## Approved For Release 2001/03/04 CIA-RDP80-0160

JUNE 1972

#### COSTA RICA

## CIA Diplomacy in Action

The US Ambassador to Costa Rica, Walter Ploeser, suddenly put in his resignation last March. A rich businessman from Missouri, he held the post of Ambassador in that country for almost two years. It cannot be said that his activity ran a smooth course. In December 1970 he was publicly accused of being involved, together with E. Williamson, CIA chief in Costa Rica, in plotting against the Jose Figueres Government. Williamson was made the scapegoat and had to leave the country while Ploeser managed to extricate himself and continued in his post.

However, very soon another plot of the CIA and its agents against Costa Rica came to the surface and, according to some reports, the US Ambassador was once again involved. He had to request permission to return to private life

and commercial activity.

In its fight against progressive tendencies in the policy of some Latin American countries, US imperialism relies on local reactionaries. President Figueres of Costa Rica told a press conference that subversive elements from the Free Costa Rica outfit and high-ranking Guatemalan officials connected with the anticommunist terroristic Mano Blanca organisation were weaving a web of conspiracy against the Costa Rican government. In one speech the President said that reactionaries connected with Mario Sandoval Alarcon, Chairman of the National Congress of Guatemala, Colonel Raul Guevara, chief of the army intelligence service, and Colonel Carlos Lemosa, Director of the Immigration Service, were planning an invasion of Costa Rica. Their plan provided for the landing of units at various points of the Pacific coast.

A statement issued by the People's Vanguard of Costa Rica Party said: "The purpose is to set up a military-type government in Costa Rica capable of taking the country into a Central American political alliance which has long been in the hatching. Because the Costa Rican government respects the feelings and mood of the people, and refuses to support this move,

the military have decided to overthrow it.'

The statement stresses that, as the ministers of foreign affairs and state security declared, the plot is being directed by "military circles of Central American countries with the backing

of the CIA".

The plan to set up a Central American alliance is another political combination planned by Washington and the reactionary militarists of Central America. This plan has long been advocated by the military leaders of Guatemala and Salvador, supported by Honduras and Nicaragua. Its purpose is to set up an aggreslegalise US control over the Caribbean area and Central America. Its sponsors make no secret that it could be used for preparing aggression against Cuba by its members, and to put pressure on Panama, which has been seeking to pursue an independent foreign policy and wants a review of its canal treaty with the United States.

Costa Rica opposes bloc policy in Central America. Its President has stressed that he favours peaceful coexistence of countries with political and economic systems. He urged the elimination of the cold war policy which, he said, was doing harm to the small countries. Costa Rica has taken a number of measures to normalise political relations with the Soviet Union, and this has resulted in an extension of economic relations between the two countries. The country's public has met with great satisfaction the establishment of normal diplomatic relations with the Soviet Union, and has stressed that Costa Rica is the first to benefit from them.

The Central American reactionaries and the US imperialists have also been incensed over Costa Rica's domestic policy. The country's democratic forces demand radical economic measures to ensure the national interests and to ease the hard material condition of the working people. Patriotic circles in Costa Rica are working for the establishment and extension of ties with all countries, including the Soviet

Union and other socialist countries.

In the last few months, the government of Costa Rica has taken some important economic steps. It has put before the country's legislative assembly bills to lay taxes on the profits of the big and middle bourgeoisie. Simultaneously, consideration is being given to a lifting of taxes on the incomes of tens of thousands of small producers. Early this year, the President signed Decree nationalising a British railway company which had been operating in the country for 82 years.

The orientation of this small Central American republic upon an independent domestic and foreign policy was seen in the United States as a challenge to its political and economic interests, and as a potentially dangerous development for the existence of US-controlled military-oligarchic dictatorships in other Central American countries. That is why the reactionary forces at home and abroad were mobilised against Costa Rica. The CIA assumed

direction of these forces.

There was an outburst of indignation in Latin America over the aggressive designs of the reactionaries and the plans of invading Costa Rica. Public opinion on the continent has justly seen them as a blow aimed against the whole liberation, patriotic movement of the Latin American peoples.

V. LUPINOVICH

sive military bloc which would in practice Approved For Release 2001/03/04 : CIA-RDP80-01601R000500020001-7

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## Rocking the Boat

Costa Rica's Figueres Woos Russia, Causing U.S., Latin Concern

Don Pepe Says He Let Soviet Open Embassy to Promote Trade and Ease 'Cold War'

Can a Fox Outsmart a Bear?

By JAMES C. TANNER Staff Reporter of THE WALL STREET JOURNAL

SAN JOSE, Costa Rica-This small republic has been something of an American dream-at least from the U.S. State Department's point of view.

It is a true democracy and a nation of peace that spends its money on schools, not soldiers. The government of this tropical paradise has sided with the U.S. on practically every major issue. Its twice-elected president is a U.S.-educated popular hero who led a revolution that ousted Communists from the country years

Nowadays, however, while this American first subversive one. dream hasn't exactly turned into a nightmare,



it is at least causing some restless nights for U.S. diplomats. The reason for both the dream and the restlessness is one and the same: President Jose Figueres, 65, who is the most influential friend the U.S. has in Latin America-or at least he used to be.

Don Currently, Pepe, as he is called, sees himself in a new role-as a Latin de Gaulle, the leader of a third-world force. Midway in his four-year

term, he has set out to (1) settle, single-handedly if necessary, what he considers the cold war between the U.S. and Russia and (2) solve the pressing social and economic problems of Such goals can hardly be criticized. But to exin Central America.

counts. First, the U.S. is worried about this Soviet presence in the Caribbean area. And it frets about the internal dissension that the Soviet controversy has brought to a once-peaceful the right of the John Birch Society. Most of the Costa Rica; some observers fear that this could lead to a revolution.

Moscow next month and with both U.S. and produce bananas and beef as well as coffee. Latin businessmen being urged to step up trade with their Communist counterparts, a contro-Pepe's advances toward the Russians. Mem-

would seem to be a tempest in a teapot-or, racy. Movimiento Costa Rica Libre (the Fre rather, a coffee pot, since coffee is a part of Costa Rica Movement) runs full-page ads i the controversy.

"I'm fed up with the cold war, which has deprived us of half the world's market," explains Don Pepe (pronounced "peppy"). "I hope I can give a minor contribution to world peace by showing that, in Central America at or MCRL. "But we intend to know every mov least, the Russians have no tails."

But a lot of people, including some Americans, believe that Don Pepe isn't dealing with cuses the MCRL of trying to initiate a revolu a tail-less Russian bear; instead, they fear, he has a tiger by the tail and may end up endangering not only Central America but also the

Of Coffee & Chicken

Some Russians have already arrived in this West Virginia-size nation, which lies between Nicaragua and Panama. They have taken up residence on the main street of San Jose, just a ross Central Avenue from the local Kentucky Fried Chicken outlet. But the Russians are here not because of chicken but because of coffee. Don Pepe says.

Coffee growers in Costa Rica have piled up 75 million pounds more than they can sell under international marketing quotas. While the Russians don't drink much coffee, they have nonetheless promised to siphon off the surplus. But President Figueres says they drive a hard bargain, refusing to trade with any nation that doesn't give them diplomatic recognition. Thus, he continues, he permitted the Russians their first diplomatic foothold in Central America-and, cynics suggest, their

A Soviet subversive foothold? Nonsense, says Don Pepe as he sips some of that surplus coffee in his white house on Jose Figueres Avenue in the village of Curridabad. There isn't much to spy on in Costa Rica, he declares. And he adds: "I see no possibility of espionage unless the Russians buy postcards of the Panama Canal-we are near the canal and the cards sell for 10 cents-and mail them to Moscow.' More seriously he says, "I've made it very plain to the Russians that they are dealing with a loyal U.S. ally and that there will be no monkey business against the U.S."

A Question of Quotas

As one precaution, Don Pepe says he set a limit on the number of Soviet diplomats to be allowed in Costa Rica; he tells a reporter the quota is 10. Gonzalo Facio, minister of foreign relations, says it is eight. But some political opponents of Don Pepe say they already have counted 40 Russians living in the rented mansion on Central Avenue.

Whatever the precise number, many Costa Costa Rica and perhaps all Latin America. Ricans figure they have a surplus of both coffee and Russians. "This is too nice a country to pedite them, he has permitted the Russians to be fouled up," a San Jose banker snaps. Feelopen an embassy here in San Jose-their first ings are also being aroused in neighboring Nicaragua, in El Salvador, in Guatemala and-it This move has brought concern on two is said-in the U.S. Central Intelligence,

Costa Rica has a sprinkling of Marxists, but many of its people appear to be politically to country's 1.8 million residents are highly literate and are of white European stock-Spanish, With President Nixon scheduled to go to Dutch and German. Largely landowners, they

And many of these are clearly upset at Don

newspapers charging that newly arrived Sovie Ambassador Vladimir Kazimirov was "an a: sassin in Hungary." "No one seems to b checking on (the Russians)," says Bernal U bina Pinto, secretary-general of the movemen they make," he vows.

