technical sweep for audio-surveillance devices and technical monitoring is maintained throughout the briefing.

(c) When transcripts are taken, only a reporter with Top Secret clearance is used and the Agency maintains control over the shorthand notes. The transcripts are placed under controls agreed to by the Committees and the Agency.

(d) Under House rules all members are entitled access to all Committee records. (Tab B)

(e) The membership of the four oversight Subcommittees are set forth in Tab C.

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Executive File
77-2866

17 September 1974

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

Attached is a recapitulation of the Congressional oversight of CIA activities as requested by Secretary Kissinger.

CIA's relations with Congress are on three levels:

a. Where appropriate (although infrequently), CIA appears in open session or releases testimony given in executive session when it is neither classified nor revealing of intelligence sources and methods.

b. In executive session, CIA appears before a variety of committees to provide substantive intelligence data and assessments. We use our most sensitive sources as the basis for such testimony, but we do not reveal or discuss them or our operations.

c. Oversight of our operations is conducted by Appropriations and Armed Services Subcommittees in executive session. No matters are held secret from these committees, and it is my obligation to volunteer to them matters of possible interest.

The above arrangement is longstanding and has been subject to various attempts to change it over the years. In particular, the Foreign Affairs Committees have pressed for greater exposure to our operational activities.

In my confirmation hearings and publicly I have taken the position that CIA will respond to Congress' oversight in any method established

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by the Congress, but that I propose to continue the established procedures until the Congress changes them. This is of course only a reflection of the Constitutional independence of the Congress and its power, in extremis, to legislate with respect to our authorities or appropriations. A bill currently exists in both Houses which would amend the National Security Act to provide that CIA's activities be reported to the Congress 'in such manner as the Congress determines.' I have indicated support of this amendment.

The attached paper presents on page 12 certain options for your consideration as to how this matter might be handled in the future. These might be used by you as the basis for the discussions you indicated you intend to have with the Congressional leadership. I would be pleased to discuss this with you further at your convenience.

Respectfully,

/s/ Bill

W. E. Colby
Director

Attachment

WEC:blp

Distribution:

- Original - Addressee via Secretary Kissinger (delivered to Rob Roy Ratliff on 17 September 74)
- 1 - OLC
- 1 - OGC
- ① DDCI
- 1 - DCI
- 1 - ER
- 1 - Assistant to the Director

NOTE: Copy also sent to Governor Rockefeller (w/atts) with covering note from DCI (on 18 September 74)

28 SEP 1974

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On 4 June 1974 the Senate by a vote of 55 to 33 defeated an amendment to the Defense Procurement Authorization bill (S. 3000) which would have required the Director of Central Intelligence to submit an annual unclassified report to the Congress disclosing the total amount of funds requested in the budget for the National Intelligence Program.

A number of Senators, including the Chairman of the Agency's Oversight Committees in the Senate, strongly opposed the amendment on the basis that such disclosures would provide valuable assistance to our adversaries by virtue of the trends disclosed over the years and that the publication of the total figure would only stimulate further inquiry for greater detail on foreign intelligence activities, for explanations of changes or trends, and for the component elements of the total figure.

They also pointed out that the four committees charged with oversight of the Agency in the Congress are fully aware of the details of the foreign intelligence budget and inquire into these matters deeply. The point was also made that if any member of the Senate wished to know what the total figure was it would be furnished to him on a classified basis.

The discussion on the amendment is covered on pages S. 9601-9613 in the Congressional Record of 4 June 1974. Excerpts follow:

True, we are an open society and, so far, we have been able to carry on an intelligence program effectively which has been worth to us billions and billions and billions of dollars in savings. But, if we are going to abandon the idea of keeping these figures from being disclosed, then, in my humble opinion, we might as well abolish the agency. It would be like saying, in effect, that we do not want this secret intelligence after all, that we do not need it, and that we will abandon it.