The Figueres administration, in turn, ac tion, or golpe. And ever since the spearhead c the Soviet diplomatic delegation arrived las December, there has been a lot of talk of golp going around. Recently Don Pepe called : news conference to announce that he had re ceived fresh assurance from the right-wing government of Guatemala that it wasn't plan ning to underwrite a Costa Rican revolution, a had been rumored. Even the U.S. has been mentioned as a power behind clandestine plan ning to overthrow President Figueres-a breal in the tradition of good U.S.-Costa Rican rela

In Washington, however, State Departmen officials still publicly label Don Pepe as the best friend the U.S. has in Latin America. "We are traditionally very high on Figueres," one says. And U.S. diplomats here just as stoutly insist that Russians in Costa Rica pose no more of a threat to the U.S. than a competitive trade challenge. One U.S. embassy spokesman say: cautiously: "Our position is that we don't pub licly or privately intervene in a domestic

But the domestic controversy goes on. Dor Pepe's left-of-center National Liberation Party officially supports all his moves. Nonetheless many within the party-called PLN-have been frightened by his deals with Russia. The president has handled this internal opposition

much as he handled the Catnolic Church, whic vociferously opposed the Soviet embassy "Stick to saving souls," Don Pepe told th Catholic archbishop.

But whether the people will stick with th PLN in the 1974 elections is another question Don Pepe is forbidden by law to succeed him self, and the Soviet issue certainly hasn' helped the party. In 1970 he won with the votof the small farmers and farm workers, and even some of the country's many rightists sup ported him. "Figueres has always been a lib eral," one of these explains, "but he was will ing to compromise."

Now, besides the Soviet-embassy issue, a lo of conservatives are also worried by the recent successes of Communist unions in organizing banana workers on both coasts of Costa Rica. (The Communists are officially basined from political activity in the country but nonetheless operate through "front" parties and unions.) The unions that organized the banana workers had the support-at least implied-of Don Pepe and his labor minister, who is also his son-in-

Not everyone, however, thinks that Don Pepe is being taken in by the Communists. One U.S. businessman here, a friend of the president, portrays Mr. Figueres as a sly old fox whose strategy is to make the U.S. perk up and pay attention. "Don Pepe," he explains, "is just plain peeved because you can't get attention from the U.S. unless you become a thorn in its side." Some supporters say the president is toying with both Russia and the U.S. Other Costa Ricans, however, fear that he isn't playversy over one Soviet embassy more or less bers of the Women's Civic League march in ing any such game; they are convinced that he

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# U.S. Envoy Resigns in Costa Rica

Move Unexpected, Linked to Furor

Special to The Herald

SAN JOSE, Costa Rica — U.S. Ambassador Walter C. Ploeser has submitted his resignation to Washington.

Ploeser, 65, said "personal reasons" forced him to make such a "regrettable decision" at this time.

Ploeser's announcement came little more than a year after the St. Louis insurance executive was embroiled in a major controversy with the government of President Jose Figueres.

THE CONTROVERSY involved reports that the U.S. Embassy's reputed CIA station chief, Earl Williamson, had become "involved in Costa Rica's internal affairs." These reports came amidst rumors that an attempt to overthrow the Figueres government would soon take place.

Williamson, who reportedly had made "indiscreet" remarks about the alleged coup attempt, was quickly relieved from his post and reassigned.

Rumors in San Jose suggest that Ploeser's unexpected decision to resign may be linked to that incident.

RUMORS IN Washington, however, have it that the ambassador resigned to join President Nixon's forces in the political campaign. Ploeser denies this.

A 1970 Nixon appointee, Ploeser has participated in Republican campaigns in the past and has been a steadfast Nixon supporter.

# A Short History of CIA Intervention in Sixteen Foreign Countries

In July, 1947, Congress passed one of the most significant pieces of legislation in the history of America in peacetime. The National Security Act of 1947 created The National Security Council, the Department of Defense the Joint Chiefs of Staff, the United States Air Force and, not least of all, the CIA. This act provided the Agency with five principal duties:

1. To advise the National Security Council on matters concerning intelligence.

2. To make recommendations for the coordination of such intelligence matters.

3. To correlate and evaluate intelligence relating to national security and disseminate it to other government departments.

4: To perform "such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally."

5. To perform "such other functions and duties as the NSC would direct."

In 1949 Congress passed the Central Intelligence Agency Act, allowing the agency to disregard laws that required disclosure of information concerning the organization, to expend funds without regard to laws and regulations governing expenditures with no other accounting than the Director's vouchers, and to make contracts and purchases without advertising.

With such unprecedented authority, with unlimited access to money, with liberty to act without regard to scrutiny or review by either civilian or governmental organizations, the CIA has become a selfcontained state. One observer ranks the CIA as the fourth world power, after the U.S., Russia, and China.

Partly because of the CIA's special "secret" status and partly because of the laziness of the press, the total history of CIA intervention in foreign countries has never been reported. What you read instead are fragments—an attempted bribe in Mexico last July, an assassination in Africa last November.

What emerges here is an atlas of intrigue but not a grand design; on the contrary, the CIA's record is as erratic and contradictory as that of any bureaucracy in the Federal stable. But you do begin to comprehend the enormous size of the CIA and its ruthless behavior. The rules permit murder, defoliation and drug addiction for Political ends. Look at the record:



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Y. CHIMBIR

ONE night in January last year the Costa Rican fishing boat Nayuribe chanced upon a ship the fishermen were unable to identify unloading a suspicious cargo of crates at an out-of-the-way spot on the Costa Rican coast under cover of darkness.

The next day the Costa Rican press shed some light on the nocturnal mystery. The ships Atlantic Guayaquil and Waltham operated by CIA gunrunners had been caught-smuggling into the country a large quantity of weapons consigned to the pro-fascist Free Costa Rica organization known to be plotting the forcible overthrow of the Jose Figueres government.

An investigation carried out at the time by the Costa Rican authorities revealed that the threads of the conspiracy led to the U.S. Embassy in San Jose. The contact man between the CIA and the Free Costa Rica organization, La Nacion wrote, was none other than Edward Williams, U.S. resident agent in San Jose, who was officially listed as the First Secretary at the U.S. Embassy. transpired, according to lt also La Nacion, that Williams was the chief organizer of the anti-Soviet campaign unleashed at that time by the Costa Rican reactionary press to prevent the normalization of diplomatic relations between Costa Rica and the Soviet Union. Williams and a fellow-agent, Lawrence Harrison, who operated under the cover of the local branch of the Agency for International Development, bad to leave Costa Rica in great haste.

A little over a year has passed since then. Speaking at a press conference on February 25, the Costa Rican Minister of Foreign Affairs Gonzalo Facio said the government had irrefutable proof that "preparations were under way for an invasion of Costa Rica by mercenary armies of the Central American aimed at overthrowing countries" President Jose Figueres and setting up a military dictatorship. A special role in the operation, scheduled for March, was assigned to the Free Costa Rica organization, whose fascist-type thugs are preparing for terrorist acts against members of the Costa Rican government and the country's progressives.

Why are the U.S. special services and their local agents plotting against the constitutionally elected government of Figueres? Why the heightened interest of the cloak-and-dagger men in small and peaceful Costa Rica?

The wind of change sweeping Latin America is increasingly making itself in Central

## Plot Against Costa Rica

particularly reliable sphere of influence. The U.S. is seriously worried by the prospect of losing control over this area situated so close to its borders, and up to now a veritable private preserve of the American monopolies and the reactionary regimes subservient to them. It is particularly alarmed by the developments in Costa Rica, which, for a number of historical reasons, has always been more democratic than its neighbours.

Costa Rica has long had a strong patriotic movement, which has influenced government policy in many respects. It was due to this influence that Jose Figueres, following his election in 1970 to the presidency for a third term, announced the intention of his government to implement a programme of sweeping socio-economic reforms and the country of the economic domination of foreign monopolies. In the sphere of foreign policy. Figueres declared for establishing normal relations with all countries, including the socialist. Late in 1970 the Costa Rican government restored diplomatic relations with the U.S.S.R. Democratic opinion in Costa Rica and progressives in Latin America generally welcomed these steps.

Not so the U.S. imperialists, who saw In these actions, taken by a sovereign state in the national interest, a "dangerous" example to other Central American countries. And so the CIA set to work to topple the Figueres govern-

Washington is now trying to bring pressure to bear on Costa Rica by devious means, using the reactionary brass hats of some Central American countries whom the Pentagon has under its thumb through the agency of the Central American Defence Council. Some time ago Costa Rica, which has no army of her own, withdrew from that organization, arousing the displeasure of the United States. The ministers for state security, foreign affairs and economics of the Central American countries are to meet in Guatemala early next month, according to the Costa Rican weekly Libertad, and Washington is counting on putting through a decision to create "joint armed forces" of the Central American countries. The Figueres gov-

Washington has long regarded as a ernment is strongly opposed to any such supra-national army, which could be used at U.S. bidding to interfere in the internal affairs of Central American countries. The Costa Rican people justly regard the project as a threat to their country's sovereignty.

These are troubled days for San Jose. The local La Hora, quoting official sources, reports that the governments of two Central American countries have already armed and equipped mercenaries in addition to allowing some of their own officers and men to join in the planned invasion of Costa Rica. In view of this the Figueres government has called on volunteers to start military training in order to repel a possible foreign intervention. The Costa Rican people are fully determined to defend their STATINGEreignty

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When Britain pulled out of Rhodesia after the 1965 Unila the CIA worked to ferret out details of the sanction-bust In the popular traditions of spying, secret documents disa were used to convey messages in invisible ink. It was a shock one of the informers was a prominent lawyer. But it was not the CIA had expanded into an area where the British were una active in Egypt, Iran and Syria. E. H. COOKRIDGE ends his and looks at the Director, Richard Helms

NY of the bright young men Allen Dulles had recruited to CIA from law offices and universities had gained their spurs in London, where they were sent to glean some of the methods of the British Secret Intelligence Service. Dulles enjoyed making wisecracks about the Victorian and Indian Army traditions still surviving in the British secret service, but he had a healthy respect for its unrivalled experience and great professionalism. He knew that CIA could learn a lot from the British about operations in the Middle East and Africa, where its stations were rapidly expanding.

After Archibald Roosevelt, one of CIA's foremost "Arabists", had restored cordial relations with SIS when station head in London, a plan of cooperation was devised for Africa, where most of the former British colonies had gained independence, and were becoming subject to strong Soviet and Chinese pressure. Roosevelt was still in London when, in 1965, Rhodesia made her momentous "Unilateral Declaration of Independence" (UDI), which led to the conflict with the and cigarette manufacture in Belgium, British Government.

There is no better instance of the strengthening of CIA-SIS collaboration than the hitherto undisclosed story of the services CIA rendered the British authorities in Rhodesia, particularly since about 1968.

Indeed, in assisting the British SIS in its thankless task of implementing the policy of economic sanctions against the Smith regime, CIA put its relations with the Portuguese in jeopardy. It has an enduring understanding with the Portuguese Government and its PIDE secret service on many aspects: NATO security, anticommunist operations, the use of radio stations in Portugal and her colonies, and of bases for the U-2 spy planes

British sanction policy became, British

consular offices and SIS men were supposed to watch the steady flow of Rhodesian pig-iron, tobacco, and other Francis N products through the Portuguese ports who had of Lorenço Marques and Beira in East Africa to Europe and the Far East. Merchants and shippers there had made fortunes out of the traffic which the Portuguese were bound, by United Nations resolutions and agreements with Britain, to regard as illegal.

After the closure of British missions in Salisbury all information about Rhodesian exports dried up at source. At this juncture CIA stepped in to assist the British. It was not merely a labour of love. American tobacco Virginia, Georgia, syndicates in North and South Carolina, Tennessee and Kentucky greatly increased their production and sales to Europe when Rhodesian tobacco growers lost most of their trade sanctions. Traditionally, through Rhodesian tobacco was used for cigar Holland, Germany and Switzerland. When these supplies dried up, European manufacturers turned to American growers. But by and by Rhodesian exports began to flow again, by the use of false certificates of origin and smuggling through the Portuguese ports and through Durban in South Africa, much to the displeasure of the Americans.

Thus, obliging the British and helping American business, CIA ordered its agents to ferret out the secrets of the sanction-busting schemes devised by Mr Ian Smith's regime. Soon the CIA station in Salisbury was bustling with activity. Since 1962 it had been headed by Richard La Macchia, a senior CIA official, who had joined it in 1952 from U.S. Naval Intelligence and had come

were Cat former A cloak-anc Cuba and Wigant, Congo di and sever the most Edward Salisbury-----

1957 from the State Department; from 1959 he headed the East and South African section and, at the time of his new appointment, was Station Head in Pretoria. Among his various exploits he was reputed to have initiated the first contacts between the South African government and Dr Banda of Malawi.

The CIA agent's were perpetually journeying between Salisbury and the Mozambique ports, and Murray was temporarily posted to Lusaka to maintain personal contact with British officials resident in Zambia. Mr Ian Smith and his cabinet colleague, Mr J. H. Howman, who looks after foreign affairs as well as security and the secret service of the Rhodesian regime, were not unaware of the unwelcome operations of the Americans. They suffered them for the sake of avoiding an open clash with Washington. Their patience, however, became frayed when it was discovered that secret documents had disappeared from the headquarters of the ruling Rhodesian National Front Party. Subsequently, STATINTL

and Special Forces in Angola, Mozambique and Macao. Approved For Resease 2004/03/04 gelle A-RDP80-01601R000500020001continued

#### Approved For Release 2001/03/04 : CIA-R 25 APRIL 1971

# Costa Rica, U.S. Patch Up Spat ver CIA Mam's Indiscretions

By WILLIAM MONTALBANO Herald Latin America Correspondent " SAN JOSE, Costa Rica -President Jose Figueres says he is willing to 'let bygones be bygones" in a spat with the United States over an indiscrect CIA station chief.

A private visit from Secretary of State William P. Rogers last week apparently. helped smooth the ruffled feathers of the volatile Costa Mican leader.

- Figueres said in an interview that he interpreted the Rogers visit during the meeting of the Organization of American States here as the U.S. way of apologizing for the indiscretions of former embassy official Earl J. Williamson.

THE FIGUERES Administration asked for the recall of Williamson, nominally a first secretary at the embassy, after the CIA chief criticized Figueres at private gatherings and was quoted as having predicted his overthrow. Williamson left Costa Rica in February.

Figueres said he and Rogers did not discuss U.S.-Costa Rican relations directly, but he noted that Rogers was the "only onc of the 20 foreign ministers here who visited me."

"It was one of these visits in which it doesn't matter what you say. The fact of the visit is what is important," Figueres said.

A spokesman for Rogers said that the secretary's visit was a courtesy call with no dceper intent.

COSTA RICA, the most democratic and peaceful of all Latin American nations, was shaken carlier this year by rumors that an uprising was being planned against Figueres.

Some versions had the United States involved in the plotting, which was said to have been triggered by conservative opponents of Figueres' after he decided to open diplomatic ties with the Soviet Union.

The United States emphatically denied any involvement after friends of Fi-The Miami Herald and, later more of a family friend than to other U.S. publications.

The bantam 64-year-old Figueres, one of the hemisphere's leading democrats, may be the staunchest friend the United States has in Latin America.

It is still not clear whether Figueres believed that an uprising was afoot or whether he merely wanted people to think he oblieved it.

IN ANY EVENT, the rumors gave Figueres an opportunity to vent his displeasure at the operation of the U.S. Embassy here in general and of Williamson's activities in particular.

From the beginning, highranking Costa Rican officials, sceking the support of a sympathetic American press, had told visiting reporters more privately than they had been willing to admit publicly.

Today, it is an open secret here that the Costa Rican government expects an early replacement for political appointee Walter C. Ploeser as U.S. ambassador.

Publicly, Figueres says, "I have no complaint with the ambassador. My relations with the ambassador are all

Privately, Costa Rican officials close to Figueres say they expect Ploccer to be replaced as soon as it can be done with a modicum of dig-

PLOESER, A conservative St. Louis insurance executive who has been in Costa Rica for a year without learning any Spanish, has made an unfavorable impression here.

Costa Ricans say Ploeser has appeared aloof, formal and politically out of touch with a liberal society in which the American ambasgueres leaked the rumors to sador has traditionally been a foreign envoy.

> Ploeser is held responsible by some influential Costa Ricans for the unexpected transfer of Larry Harrison. the highly popular and effective director of the embassy aid program.

Harrison, who left Costa Rica in January on a scheduled trip to Washington and did not return, is said to have been "fired" by Ploeser.

CCSTA RICANS familiar with Harrison's aid programs say they were both dynamic and pragmatic. Harrison is said to have quarreled with both Ploeser and Williamson as part of an ideological dispute within the embassy.

Figueres' decision to reopen ties with the Soviets is a major political issue in Costa Rica, where a Cuban exile colony adds fuel to traditional anti-Communist

Figueres himself is one of the hemisphere's most vecal anti-Communists. His decision to deal with the Soviets was based on a Costa Rican desire to sell surplus production of coffee, its principal export, at favorable prices.

As part of the deal, Costa Rica was to have purchased Soviet machinery equal in value to the coffee it export-

The deal ground to a standstill after the Soviet failure to comply with bidding requirements for the machinery.

terview, however, he was determined to press ahead toward greater ties with the Communist world.

"We have to find something to buy from them," he said. "Perhaps they will sell us bridges, which we need badly. But they have much to learn about competitive bidding."

Figueres says that relations between Costa Rica and the Communist world pose no threat.

"Let the Soviets come with a 100-man embassy for all I care," he said. "After all these years, Costa Rican Communists have managed to win only two seats in Congress. What can the Soviets do that Costa Ricans themselves cannot?"

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GRAND RAPIDS, MICH.

MAR 23 1971

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## Coffee Break in Costa Rica

"It is a stroke of good fortune for the United States," the Kansas City Star has observed editorially, "that Costa Ricans have a sense of humor."

What provoked that observation was President Jose Figueres' comment in requesting the United States to recall from Costa Rica the State Department's chief political officer there, Missourian Earl Williamson.

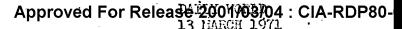
"It so happens," said Figueres, "that the Russians drink a lot of tea, but that Costa Rica would rather have them drink a lot of coffee."

Williamson, it is charged, in that exists addition to his State Department duties in Costa Rica, may also have been moonlighting as the CIA's representative there. In any case, the envoy has succeeded in thoroughly disgusting the Figueres other hand, regime which, if not following the path of right-wing dictators long tolerated by the U.S., at least imperative.

presents us with a firm and democratic ally in Latin America.