We will pay an awful price for that. I am familiar with the CIA budget. I can satisfy most any Senator in the cloakroom, talking to him some about this, but I will publicly say that it is a clean budget and they have justified many times over the expenditure of the money. "

Senator Pastore: ". . . We have to know what they are doing. So we can know what we have to do in order to guarantee the security of our own country.

So we cannot come out here and tell the whole world. "We spent \$1 billion or \$2 billion for the Central Intelligence Agency." What does that mean to anyone else, except that perhaps some people think they are spending too much. And the minute the question is asked where they are spending it we are in serious trouble.

So what happens to your children and my children, Mr. President? What happens to you when you go home tonight? What happens tomorrow? What happens to the security of our country? Can we afford to tell them? Oh yes, I would like to tell the public everything it is possible to tell them. I believe in that. I have been in public life continually for 40 years. I believe in the right of the public to know. But I certainly would not come to the floor of the Senate and tell you, Mr. President, how to put together an atom bomb. I would not tell you that. I would not tell you how far our nuclear subs are able to travel; I would not tell you how we can detect an enemy sub; and I would not tell you how they might detect ours. I would not tell you that. Why would I not tell you that? I would not tell you that because the minute I told you that I would jeopardize the future of your children.

I have sat down with the Senator from Wisconsin (Mr. Proxmire), the Senator from California (Mr. Cannon), to find a solution, and I have sat down with Mr. Colby, who is a great American. He said, "Please do not do this. If you want to make my job easier, please do not do this." I cannot sit there after that admonition and exhortation and turn around and say, "Mr. Colby, I do not believe what you have to say." If I believed that for 1 minute, I would say, "You ought to give up your job." "

Senator Humphrey: "

Mr. President, I
like to commend the Senator from Rhode
Island and to associate myself fully with
his comments. The Senator pointed out
very properly that the Central Intelli-
gence Agency has in the past engaged in
activities that have been looked upon by
certain Members of the Congress as un-
desirable; but I want to make it clear
that every one of those activities had
been ordered by a President. The Cen-
tral Intelligence Agency does not just
engage in activities for the love of work.
I know that the Central Intelligence
Agency, during the Kennedy years and
the Johnson years, was engaged in ac-
tivities in Laos—

Mr. President, the Central Intelligence
Agency is possibly the most important
agency in this Government. By and large,
it is made up of people who are com-
petent, able, and who have served this
country well and faithfully. To be sure,
there are times when it has engaged in
activities, as we have said, that are
looked upon with suspicion; but I think
it would be folly for us to publicize all of
its activities, to publicize the amounts it
receives, particularly when there are
ways and means within this body and
within the other body of Congress to
supervise it and to keep a check rein
upon it.

I had the privilege of
serving on the National Security Council,
and I want to tell my colleagues that the
Central Intelligence Agency was the most
accurate and effective instrument of
Government for that council. Its reports
were most accurate, and had we followed
the advice of the Central Intelligence
Agency in many areas, we would have
been better off, but at least it was there.

But just as surely as we are in this
body today debating whether or not we
ought to have a release of the figure,
next year it will be whether it is too big
or too little, and then it will be what is
in it. Then when we start to say what is
in it, we are going to have to expose ex-
actly what we have been doing in order
to gain information; for example, years
ago as to where the Soviet Union was
building its nuclear subs and the kind
of nuclear subs they were. I saw that ma-
terial in 1965—how far they were along,
what their scientific progress was. I do
not think it would serve the public in-
terest for all of that information to have
been laid out. It would have destroyed
our intelligence gathering completely.

Senator McClellan: ". . .

But, let us bear in mind that if we are to have a security intelligence agency, we cannot have it with national publicity on what it does, how it does it, and how much it spends here, or how much it spends there. . . ."

Senator Stennis: ". . .

On my responsibility to my colleagues, they in CIA keep a clean house. They have had a conservative operation dollar-wise and have accounted for the money in a splendid way. That has been true without exception. There has been no great spillage of money or great extravagances, and not one bit of scandal or odor of any kind. . . ."