Mr. Williamson, who is related by marriage to weathy ex-Cubans, apparently has his own ideas on what constitutes Latin democracy, and without further guidance from Washington, he began to create static over Costa Rican coffee trade with Russia. Such trade is vital to the Costa Rican economy, but President Figuerer claims that Williamson tried to stir up a military coup over the issue.

No time should belost in clearing up the Williamson case and in putting at rest any misunderstanding that exists between Washington and San Jose. If, as President Figueres charges, there has been heavy-handed blundering by an American official, it is intolerable to let the situation drift. If, on the other hand, it is not much more than a silly misunderstanding, the need to clear the air is equally imperative.



# The CIA

#### STATINTL

# Cosia Rica

The events in Costa Rica described here lift the curtain a fraction on the way the CIA continues its operations in Latin America (as well as everywhere else in the world). Specifically below the Rio Grande, danger flashpoints should alert the public about CIA plottings against Cuba, where, Jack Anderson reports in his syndicated columns, the conspirates include efforts to assassinate Prime Minister field Castro; in Chile, where the new government has roused the ire of the Nixon Administration and the big U.S. copper corporations; in Ecooder and other countries where sovereign dignity as well as fishing rights are in the balance. So it goes up and down the homisphere.

#### By THA WREELER

WASHINGTON

osta Rican newspapers and the Miami (Florida)
Herald have reported a possible plot by the CIA
to overthrow the government of Costa Rica. The plot is
said to have involved the dropping of a shipload of arms
on a lonely Pacific beach of Costa Rica from a ship identified as the "Waltham."

Implicated in the charges is Earl (Ted) Williamson, a shadowy figure attached to the U.S. Embassy in San Jese, Costa Rica, but commonly known there as "CIA chief of station," the Miami Herald declared in a report, Feb. 7, written by Don Bohning, the Herald's Latin America editor.

Williamson is said to have predicted the early demise of the regime of President Jose Figueres Ferrer, because it is asserting independence from the U.S. by opening trade relations with the Soviet Union, Czechoslovakia, Poland and other socialist nations.

Legislators, newspaper editors and other supporters of Figueres are so outraged at revelation of the plot and Williamson's involvement that State Department briefing officer Robert McCloskey quietly announced last week Williamson's impending withdrawal from Costa Rica

Goodwin, Assistant to CIA Director Richard Helms, if, indeed, Williamson is on the CIA payrell. Goodwin replied, "We don't make public statements."

McCloskey was bombarded with questions about the plot two days running last week. Minutes of the briefing Feb. 9 declare:

Question: Bob, have any of our diplomats been recalled from Costa Rica in connection with these charges of CIA activity down there?

McCloskey: Well, let me say first that no agency of the United States Government has been involved in acaware of aflegations to the effect and they are not true... The government in Costa Rica has denied that it has declared any American official PNG — persona non grata. I have nothing to add to those statements which have been published...

Again on Feb. 11, McCloskey was closely questioned by reporters:

Question: Bob, could you confirm a report that the American political officer in Costa Rica is being withdrawn?

McClorkey: Earl Williamson, who has been assigned to the American Embassy down there for, I believe, the last two and a half years will be returning from there sometime, I believe, next menth.

Question: Does Mr. Williamson work for the CIA?

McClosliey: Mr. Williamson has been assigned to the American Embassy in Costa Rica. I'm not in the practice of identifying persons who work for the CIA." (emphasis mine-T.W.)

His Excellency Raphael Alberto Zuniga, Costa Rica's Ambassador to the U.S., told World Magazine his government has denied "what the Miami Herald reported." "We emphasize that we have and want to maintain very cordial relations with the United States," Zuniga added. The reports of an attempted coup, he added, are "probably rumors in San Jose."

He defended Costa Rica's expanding diplomatic ties with the socialist nations of Eastern Europe. "These relations are going to be established," he said, "just as Colombia and Mexico have done. They will be mainly commercial and trade relations. We have to sell our coffee to the European countries. That is where the market is."

But while the Figueres government, for its own reasons, is denying the attempted coup, press and radio commentary in San Jose continues to categorically declare that an armed attack on the government was plotted, and that Williamson was directly involved. A broadcast by San Jose Radio Reloj, Feb. 10, monitored by the U.S. State Department and transcribed in a journal titled "Foreign Broadcast Information Service" declared, "The case of the Central Intelligence Agency (CIA) and Figueres is a case which has been handled best by the State Department. It is evident that there was intervention and it is evident that everything was patched up at home.

"Nothing remains for exportation except a cloud of smoke which no one will be able to figure out.

"There is evidence which cannot be obliterated the affirmation by several Liberation deputies (members of Figueres National Liberation Party (PLN), that

tivity against Approved For Refease 2001/03/04: CIA-RDP80-01601R000500020001-7

Continued

## COSTA RICA Freelance Diplomacy

1.

In Costa Rica's admirable if not entirely unblemished history of democratic government, no figure stands taller than diminutive (5 ft. 3 in.), scrappy José Figueres Ferrer, 64. At the head of a ragtag band of rebels in 1948, "Don Pepe" routed a Communist military coalition that had tried to seize power illegally. He banned the Communist party, abolished the army (Costa Rica has not had one since), instituted many social reforms and, after 18 months, restored power to the elected President. Figueres was elected to the presidency in his own right in 1953 and again last year. Educated at M.I.T. and married to an American, he became an outspoken supporter of the U.S. Opponents frequently charged, in fact, that he was too pro-Yankee.

With that sort of record, Pepe Figueres seems a most unlikely target for a Guatemala-style plot engineered by CIA agents and aimed at his over-throw. Yet that is precisely what Costa Rican officials claim has happened in the tiny (pop. 1,700,000) Central American republic. They do not accuse Washington of sponsoring the scheme, but they make no secret of their

suspicions about some officials who happened to be working for the U.S.

Astonishing Question. The plot began to take shape in 1968, when one Earl J. Williamson was assigned to the American embassy in San José as a political officer. Williamson, 55, also served as CIA station chief. While he was attached to the U.S. embassy in Havana during the Batista era, he had married the vivacious niece of a wealthy Cuban sugar baron. The Williamsons moved in wealthy San José circles, where Pepe Figueres was considered a "Communist" by some because of his social reforms. Williamson and his wife made no effort to hide their dis-

like for the President—particularly after Don Pepe, having already established relations with Rumania, Bulgaria and Hungary, moved to exchange ambassadors with the Soviet Union as well. (Costa Rica has been selling its surplus coffee to the Russians for U.S. dollars for two years.)

Last October the Costa Rican government received intelligence reports that Williamson was actively abetting a right-wing antigovernment plot. The State Department was asked to quietly arrange his transfer. Nothing was done

arrange his transfer. Nothing was done.
Shortly after New Year's, Costa Rican Ambassador to Washington Rafael
A. Zúñiga visited Assistant Secretary
of State Charles Meyer and bluntly
asked: "Is the U.S. plotting the overthrow of Don Pepe?" Meyer expressed
astonishment, and a few days later, State

Department Troubleshooter C. Allan Stewart was dispatched to San José. Still Williamson was not recalled.

Fully expecting a coup in early January, Figueres' government put the 3,000-man civil guard on full alert. Contingency plans called for Figueres to be whisked to the hills to protect him from assassination. The coup did not come off, but the following week San José once again requested Williamson's recall. Last week the CIA man and his wife finally departed. At the same time, Ambassador Walter C. Ploeser, a conservative former insurance executive, began cutting the AID program's personnel and trimming the Peace Corps (though Costa Ricans wanted it expanded). He also says he plans to boost security personnel to maintain surveillance of the Russians when they come.

Overzealous Actions. Washington sources suggest that Figueres engineered the whole plot story to get rid of Williamson and Ploeser, a Nixon appointee. Don Pepe is, after all, an emotional man; only two weeks ago, he slapped a student for razzine him.

man; only two weeks ago, he slapped a student for razzing him.

In Washington, Williamson was ordered to make no comment on the situation. Ploeser may indeed be recalled before long—but at Foggy Bottom's



FIGUERES AFTER 1970 VICTORY

A most unlikely target.

pleasure, not Don Pepe's. And a House Foreign Affairs subcommittee, after a closed hearing, found no evidence that the U.S. Government had "attempted to overthrow" the Figueres government, although it did cite "overzealous actions" by unnamed officials

to overthrow the Figueres government, although it did cite "overzealous actions" by unnamed officials.

One U.S. embassy official in San José blamed the Administration's exceptionally low profile in Latin America for the diplomatic debacle. "We are floating in the policy of no policy," he said, "and a lot of guys start to freelance." To raise the profile a bit, Secretary of State William Rogers will be going to San José next month to attend the Latin American Foreign Ministers conference. For his part, Don Pepe has asked the Russians, who were scheduled to open their embassy this week, to put it off for a while.

STATINTL

## Loose Talk Creates a Tight Spot

When it was disclosed that the CIA's man in Costa Rica was being accused of complicity in a plot to overthrow the government of that country, most of us figured the man was the victim of a frameup.

After all, Costa Rica is one of the Western Hemisphere's most democratic countries. Its president, Jose Figueres, a long-time friend of the United States, is so anti-Communist that his foreign minister called last June for collective action "to promote an internal uprising" in Cuba.

Incredibly, though, it seems that Earl (Ted) Williamson—an American embassy official reputed to be the CIA chief in Costa Rica—left himself and the United States open to the accusation.

As Times correspondent Francis B. Kent reported in a weekend dispatch, Williamson had been critical of Costa Rica's decision to establish diplomatic relations with the Soviet Union. Just before Christmas, he was heard predicting that the Figueres government would not last another two weeks.

When rumors of a plot to overthrow Figueres thereupon grew, the Costa Rican government remembered the diplomat's prediction—and, understandably, was not amused.

Only after repeated requests, however, did Washington finally get around to ordering Williamson out of Costa Rica a few days ago.

We do not believe for a minute that the United States (or Williamson, for that matter) was actually engaged in a plot to overthrow Figueres.

It is astounding, however, that a U.S. representative abroad—whether wearing his diplomatic or CIA hat—would indulge in loose talk imperiling relations with a friendly government. It is even more astounding that, once the flap arose, Washington was so lackadaisical about setting things right.

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## The Americas

# Squalls to the south

By W. D. BEDELL

Aside from the chronic bad weather to the south, the United States has run into a series of regional squalls.

They involve Costa Rica,

Panama, and Ecuador.

The Costa Rica squall is now officially over, but it threw a cloud over the presidency of Jose Figueres. Figueres, tra-

ditionally known as a friend of the U.S., came into office last May as the result of an overwhelming election victory. He went to work quickly to find markets for Costa Rican products. One of his big targets was Russia. Trade has already begun. Exchange of ambassadors is near.

As a result Figueres, who was a hero of the Costa Rican War of Liberation in the 40s and a celebrated president in the 50s, has become controversial. There is fear in Costa Rica and elsewhere that recognition of Russia will lead to recognition of Cuba and Communist China.

FIGURIES backers say it isn't so. They cite the long-standing feud between Figures and Fidel Castro. Castro openly accuses Costa Rica of harboring secret bases from which an invasion of Cuba is planned.

Figueres had apparently ridden out the Cuba scare, however, and only a little turbulence remained. Then the U. S. Embassy in San Josz, the capital of Costa Rica, made some news. Possibly it was pure coincidence.

The Embassy's political officer, Earl Williamson, was with drawn. There were charges that he had been the Central Intelligence Agency boss in Costa Rica. There were reports that the U.S. was trying to discredit or overthrow the Figueres government.

State Department front man Robert J. McCloskey denied the overthrow story-Asked about Williamson, he said, "I am not in the practice of identifying persons who work for the CIA."

who work for the CIA."
Charles A. Meyer, assistant secretary of state for Latin American affairs, went before a congressional subcommittee. The subcommittee later reported that it found "no foundation for the charge that the United States has been involved in any attempt to overthrow the government of President Jose Figueres."

BUT THE CLOUD had already settled over Figueres. The other day, when a student booed him, Figueres slapped the student. Figueres is 64 now and he has changed since the carlier years when he would have handled the incident another, way. Latin America has changed too, but not to the point that a public slap can be forgotten.



28 FEE 1971

# Costa Rica Plot Still Hurring U.S.

BY FRANCIS B. KENT . Times Staff Writer

SAN JOSE, Costa Rica---Foreign agents, smuggled... guns and the lightning coup are as commonplace as bananas in this part of the world. But not in Costa Rica. This peaceful little republic has long been known as the Switzerland of Central America.

Yet all these elements-and more-have surfaced here in the last few weeks, to the acute embarrass-ment of both the Costa Rican and U.S. governments.

The fallout to date includes the recall of a U.S. Embassy official generally identified as station chief for the Central Intelligence Agency here and the dismissal of the U.S. aid mission director.

#### Plot Charged

Earl (Ted) Williamson, No. 2 man in the embassy's political section and, reputedly, the CIA's top official here, left San Jose last Sunday for Washington amid widespread\_charges of complicity in a plot to overthrow the govern-ment of President Jose Figueres. His withdrawal had been sought repeatedly by the Costa Rican government.

Although U.S. Ambassador Walter C. Pleeser and State Department officials in Washington vigorously deny the charges of U.S. involvement, there is much evidence to the contrary. Moreover, sources well up in the Figueres government expect to see Ploeser himself depart soon for another assign-

#### To Preserve Ties

Figueres, too, in an effort to preserve his longgone out of his way Approveds For Release 2001/03/04.: CIA-RDP80 11 liamson's departure monstrate publicly that all diplomatic relations with The Cuertie Civil and Approved For Release 2001/03/04.: CIA-RDP80 12 liamson's departure monstrate publicly that all diplomatic relations with The Cuertie Civil and Approved For Release 2001/03/04.: CIA-RDP80 12 liamson's departure monstrate publicly that all diplomatic relations with the Cuertie Civil and Civil is well between the two

It is known, nonetheless,

that:

—The Figueres government seriously feared an uprising in early January.

-The Guardia Civil, Costa Rica's only armed force, was alerted at that time and plans were made to remove Figueres from the capital to a hiding place in the mountains.

#### Fall Predicted

--Williamson, a frequent critic of Figueres, had publicly forecast not long before that the Figueres government would not survive another two weeks.

. U.S. and Costa Rican officials alike have expressed astonishment at the very idea of a U.S. intelligence agent conspiring to overthrow the government of a man who, over the years, has been among the warmest of Washington's friends in Latin America, Even so, in the light of circumstances, highly reliable sources ltave suggested that such a development is not altogether unlikely.

#### Start of Trouble

Difficulties between the embassy here and the Figueres government date back to the president's inaug ration last spring, following an overwhelming electoral victory over opposition on the far left and far right.

A charter member of Latin America's democraan anti-Communist rebellion here in 1948, served as president from 1954 to 1958 and had lived and taught in the United States. He is known as an outspoken critic of Communist Cuba's Fidel Cas-

Still, there was friction. from the start with the embassy. Williamson, who had served in pre-Castro Havana and married the standing friendship with niece of a wealthy sugar

Figueres, for his part, said he was only following friend in the State Depart-the lead of President Nix-ment to pull Williamson the lead of President Nixon, who had said it was time to end the era of confrontation and begin an. era of negotiation.

#### No Effort to Curb

Ploeser, a St. Louis ban-. ker and insurance man, a Republicans: congressigan from 1941 to 4949 antisaq effective GOP fund-raiser, arrived here in April. He is said to have made no effort to curb Williamson's by embassy sources as public outbursts against Figueres.

The situation came to a head just before Christmas, when Williamson observed at a cocktail party that Figueres' government would not last beyond two more weeks. In itself, the remark might have been over-looked, but there was more.

#### Arms Movement

Simultaneously, a rumor swept through San Jose that arms had been landed clandestinely on the remote Peninsula de Osa in the southwest. Other weapons were reported to be moving across the border with Nicaragua.

Ploeser told reporters that there were "certainly no ships owned by any agency of the United States" in the Peninsula de Osa area. He said he imtic left, Figueres had led mediately offered to provide surface vessels and aircraft from U.S. bases in Panama to investigate the gested officially that what was landed there might ltave been contraband whisky.

#### No Question

There is no question, however, that arms did in fact cross the border to Figueres as 104 semiautomatic weapons delivcred at Figueres' request was withdrawn. by the government of

criticism was echoed by worked out to get Fihis wife in social circles. scene of expected frouble, and Figueres asked a out of the country, a move that reportedly infuriated Ploeser.

Meanwhile, Lawrence E. Harrison, chief of the aid mission here and architect of a \$22 million program aimed primarily at improving Costa Rican agriculture, had gone to Washington for what were described as routine consultations. Harrison had not gotten along with the ambassador, who is describedfeeling that Harrison was too close to an administration that was drifting dangerously to the left.

Harrison has not returned and will not return. Ploeser has assumed his responsibilities as chief of the aid mission.

Against this background, former Ambassador Allen Stewart, an old friend of Figueres, was sent here to investigate. He is reported on the best of authority to have told Figueres that official cables reaching Washington had described the situation as dangerous. Figueres was accused of abandoning the West and . facing East, of having accepted financial assistance from the Communists for his campaign, of permitting Communists to infiltrațe his government.

Figueres, who has been called "disgustingly pro-United States," told Stewreports. It has been sug- art that he remained solidly anti-Communist. Stewart reportedly left Costa Rica convinced that the charges were without foundation.

Shortly afterward, following another Figueres request for the recall of from Nicaragua. These are Williamson, this time subdescribed by sources close mitted formally by Costa Rica's ambassador in Washington, Williamson

Ploeser contends that

The Guardia Civil was any plot existed, he has

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#### Approved For Release 2001/03/04 : CIA-RDP80-0

24 Feb 1971

## Diplomat Plotters

A big scandal has broken out in Costa Rica. What is more, a diplomatic scandal, inasmuch as three of the four persons involved are members of the staif of the U.S. Embassy in San Jose. It could also with equal justification be called an espionage scandal because the diplomats in question combine their official functions with the clandestine activities of CIA agents. And these activities were directed towards overthrowing the Costa Rican government.

These diplomat plotters are not small fry. Edward Williamson, for instance, is First Secretary of the Embassy. John W. Blight is its economic counsellor. James E. Kerr is a consul. And the only member of this company of plotters who operated under a different guise is Lawrence Harrison. He heads the local branch of the Agency for International Development.