Senator Thurmond: ". . .

I believe that our Nation is unique in the attention its legislature has given to specifying and circumscribing the activities of the agency designated to perform its foreign intelligence mission. . . ."

Senator Proxmire: ". . .

Mr. President, the purpose of the amendment which I am offering now is to provide that the overall figure for the intelligence community as a whole, not broken down but the overall figure, would be made available, so that the taxpayers of this country would have some idea of how much, how many billions of dollars—and it is billions of dollars—are going for intelligence efforts by our Government.

Now just what would this tell our adversaries? They would not know if it all went to the CIA, or DIA. Whether the NSA spent most of the money, or the Air Force.

How about yearly fluctuations? Say for example, that the budget went up 10 percent in 1 year. What what they conclude? That manpower was more expensive? That the CIA was spending more for Laos? That the DIA had bought a new computer division? That NSA was hiring more people? They would know nothing. . . ."

Senator Hughes: ". . .

The threat will come from losing control on the inside. If maintaining that control requires an ounce of risk, then I think we should be prepared to take that ounce of risk in at least letting us see publicly and the people see publicly whether we are spending \$3 billion, \$7 billion, or \$90 billion, and how we are concealing it and hiding it, and if we are protecting ourselves from the inside as well as from the outside.

I think that ounce of risk, if it exists, is worth taking, and I thank the distinguished Senator from Wisconsin for yielding. . . ."

Senator Jackson: ". . .

In summary, our foreign intelligence service arises out of an act of Congress and all of its activities are closely scrutinized by a number of representative members of both the Senate and the House of Representatives. This is how we have resolved the balance between the needs of an open society and the needs for a secret foreign intelligence service. I certainly do not think that this is the time to unbalance the situation as I am confident enactment of the proposed amendment would do.

Senator Young: ". . .

I know there is great interest in the public knowing everything possible, but I think there are some things that should be kept secret for our own security. "

RULES OF THE HOUSE OF REPRESENTATIVES

§ 735.

Rule XI.

record vote is demanded. The result of each rollcall vote in any meeting of any committee shall be made available by that committee for inspection by the public at reasonable times in the offices of that committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting. With respect to each record vote by any committee on each motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

The first part of this paragraph was derived from Sec. 133(b) of the Legislative Reorganization Act of 1946 (60 Stat. 812) and made part of the standing rules on January 3, 1953, p. 24. The requirements that committee roll calls be subject to public inspection and that the committee report on a public bill or resolution include the vote thereon, were added by Sec. 104(b) of the Legislative Reorganization Act of 1970 (84 Stat. 1140) and made a part of the rules on January 22, 1971, p. —, H. Res. 5.

(c) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each com-

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RULES OF THE HOUSE OF REPRESENTATIVES

Rule XI.

mittee is authorized to have printed and testimony and other data presented at hearing by the committee.

This provision from Sec. 202 (d) of the Legislative Reorganization Act of 1946 (60 Stat. 812) was made a part of the standing rules on January 3, 1953, p. 24.

(d)(1) It shall be the duty of the chairman of a committee to report or cause to be reported promptly to the House any measure approved by his committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of any committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the chairman of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request. This paragraph does not apply to a report of the committee on Rules with respect to the rules, orders, or order of business of the House or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(3) If, at the time of approval of any measure by any committee (except the Committee on Rules) any member of the committee, gives notice

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September 1974

CIA SUBCOMMITTEES

SENATE APPROPRIATIONS

INTELLIGENCE OPERATIONS

John L. McClellan (D., Ark.), Chairman

John C. Stennis (D., Miss.)

Milton R. Young (R., N. Dak.)

John O. Pastore (D., R. I.)

Roman L. Hruska (R., Nebr.)

SENATE ARMED SERVICES

CIA SUBCOMMITTEE

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Peter H. Dominick (R., Colo.)

Henry M. Jackson (D., Wash.)

Strom Thurmond (R., S. C.)

HOUSE ARMED SERVICES

SPECIAL SUBCOMMITTEE ON INTELLIGENCE

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Elford A. Cederberg (R., Mich)

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TASS Reports Colby Testimony on CIA actions in Chile

L231442 Moscow TASS in English 1350 GMT 23 Oct 73 L

(TEXT) WASHINGTON OCTOBER 23 TASS--FRESH FACTS HAVE BEEN LEARNED HERE ABOUT THE SUBVERSIVE ACTIVITY OF THE USA CENTRAL INTELLIGENCE AGENCY AGAINST SALVADOR ALLENDE'S POPULAR UNITY GOVERNMENT PRIOR TO SEPTEMBER ELEVENTH. THESE FACTS ARE CONTAINED IN THE TRANSCRIPT OF SECRET TESTIMONIES BY CIA DIRECTOR WILLIAM COLBY AND CIA SENIOR STAFF-MEMBER F. DAVIS AT THE INTER-AMERICAN AFFAIRS SUBCOMMITTEE OF THE HOUSE OF REPRESENTATIVES. A SUMMARY OF THE TESTIMONIES WAS PUBLISHED BY THE "WASHINGTON POST."

THE TESTIMONY OF THE CIA LEADERS SHOWS THAT THE DEPARTMENT CARRIED ON LARGE-SCALE SECRET INTERVENTION IN THE INNER-POLITICAL AND ECONOMIC AFFAIRS OF CHILE. THIS ACTIVITY, THE NEWSPAPER SAID, INCLUDED INFILTRATION INTO ALL PRINCIPAL POLITICAL PARTIES, SUPPORT OF ANTI-GOVERNMENTAL DEMONSTRATIONS AND ALIGNMENTS, SUBSIDIES FOR OPPOSITION PRESS ORGANS.

THE UNITED STATES, THE WASHINGTON POST GOES ON TO SAY, REFUSED CREDITS TO THE ALLENDE GOVERNMENT TO WRECK THE CHILEAN ECONOMY AND ALSO OBSTRUCTED THE GRANTING OF LOANS TO CHILE BY INTERNATIONAL FINANCIAL AGENCIES. THE ONLY EXCEPTION WAS MADE FOR THE SALE ON CREDIT OF AMERICAN WEAPONS TO THE CHILEAN ARMED FORCES. THUS, THE UNITED STATES SOUGHT TO SPEED UP THE ECONOMIC CRISIS IN THE COUNTRY AND TO ENCOURAGE INTERNAL OPPOSITION TO THE POPULAR UNITY GOVERNMENT.

THE TESTIMONY OF THE CIA DIRECTOR AND OTHER INFORMATION SHOW THAT THE UNITED STATES MAINTAINED CLOSE CONTACTS WITH THE CHILEAN MILITARY THROUGHOUT THE PERIOD FOLLOWING ALLENDE'S ELECTORAL VICTORY, THE NEWSPAPER SAYS.

THE WASHINGTON POST ADDS THAT THE CIA ALLOCATED 400,000 DOLLARS FOR SUPPORTING PRESS ORGANS OPPOSING ALLENDE ON THE EVE OF THE PRESIDENTIAL ELECTIONS.

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The View From Langley

By Ted Szulc

Szulc is a Washington writer and a former foreign correspondent. His latest book is "Compulsive Spy: The Strange Career of E. Howard Hunt."

WAS THE United States, through the Central Intelligence Agency or otherwise, directly involved in the events that led to the bloody coup d'etat in Chile last Sept. 11?

Actual involvement in the military revolution that ousted the late President Salvador Allende Gossens, a Socialist, has been roundly denied by the Nixon administration and the CIA in particular. But given the CIA's track record in overthrowing or attempting to overthrow foreign governments—Iran, Guatemala, the Bay of Pigs, Laos and so on—deep suspicions have persisted that the agency, operating under White House directives, has been much more than an innocent observer of the Chilean scene since Allende's election in 1970.