The mastermind of the plot was Edward Williamson, the CIA boss in San Jose

Reports in La Libertad and other Costa Rican newspapers reveal some inferesting details of the planned coup d'état. The role of the striking force was assigned to a local fascist group known as the Free Costa Rica Organization. Its members were supplied with arms by the Central Intelligence Agency and were taught to handle them at a secret camp. The activity of this fifth column of Washington's was directed by the CIA agents entrenched in the U.S. Embassy.

When the plot was uncovered, the first name to crop up was that of Edward Williamson. Subsequent Investigations: showed that Bligh, Kerr and Harrison. were also implicated.

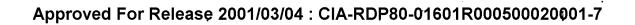
The Costa Ricen government thereupon esked Washington to recall them.

Why was the plot haiched?

President Jose Figueres Ferrer, whom the plotters were planning to overthrow, has been steering a course aimed at strengthening the country's economic and political independence. It is to this end that he set out to develop the country's diplomatic and trade ties with foreign countries. Since his election, Costa Rica has established or extended trade and diplomatic relations with a number of socialist countries. Last summer she signed a trade agreement with the Soviet Union, and diplomatic relations between these two countries were fully normalized at the beginning of this year.

The policy pursued by the Costa Rican President aroused the displeasure of Washington, where it was felt that Costa Rica was slipping from its grip. Hence the CIA's collusion with the Costa Rican reaction.

V. Ryazantsev



KANSAS CITY, MO. STAR

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## Not the Way to Win Friends in Latin America

United States has no better friend than Costa Rica. For various reasons the U.S. has been popular there. Costa Rica is highly regarded by presperous and has a long, democratic tradition. When San Jose has gone along with U. S. policy on certain occasions, other nations have followed.

Thus the recent fuss over a State department political officer, Earl Williamson, is most unfortunate. Williamson is leaving Costa Rica at the request of President Jose Figueres. It has been said that Williamson is the chief Central Intelligence Agency officer there and that he has been working against the president. Figueres wants to recegnize the Soviet Union which has bought a lot of coffee lately.

There is considerable reason to believe that Williamson is innecent in this case regardless of whether he is a C. I. A. representative. As a political officer it is his duty to know politicians of all persuasions. Many Costa Ricans are upset over the move toward Russian recognition, and Williamson undoubtedly knows some of those people. But Figueres himself said the other day that the charges against Williamson were made by people who couldn't prove them.

In the midst of all this stands Walter C. Ploeser, the American ambassador. He is a St. Louis Ricans have a sense of humor.

Among all the nations of Latin America, the insurance executive; a former member of Congress from St. Louis; ambassador to Paraguay two years in the Eisenhower administration, and a former Republican national committeeman its neighbors in the hemisphere because it is from Missouri. He is known as an outstanding fund raiser for the party.

> President Figueres insists that he gets along fine with Ploeser and has sent out a telegram saying so. The ambassador reciprocated with a dinner for the president. But there are Costa Ricans who believe the ambassador doesn't spend enough time at his job and others who say he is too conservative. Of course any ambassador is certain to have detractors.

> The fact remains that one of the friendliest nations to the United States has had to ask for the recall of an important embassy official. The president of the country has felt obliged to restate the basis of that friendship and point out politely that the Russians drink a lot of tea and that he would rather have them drink coffee.

The United States has plenty of enemies. Enough nations already are suspicious of our motives. International difficulties erupt without any bidding from this country. It is intolerable if heavy-handed blundering leads to unnecessary strain with one of our true friends. This has been a silly encounter. Fortunately, the Costa

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NATIONAL JOURNAL 20 Feb 1971

## Central Intelligence Agency

#### **Notes**

Costa Rica controversy: Earl Williamson, the agency's station chief in Costa Rica, is returning to the United States for another assignment, the State Department confirmed Feb. 17. A subcommittee of the House Foreign Affairs Committee said Feb. 10 there is "no foundation for the charge," which appeared in press accounts in Miami and Latin America, "that the United States government had been involved in any attempt to overthrow the government of (Costa Rica's) President (Jose) Figueres."

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# Approved For Release 2001/03/04: CIA-RDP80-

COSTA RICA

The U.S. was forced to pull out its top CIA man in Costa Rica, Earl Williamson, following press charges that the CIA was involved in "an attempt to overthrow" President Jose Figueres. A U.S. House Foreign Affairs subcommittee spokesman attributed the rumors to "personality conflicts" between U.S. ambassador Walter Ploeser and his embassy staff and to "overzealous actions" by some U.S. officials whom he did not name. Some sources told the New York Times, "Williamson had expressed disapproval of the government's plans to renew diplomatic relations with the Soviet Union." A Soviet mission in Costa Rica would be the first in Central America.

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## Approved For Release 2001/03/04 : CIA-RDP80-01601R0005000001-7

THE MIAMI HERALD
19 Feb 1971



## Costa Rica Plot Was Fabricated

Your well-touted Costa Rica "expose" leaves you with a nice gob of egg on your face. Evil perpetrators and piteous victims alike flatly deny any sign of a plot by the United States to oust President Figueres.

If Uncle Sam does indeed have a black eye (which I doubt) then The Herald gave it to him. As a recent visitor to tranquil Costa Rica, I find your effort to stir up trouble only slightly less nauseating than your hypocritical efforts to cover it up.

JETTISON SMITH

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# Figueres' Ban

## A Man Out

## In Costa Rica

WASHINGTON -- (CST) --The Central Intelligence Agency's station chief in Costa Rica has been ordered home on the demand of President Jose Figueres.

State Department spokesman Robert J. McCloskey confirmed yesterday that Earl Williamson, who is listed as "political officer" at the U.S. Embassy in San Jose, will be returning here next month.

McCloskey refused to give the reason for the recall but it was learned that Figueres demanded it on the basis of reports that Williamson was maneuvering against him.

#### Latin Liberal

Figueres, hero of Latin American liberals, has suspicions of the CIA dating back to the mid-1950s when CIA agents supported his political opponents.

Both the U.S. and Costa Rican governments officially have denied that the CIA has been plotting Figueres' overthrow, but the charges have gained wide circulation throughout Central and Latin America, where the CIA, despite vigorous denials, is still assumed to be engaged in major clandestine activity. as it was in the 1950s and gueres." 1960s.

#### OAS Meet

Williamson's recall is evidently designed to clear the air for Secretary of State William P. Rogers' scheduled trip to Costa Rica for the foreign ministers' meeting of the Organization of American States on April 14.

Williamson was accused of developing close ties with Fi-

relations with the Soviet Union and the Eastern European countries.

Costa Rica, perhaps the most democratic country in Latin America and one of the most prosperous, is heavily dependent upon the export of coffee and the Communist bloc is a fertile market.

The Soviet Union, for example, has purchased \$10 million worth of coffee from Costa Rica in the last two years.

#### 'Social Democrat'

Figueres, who considers himself a European-type social democrat, had friendly links with leading members of the Kennedy Administration, but U.S. conservatives have long been suspicious of

During Figueres' first term in office in the mid-1950s, CIA agents reportedly lent their support to opposition efforts to discredit, and possibly unseat him, as a fellow traveler of the Communists.

At that time, Sen. Mike Mansfield (D-Mont.), now majority leader, cited reperts that "a CIA man was caught red-handed . . . tapping the phone of Jose Fi-

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the Costa Rican president's

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## Alleged CIA Aide in Costa Risa Withdrawn

### Washington

The State Department Rican government.

of the Central Intelligence of the Central Intelligence He said Williamson has Agency station in Costa Rica. spent the past 2½ years in

credit or overthrow the Costa

Yesterday announced the withdrawal of its political officer at the U.S. embassy in Costa Rica, Earl Williamson.

Published reports to the State of the Williamson.

Rican government.

The disclosure of the withdentifying persons who work for the CIA."

Associated Press.

Associated Press. Published reports have identified Williamson as head of the Central Interval and Costa Rican newspapers, are baseless.

His withdrawal is reported to Costa Rica, indicating that be related to allegations of the diplomat was due for a American attempts to distransfer.

Asked whether Williamson was also serving as a CIA oificial, McCloskey replied:

STATINTL

Exclusive statement from Costa Rica

## Figueres denies break with U.S.

By VIRGINIA FREWETT

COSTA RICA'S President Jose Figueres, in an exclusive statement, informs me, there is no truth to wide spread rumors of a serious break in relations between his country and our government.

One specific rumor is that our CIA was caught plotting to overthrow him because he allegedly has gone "soft" on communism. "Don Pepe" —

- as many call him — happens to be the only
- Latin American president who has actually
- led liberal forces to victory over communists
- in a military test.

President Figueres told me in a message phoned from San Jose at my request that there is "nothing to" reports of a U.S.-Costa Rican estrangement. He said he and his foreign minister, Gonzalo Facio, had dinner this week "most cordially" with our Ambassador Walter Ploeser, whose recall Don Pepe was rumored to have requested.

President Figueres said he is planning a well-publicized trip with Ambassador Ploeser to visit the Turrielba Agricultural Institute, to contradict rumors. His ambassador to Washington, Rafael A. Zuniger, was intermediary in the phone exchange.