Ten days ago, the CIA rather surprisingly if most reluctantly, went quite a way to confirm many of these suspicions. It did so in secret testimony on Oct. 11 before the House Subcommittee on Inter-American Affairs by its director, William E. Colby, and Frederick Davis, a senior official in the agency's Office of Current Intelligence. The substance of the testimony was made available to this writer by sources in the intelligence community.

The extensive testimony touches primarily on the CIA's own and very extensive covert role in Chilean politics. It also helps in understanding and reconstructing the administration's hesitancy of bringing about Allende's fall, one way or another.

We are apprised not only that the Chilean state of the number of victories of the military government's forces is four times the official San Diego figures but that the United States, in effect, condones mass executions and

WASHINGTON POST
21 OCT 1973

war there remains "a real possibility." Yet, even Colby warned that the junta may "overdo" repression.

Colby's and Davis' testimony, in parts unclear and contradictory, offered a picture of the CIA's activities in Chile between Allende's election in 1970 and the Sept. 11 coup ranging from the "penetration" of all the major Chilean political parties, support for anti-regime demonstrations and financing of the opposition press and other groups to heretofore unsuspected Agency involvement in financial negotiations between Washington and Santiago in last 1972 and early 1973 when the Chileans were desperately seeking an accommodation.

There are indications that the CIA, acting on the basis of its own reports on the "deterioration" of the Chilean economic situation, was among the agencies counseling the White House to rebuff Allende's attempts to work out a settlement on the compensations to be paid for nationalized American property and a renegotiation of Chile's \$1.7 billion debt to the United States.

A No-Help Policy

ACTUALLY, the basic U.S. posture toward Allende was set forth by Henry A. Kissinger, then the White House special assistant for national security affairs, at a background briefing for the press in Chicago on Sept. 16, 1970, 12 days after Allende won a plurality in the elections and awaited a run-off vote in Congress. Kissinger said then that if Allende were confirmed, a Communist regime would emerge in Chile and that Argentina, Bolivia and Peru might follow this example.

For the next three years, the U.S. policy developed along two principal lines. One was the denial of all credits to the Allende government—Washington even blocked loans by international institutions—to aggravate Chile's economic situation when Allende himself was bogging down in vast mismanagement of his own. The other line was the supportive CIA activity to accelerate the economic crisis and thereby encourage domestic opposition to Allende's Marxist Popular Unity government coalition.

The only exception to the ban on credits was the sale of military equipment to the Chilean armed forces—including the decision last June 3 to sell Chile F-5E jet fighter planes—presumably to signal United States support for the military. Colby's testimony as well as other information showed that the United States had maintained close contacts with the Chilean military after Allende's election.

The Nixon administration's firm re-

fusal to help Chile, even on humanitarian grounds, was emphasized about a week before the military coup when it turned down Santiago's request for credits to buy 300,000 tons of wheat here at a time when the Chileans had run out of foreign currency and bread shortages were developing.

On Oct. 5, however, the new military junta was granted \$24.5 million in wheat credits after the White House overruled State Department objections. The department's Bureau of Inter-American Affairs reportedly believed that such a gesture was premature and could be politically embarrassing.

An "Unfortunate" Coup

PARADOXICALLY, Washington had not hoped for the kind of bloody military takeover that occurred on Sept. 11. For political reasons, it preferred a gradual destruction from within of the Chilean economy so that the Allende regime would collapse of its own weight. The CIA's role, it appeared, was to help quicken this process.

Under questioning by Rep. Michael J. Harrington (D-Mass.), Colby thus testified that the CIA's "appreciation" of the Chilean economy was that "it was on a declining plane on the economic ground in terms of internal economic problems— inflation, with 320 per cent inflation in one year, the closure of the copper mines, and so forth, your total foreign deficit was more than the need for it. They couldn't import the food because their deficit was such that over the long term they had no base for it." Elsewhere in his testimony, Colby said that the CIA reported "accurately an overall assessment of deterioration" and that with the Chilean navy pushing for a coup, it was only a question of time before it came.

But Colby also told the subcommittee that "our assessment was it might be unfortunate if a coup took place. The National Security Council policy was that it is consistent with the feeling it is not in the United States interest to promote it." He made this comment after Rep. Charles W. Whalen (R-Ohio) asked Colby whether he agreed with earlier testimony by Jack Kubiach, the assistant secretary of state for Inter-American Affairs, that the administration believed that "it would be adverse to our own United States interest if the government of Chile were overthrown."

This theme was further developed in a letter on Oct. 8 from Richard A. Fagen, professor of political science at Stanford University, to Sen. J. William Fulbright, chairman of the Senate Foreign Relations Committee, reporting on a meeting between Kubiach and a group

Association.

Fagan said that Kubisch took the view that it was not in our interest to have the military take over in Chile. It would have been better had Allende served his entire term taking the nation and the Chilean people into complete and total ruin. Only then would the full discrediting of socialism have taken place. Only then would people have gotten the message that socialism doesn't work. What has happened has confused this lesson."

"No Indication" of Support

COLBY'S TESTIMONY on the CIA's activities in Chile supplied a considerable amount of new information, some of it contradictory, under vigorous questioning by the subcommittee.

Thus at one point Colby said that "I can make a clear statement that certainly CIA had no connection with the coup itself, with the military coup. We didn't support it, we didn't stimulate it, we didn't bring it about in any way. We obviously had some intelligence coverage over the various moves being made but we were quite meticulous in making sure there was no indication of encouragement from our side."

Colby also insisted that the CIA was not involved with the prolonged strike by Chilean truckers that preceded the coup.

But pressed by Rep. Harrington, Colby acknowledged that the CIA may have assisted certain anti-Allende demonstrations. The following discussion ensued:

HARRINGTON: Did the CIA, directly or indirectly, assist these demonstrations through the use of subsidiaries of United States corporations in Brazil or other Latin American countries?

COLBY: I think I have said that the CIA did not assist the trucking strike.

HARRINGTON: I think it's a broader, and more intentionally broader, question—any of the demonstrations that are referred to in the course of this questioning.

COLBY: I am not quite sure of the scope of that question.

HARRINGTON: I make specific reference to two, one in the October period of 1972 and one in March of 1973.

COLBY: I would rather not answer the question. I can give you an assurance and be sure, frankly, I would rather not. If we did, I don't want to be in a position of saying we didn't. But if we didn't, I really don't mind saying I don't know because it doesn't hurt. But I don't want to be in a position of giving a false answer. Therefore, I think I'd better just not answer that, although I frankly don't know the answer to that question right here as it stands.

A COVERT OPERATION

THROUGHOUT COLBY consistently refused to tell the subcommittee whether the CIA's operations in Chile had been authorized by the "40 Committee," the top secret group headed by Kissinger in the National Security Council that approves clandestine intelligence operations, he admitted that "we have had . . . various relationships over the years in Chile with various groups. In some cases this was approved by the National Security Council and it has meant some assistance to them. That has not fallen into the category we are talking about here — the turbulence or the military coup."

In previous testimony before a Senate subcommittee, former CIA Director Richard Helms disclosed that the CIA had earmarked \$400,000 to support anti-Allende news media shortly before his election. This was authorized by the "40 Committee" at a meeting in June, 1970. Colby, however, refused to say whether this effort was subsequently maintained, claiming that the secrecy of CIA operations had to be protected. He then became engaged in this exchange with Harrington:

COLBY: That does go precisely on to what we were operating and what our operations were. I would prefer to leave that out of this particular report . . . SEE TEXT

HARRINGTON: I think we have run exactly into what makes this a purposeless kind of exercise . . . SEE TEXT

COLBY: If I might comment, the presumption under which we conduct this type of operation is that it is a covert operation and that the United States hand is not to show. For that reason we in the executive branch restrict any knowledge of this type of operation very severely and conduct procedures so that very few people learn of any type of operation of this nature.