#### RUMORE IN SAN JOSE

The Costa Rican president admitted that "unpleasant rumors" have been rife in San Jose since December. Rep. Dante Fascell, D-Fla., heard them on his visit there two weeks ago — and heard them downgraded. But when they burst into the Latin American press this week, both he and Sen. Frank Church, chalrman of our Senate Foreign Relations Subcommittee on the Hemisphere, deplored any possibility that our government might bring strong pressure against President Figueres.

Rep. Fascell, new unfortunately hospitalized with a broken arm, very properly asked the House Foreign Affairs Subcommittee on Inter-American Affairs, of which he is chairman, to invite Assistant Secretary of State Charles A. Meyer and his deputy, Robert Hurwitch, to brief it in a closed session on Feb. 11.

What transpires is that there was no plot, but some overzealous pressure by two members of Ambassador Ploeser's San Jose staff

against Don Pepe's new commercial relations with communist countries. There apparently is a division of viewpoint within the U.S. embassy staff.

#### CIA GETS INTO IT

By the time behind-scenes disagreements in this area went thru the rumor mills, First Secretary Earle Williamson of our San Jose embassy was accused of being a CIA agent plotting to overthrow Don Pepe. Mr. Williamson has received orders to move to another post.

This rumor is so damaging to both the CIA and to the U.S. that it could not be contained. It has been propagated by Don Pepe's fees as well as his friends.

The situation is loaded with Irony. Brazil, Columbia and other Latin American governments have made barter and other deals with Russia without such incidents. Don Pepe's conservative predecessor in the presidency actually began the new commercial deals with Russia.

Also, President Figueres and his Foreign Minister Gonzalo Casro as the father of political terrorism now shaking many countries. And rarely a week goes by without a verbal assault over the air-waves from Fidel Castro against Don Pepe, charging him of plotting to invade Cuba — with help from the CIA.

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## Approved For Release 2007/03/04 : CIA-RDP80-0

## U.S. Recalls C.I.A. Chief in Costa Rica

By BENJAMIN WELLES Special to The New York Times

C.I.A. was involved in "rumors of an attempt to overthrow" President Figueres.

After a private briefing today by Charles Appleton Meyer, Assistant Secretary of State for Inter-American Affairs, a House Foreign Affairs subcommittee declared that there was "no foundation for the charge that the United States Government had been involved in any attempt to overthrow the Government of President Figueres."
It noted that "Mr. Figueres, himself, denied the evidence of any coup or involvement."

'Personality Conflicts'

The head of the subcommittec, Representative John S. Mon-agan, Democrat of Commedicut, attributed the widespread pub-licity in the Latin American press and in The Minmi Herpress and in the Miami Her-ald to "personality conflicts" between United States Ambas-sador Walter C. Ploeser, a po-litical appointee, and his em-bassy staff and to "overzeal-ous actions" by some United States officials, whom he did not name. not name.

President Figueres said in a telephone interview yesterday that the accusations against Mr. Williamson and his C.I.A. station had come from people in Costa Rica "who never could of United States complicity in a plot and said that he and Mr. Plosser "are on very good terms."

President Figueres said that tired of the cold war. Russia Mr. Williamson and his Cuban controls half of Europe, and we WASHINGTON, Feb. 10 — wife held political views "dis-trine United States is quietly tinct from that of the Gov-line the past two years the The United States is quietly tinct from that of the Govwithdrawing from Costa Rica, ernment, but that's their privilege." Other sources said that telligence Agency station chief there, in a compromise move to placate President Jose Figueres Government's plans to renew placate President Jose Figueres Gover

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MIAMI, FLA. NEWS

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FEB 1-0-1978



## Morris McLemore

## Fascell on the CIA trail

At any season, but especially in the iced-up confusion of a Washington winter, my heart goes out to Dante Fascell as he tries to fly on one wing.

The gallant congressman from Dade-Monroe, with a new session offering almost limitless opportunities for arm waving and desk pounding, had the misfortune to take a header, busting an arm upon landing... surely an overwhelming penalty to a lively statesman of Italian extraction.

I don't know the circumstances in which the header was taken but this is of no consequence. The result is the tragedy. How can the chairman of the House Subcommittee on inter-American affairs hold a proper hearing — or even make a telephone call — without waving both arms at once?

Surely if there is a way Dante will find it, for he has managed to express himself when overweight, when be et by humorless Republicans and even when in the presence of his estimable colleague, Claude Pepper, which you have to admit schools him for just about any emergency possible in the art of elocution.

For the moment, however, Fascell is recovering his aplomb and mending his bones at a place away from his usual haunts. At least the ladies in his office did not know his whereabouts yesterday, assuring callers their boss will return to his labors in the middle of next week.

Presumably, this might delay the inquiry Congressman Fascell plans into the somewhat mysterious carrying-on in Costa Rica, a nation traditionally friendly toward the United States but now apparently miffed at certain of our people on their soil.

Details are lacking, to say the least, but the Central Intelligence Agency's name naturally came up — it always seems to figure when there's a foul up — and an American Embassy officer apparently is departing San Jose rather sooner than he thought he might. The fellow, Earl Williamson, is accused of at least talking too much about Costa Rica's internal affairs and maybe going beyond talk.

Williamson and other parties to the jumble of rumors are unknown to me and — ever since the Bay of Pigs — I've been suspicious of the CIA's basic grasp of how to play the game they're in . . . More often than not, I get the feeling we're sending Boy Scouts to do work only professionals should undertake. If this is a cruel statement, consider the results if it turns out to be truth!

In this world we're living in, there certainly is a place for the CIA, although Costa Rica hardly seems the place for it to prove itself.

We do have enemies, they are trying to claw us down, we must work for our own interests and all the rest of it. This would seem obvious to the U.S. press, the Congress and all citizens. But sometime you can't see even such a large and obvious fact of U.S. life late in the 20th century because of the unskilled play of bumblers in the foreground.

Congressman Fascell and his projected investigation of the Costa Rican embarrassment doubtless will keep the larger target in view ... no matter how many arms he can wave at the time.

MINNEAPOLIS, MINN. TRIBUNE

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### U.S. Denies Involvement in Coup Attempt

The U.S. State Department has denied reports that the Central Intelligence Agency (CIA) was involved in a recent attempted coup against the Costa Rican government and that the Costa Rican government had subsequently asked an American diplomat to leave the country. Earl J. Williamson, political officer at the U.S. Embassy in San Jose, is scheduled to be assigned to a new post Feb. 22, but a State Department spokesman said the move had been planned before the question of CIA involvement arose.

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The House inter-American affairs subcommittee said it will investigate a report by Florida's Miami Herald that the Central Intelligence Agency plotted to overthrow President Jose Figueres of Costa Rica.

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MIAMI, FLA. HERALD

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Tensions' Fascell Aware of

# House Will Probe Costa Rica Plot'

By PETER LAINE Herald Washington Bureau

WASHINGTON — The mediately." Monday,

Walter Ploeser, the U.S. am- Charles Meyer. bassador to Costa Rica, to Washington for consultations. He said hearings will be held "within the next few days.

FASCELL said he was "profoundly distressed" by reports of Central Intelligence Agency involvement in the politics of the Central American nation. The reports appeared in The Miami Herald Sunday. 

"There are very few things that could do more damage to the relations between the United States and the rest of our hemisphere, particularly. at this juncture of our history," the Miami Democrat

said. In addition, Fascell dis-closed that he became "aware of certain tensions" in the U.S. Embassy when he visited San Jose two weeks ago.

Sen. Frank Church, head of the Senate foreign relations subcommittee on Inter-American Affairs, said "Congress has the duty of fully investigating these charges. If the United States ambassador in Costa Rica is implicated, directly or indirectly, in a plot to overthrow the government, he would have to be

Inter-American Affairs will sions "seemed to attend the said Ambassador Ploeser's investigate reports of U.S. in- administration of some of recall had also been demandterference in the internal after and that he discussed gueres and his Foreign Min-Dante Fascell (D., Fla.) said them last week with two istry vigorously denied this. State Department officials -Undersecretary John Irwin Fascell said he asked the and Assistant Secretary for democratic State Department to bring Inter-American Affairs which is perhaps the best-

> sador here had discussed the United States. U.S. activities in San Jose

man Robert McCloskey said or indirectly in any plot to he knew nothing about re- overthrow the Figueres govports that the U.S. Embassy ernment, he should be disin San Jose had been in- missed forthwith. volved in activities against the local government.

nied knowledge of such re-plate." heard them.

version of The Herald story abandoned. was carried in the morning newspaper La Republica without comment.)

separated from his post im- gueres. Williamson is due to be reassigned Feb. 22.

Fascell said that the ten- One San Jose newspaper

ONE THEORY here is tha Costa Rica, friend the U.S. has in this hemisphere, has sought to THE COSTA Rican ambas-avoid openly embarrassing

Sen. Frank Church (D., with Meyer in January. Idaho), chairman of the Sen-Meyer was reported to be as- ate Western Hemisphere Aftonished at what he heard. fairs Subcommittee, said: "It Monday, however, the U.S. ambassador in Costa State Department Spokes-Rica is implicated - directly

"Congress has a duty to investigate fully these chargthe local government. Investigate fully these chargenational committeeman from White House press secretes. If true, the implications mational committeeman from Missouri with a reputation as tary Ronald Ziegler also detailed to contempt the property of such results.