HARRINGTON: And we end up with a situation such as at Sept. 11 because you have a cozy arrangement.

Corporate Cooperation

ON THE QUESTION of support to anti-Allende forces by United States or Brazilian corporations, Colby and Davis gave equivocal answers to the subcommittee. Colby said, "I am not sure." Davis said, "I have no evidence as to that," but Colby interrupted him to remark that "I wouldn't exclude it. Frankly, I don't know of any. However, I could not say it didn't happen."

Subcommittee members pursued at some length the possible involvement by American corporations in the Chilean coup because of previous disclosures that the International Telephone and Telegraph Corp. had offered the CIA

permission in 1970 to prevent Allende's election and subsequently proposed a detailed plan to plunge Chile into economic chaos.

Rep. Dante B. Fascell (D-Fla.), the subcommittee chairman, raised the question of involvement by Brazilian or other Latin American corporations, many of them subsidiaries of United States firms, because of reports that the anti-Allende moves were widely coordinated. Speaking for the CIA, Davis replied:

"There is some evidence of cooperation between business groups in Brazil and Chile. However, this is a small share of the financial support. Most of the support was internal. There is some funding and cooperation among groups with similar outlooks in other Latin American countries. This is true with regard to most of those governments . . . I was not thinking so much of companies or firms so much as groups, organizations of businessmen, chambers of commerce, and that kind of thing in a country such as Brazil."

Discussing the CIA's intelligence operations in Chile, Colby said he "would assume" that the Agency had contacts with Chileans opposed to Allende. Asked by Harrington whether the CIA maintained such contacts in social contexts, Colby said:

"If a gentleman talks to us under the assurance he will not be revealed, which can be dangerous in some countries, it could have been very dangerous for those in Chile . . . the protection of that relationship, fiduciary relationship with the individual, requires that I be very restrictive of that kind of information."

Then the following dialogue developed:

FASCELL: Is it reasonable to assume that the Agency has penetrated all of the political parties in Chile?

COLBY: I wish I could say yes. I cannot assure you all, because we get into some splinters.

FASCELL: Major?

COLBY: I think we have an intelligence coverage of most of them. Let's put it that way.

FASCELL: Is that standard operating procedure?

COLBY: It depends on the country. For a country of the importance of Chile to the United States' decision-making, we would try to get an inside picture of what is going on there. I can think of a lot of countries where we really don't spend much time worrying about their political parties. I spend much of my time worrying about penetrating the Communist Party of the Soviet Union.

Continued

The Economic Role

OF THE MOST intriguing disclosures made by Colby in his testimony was that the CIA is actively engaged in economic negotiations between the United States and foreign countries. This has not been generally known here, but Colby told the subcommittee that he would normally contribute to the negotiating team.

He said that "we would try to provide them intelligence as backdrop for their negotiations and sometimes help them with appreciation of the problem. . . . We follow the day-to-day progress in negotiations. If it's an important economic negotiation, like (Treasury) Secretary Shultz over in Nairobi and places like that, we would be informed of what they are doing and try to help them."

In the context of the Chilean-American negotiations before the coup, the CIA's Davis said that "we did have some quite reliable reporting at the time indicating that the Russians were advising Allende to put his relations with the United States in order, if not to settle compensation, at least to reach some sort of accommodation which would ease the strain between the two countries. There were reports indicating that, unlike the Cubans, they were in effect trying to move Allende toward a compromise agreement. . . . It was our judgment that the [Chileans] were interested in working out some kind of modus vivendi without, however, releasing substantially from their position."

Davis added that "our intelligence requirement in the negotiations between the United States and Chile would be to try to find out, through our sources, what their reactions to a negotiating session were, what their reading of our position was, what their assessment of the state of negotiations is."

In his narration of the events leading to the coup, Colby said that "under the general deterioration, it was only a matter of getting the Army, the Navy and the Air Force to cover it. Eventually they did get them all in." Colby then compared the Chilean coup to the 1957 Indonesian revolution, reputedly advised by the CIA, when the army ousted President Sukarno. He said the CIA shared the suspicions of the Chilean military that Allende was planning a coup of his own on Sept. 19 to depose the armed forces, but said the CIA had no firm information confirming these suspicions.

"Concern Over Security"

THROUGHOUT his testimony, Colby drew a grim picture of the junta's repression and, in effect, predicted that it would worsen even more because of the continued strength of the Chilean left. His estimates of the death toll were roughly four times the figures announced by the junta and he told the subcommittee that the Chilean military had a list of the "most wanted" Allende followers whom they hoped to find and possibly execute.

"Communist Party chief Luis Corvalan is being or will be tried for treason. He may well be sentenced to death regardless of the effect on international opinion," Colby said. This information led to this exchange:

WHALEN: You mentioned those being accused of treason. Did these allegedly treasonable activities occur after the takeover by the military?

COLBY: I think what I referred to was the head of the Communist Party who would probably be tried for treason.

He would probably be tried for treason. He would probably be tried for activities prior to the takeover. You can have some question as to how valid that is in a constitutional legal sense. There have been some who have been accused of it since the takeover.

WHALEN: That confuses me. If he is tried for treason against a government [he] supported, I cannot understand that.

COLBY: You are right. This was Colby's assessment of the present situation:

"Armed opposition now appears to be confined to sporadic, isolated attacks on security forces, but the regime believes that the left is regrouping for coordinated sabotage and guerrilla activity. The government probably is right in believing that its opponents have not been fully neutralized. Our reports indicate that the extremist movement of the Revolutionary Left believes its assets have not been damaged beyond repair. It wants to launch anti-government activity as soon as practical and is working to form a united front of leftist opposition parties. Other leftist groups, including the Communist and Socialist parties, are in disarray, but they have not been destroyed. Exiled supporters of the ousted government are organizing abroad, namely in Rome."

Colby told the subcommittee that "concern over security undoubtedly is what accounts for the junta's continued use of harsh measures to deal with

the dissidents. The military leaders apparently are willing to alienate some support at home and endure a bad press abroad, in order to consolidate their hold on the country and finish the job of rooting out Marxist influence."

Chance of "Civil War"

DESCRIBING the present situation, Colby said:

"Armed resisters continue to be executed where they are found, and a number of prisoners have been shot, supposedly while trying to escape. Such deaths probably number 200 or more. Several thousand people remain under arrest, including high-ranking officials of the Allende government."

Answering questions, Colby agreed that the CIA's figure of more than 200 executions was higher than the junta's official estimate. He added that "there were a couple thousand, at least, killed during the fighting which surrounded the coup. It is quite possible that if you went to a city morgue you would find that number. The official figure of total killed is 476 civilians and 57 troops to a total of 513. We would guess, we would estimate, it is between 2,000 and 3,000 killed during the struggle. That would not be in my classification as an execution. Some of those were shot down. There is no question about that. They are not just bystanders. . . ."

Colby disagreed, however, with Rep. Robert H. Steele (R-Conn.) that the junta killings have "done no one any good."

"I think our appreciation is that it does them some good. The junta's concern is whether they could take this action of taking over the government and not generate a real civil war, which was the real chance because the Allende supporters were fairly activist. There were armies in the country. There was at least a good chance of a real civil war occurring as a result of this coup," Colby said.

Asked whether civil war remained a possibility, Colby replied that "it was, it's obviously declining, but it was a real possibility. Yes, I think it is a real possibility. Whether it's a certainty or not is not at all sure."

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