The general reaction in was one of amazement that there was no immediate com-ment from the Costa Rican terference in Latin America government. A condensed that it professed to have

THE EVENTS in Costa Rica followed moves by Fi-The Costa Rican govern- gueres, after his inauguration ment has asked the Nixon last May, to establish rela-Administration to recall the tions with the Soviet Union. reputed CIA chief in Costa Other Latin nations. have Rica - Embassy First Secre- similar, ties, though Costa tary Earl Williamson - amid Rica was the first nation to rumors of an attempt to ov- make the approach in Cenerthrow President Jose Fi- tral America, an area dominated by military dictatorships.

· Fascell said that while he was in San Jose he was shown a cartoon in a local Communist paper. It alleged that Williamson, one of the political officers at the embassy, and Larry Harrison, director of the AID mission, were being expelled from ... the nation as CIA agents.

"I was assured, however, that there was no substanco to that story," Fascell said. "As a matter of fact, President Figueres in one or more appearances praised the AID director as an imaginative, devoted young man who worked hard with Costa Rican authorities in developing important self-help and cooperative programs.

YET HARRISON abruptly left Costa Rica Jan. 9 as tha' apparent result of a clash with the ambassador. Ploeser, 64, is a former Republican

Figueres, also 64, is reno comment even if he had Washington to the report guarded as a reformist intelhonorary membership the United States appeared Americans for Democratic MEANWHILE in San Jose, to have returned to the un- Action, a liberal organizeMIAMI, FLAApproved For Release 2001/03/04: CIA-RDP

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FEB 7 1971

**EDITORIALS** 

# No Reason And No Excuse For Meddling In Costa Rica

COSTA RICA is the jewel of Central America. Indeed, there may be no more attractive country in all of Latin America.

It has strong democratic traditions, a highly developed educational system, no army, flexible class lines, relatively high, economic levels and enlightened leaders.

As an operating democracy, it has few peers. In the last five presidential elections, for example, the party in power was defeated each time.

Costa Rica's president, Jose Figueres, has earned himself a distinguished place in his nation's — and Latin America's — history.

He was a leader of the 1948 revolution that resulted in the country's present constitutional system. As one of the founders of the "democratic left" approach to Latin America's problems, along with Romulo Bentancourt of Venezuela and Luis Munoz Marin of Puerto Rico, he was in effect one of the architects of President Kennedy's Alliance for Progress.

President Figueres and Costa Rica have been outstanding friends of the United States. Their contributions to democracy in this hemisphere have become legend.

Just last October, when the U.S. State Department published its routine Background Notes on Costa Rica, it commented:

"Relations between the United States and Costa Rica have been particularly warm and cordial, owing in large part to a sincere mutual respect for shared democratic traditions."

Yet, despite all this, the United States Embassy in Costa Rica has become linked to a disgraceful effort to discredit President Figueres and perhaps overthrow him.

The Herald's Latin America editor, Don Bohning, has disclosed that reput-'ed ÇIA station chief Earl "Ted" Williamson was so involved and that Ambassador Walter C. Ploeser was apparently aware of Mr. Williamson's activities.

Mr. Williamson already has been recalled at the request of Costa Rica.

We suggest that President Nixon bring home the ambassador.

These actions constitute meddling of the worst sort. We can find no excuse for them. Mr. Ploeser appears to have been a poor choice for the job in the first place.

The United States owes it to Costa Rica, and to itself, to send an ambassador to Costa Rica who has greater sensitivity and appreciation for constitutional democracy.

What the CIA does is another matter. That secret organization has often complained of public malignment and misunderstanding. It repeatedly has denied charges that it makes its own foreign policy when it goes into the field. The current case in Costa Rica raises a question about those denials.

The whole affair deserves an investigation by Congress, and we recommend it to Rep. Dante Fascell's House subcommittee on Inter-American Affairs.

## IA Plot Rumored in Costa Rica By DON BOHNING

Herald Latin America Editor. 1271, Yan Mismi Horald Publishing Co

SAN JOSE, Costa Rica as asked the Nixon Adminstration to recall the reputed IA chief in Costa Rica amid umors of an attempt to overthrow President Jose Fi-

One San Jose newspaper said the recall of U.S. Amassador Walter C. Pioeser' dso has been demanded, but the foreign ministry and President Figueres vigorously

reve denied it. Apparently to avoid emparrassment to the United States, Costa Rica also officially denies that it has obained the recall of Earl (Ted) Williamson. But it is krown that he is expected to leave the country by Feb. 22 for another assignment. Williamson, first secretary of the-U.S. embassy, is widelý régarded in San Jose as a CIA representative.

. THE situation so deteriorated last month that C. Allen Stewart, a longtime friend of Figueres who is now a State Department trouble-shooter for · Latin America, was quietly rushed to San Jose in an effort to straighten out the mess.

The State Department reportedly was astonished at the suggestion that the United States might be involved in any plot against the democratically elected government of Costa Rica, long considered one of the hemisphere's most democratic and pro-American nations.

The entire problem was further aggravated by the departure on January 9 of Larry Harrison, popular young director of the U.S. aid program in Costa Rica. He left on a scheduled trip to Washington and did not return.

HARRISON'S departure officially was described as a "routine" transfer but it is widely accepted in Costa Rica that he was, in effect, tired bytheambassador, perhaps after becoming too in-. dignant over the course of events within the embassy,

Harrison is now special ashe Costa Rican government' sistant to Herman Kleine, deputy coordinator of the Alliance for Progress program in Washington.

> ONLY fragments of the story have surfaced in the Costa Rican press. All of it may never be known. But it is possible, from reliable, sources both here and in the United States, to piece together some of the events.

The episode is believed to have had its genesis with the election, and subsequent inauguration in May 1970; of Figueres --- a charter member of Latin America's socalled "democratic left," to a four-year term as president.

Almost immediately Figueres began "building bridges" to the Communist bloc, with Costa Rica becoming the first Central Ameriican nation to establish diplomatic and commercial ties with the Soviet Union and Eastern Europe.

The move created consternation within some of the military-run governments of Central America.

And it also apparently aroused concern within the American Embassy --- said to be deeply divided between liberals and conservatives.

BY LAST fall, reports were reaching Costa Rican Williamson's officials of close ties with members of the political opposition and of indiscreet remarks made by his Cuban wife regarding the country's alleged march toward communism.

Williamson, who the Castro takeover, also was blamed for the seizure and burning of some Marxist litthe airport. The blame arose through his involvement in a on security.

In late October or carly November, the Costa Rican government made an infor-

Rican Desk in Washington dispel rumors of a coup that Williamson be removed.

No action was taken, although Pioeser is said to have complained to Figueres about going over his head and lodging complaints with an "office boy" or "errandboy" in Washington.

Figueres, in turn, is said to have replied that it wasn't his concern if the State Department ran its Costa Rican Desk through an office boy; that his interest was in having Williamson recalled to avert a major scandal.

THEN, on Dec. 17, a fisherman reported sighting a mysterious ship which had unloaded "long, wooden boxes" on a remote beach near Punta Salsipuedes on the Osa Peninsula, in the southern part of the country on the Pacific side.

The ship was identified as the Waltham, and the Costa Rican government later received information that the vessel was registered to the "commercial section of the State Department." That apparently was inaccurate.

Jane's In fact, neither Fighting Ships nor Lloyd's Registry lists any Waltham. The closest to it is the Walt- . ham Victory, a 455-foot vessel owned by the U.S. Commerce Department and registered at the port of San Francisco. There is nothing to suggest that it was the same ship sighted off Costa Rica.

II WAS first reported that the "long, wooden boxes" contained weapons, although served in Cuba just before, by the time a Costa Rican Civil Guard patrol got to the rugged region all that was. found was a few Coke boterature coming in through, they and some cellophane wrappers. .

A story, was later put out technical assistance program . that it apparently was whisky contraband that had been put ashore, although it is believed the Costa Rica govern-

State Department's Costa presumably was put out to against the government.

. If the boxes did contain weapons, their ultimate purpose can only be guessed.

But in this atmosphere of coup talk, Williamson allegedly remarked that the Figueres government would and last much longer. The remark got back to Costa Rican officials.

EARLY in the week of Jan. 4, the Costa Rican ambassador in Washington requested and was granted an urgent meeting with Charles Meyer, assistant secretary of state for inter-American affairs.

Meyer reportedly was astonished at the suggestion. the United States might be involved in an alleged plot to coverthrow Figueres; he assured the ambassador of continuod. Washington's goodwill toward Costa Rica and promised immediate ac-

On Thursday, Jan. 7, Stewart arrived in Costa Rica and remained through the weekend. His visit included a long conversation with Figueres, during which the alleged Costa Rican move toward the Communist camp presumably was discussed.

On Sunday, Jan. 10, while Stewart was still in town, a brief article appeared on Page 19 of La Nacion, a morning tabloid and San Jose's largest circulation daily.

It speculated that the. Costa Rican government was considering declaring Wil-. · liamson persona non grata.

The next day, Jan. 11, on Page 61 of La Nacion, an article appeared under a twocolumn headline in which Costa Rican Foreign Minister Gonzalo Facio denied the re-

"THE GOVERNMENT of Costa Rica," Facio said, "has not considered declaring (persona) non grata Mr. Wilment still does not know for. liamson, director of special.

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mal suggestion through the sure. The contraband story affairs at the American Em-Approved For Release 2001/03/04 : CIA-RDP80-01601R000500020001.7