

MUHAMMAD SPEAKS  
22 May 1970

***U.S. hires  
death***

STATINTL

MOSCOW — "The latest exposure of CIA activities in Chile, Bolivia, Peru and other Latin American countries show one of the aspects of the U.S. policy of 'partnership' with Latin America," said a recent news article in the Soviet newspaper Izvestia.

"IF THERE is anything new in Latin American policy of the U.S.," writes political columnist Busland Tuchnin, "it is only that the American monopolies have to act in that area of the world much more carefully and cautiously than they did during the days of 'gunboat diplomacy'. Anti-imperialist feelings have now reached such a level that armed intervention can lead to real revolutionary explosion."

17 FEB 1970

# U.S. Agencies In Latin America

STATINTL

## Having Trouble Distinguishing Between 'Good' And 'Bad' Military Regimes

By Marcel Niedergang In *Le Monde*

U.S. Latin American experts have switched their attention from the Caribbean to the Andes. The increasing stability of Fidel Castro's revolutionary Government in Cuba and the relative security of the pro-American regimes in Mexico and Brazil go far to explain this change.

At the same time the challenge from the Peruvian junta determined to reduce that country's economic dependence on the United States, the leftist

### The Mirror

of

### Public Opinion

orientation of Gen. Alfredo Ovando Candia's five-month-old Bolivian Government, the fluid political situation in Chile and the emergence of a military pressure group there, together with moves toward closer economic integration of the five Andean states (Colombia, Ecuador, Peru, Bolivia and Chile) are of growing concern to the men in Washington responsible for working out and carrying out Latin American policy.

An analysis of the changed situation in Latin America makes it possible to understand the policy developed by the Nixon Administration following Nelson Rockefeller's Latin American trips.

Mr. Rockefeller returned home convinced that Latin America was ripe for revolution. Anti-American revolutionary forces are "on our doorstep," he confirmed. Washington's primary concern, he insisted, should be to maintain order on the continent. Past distinctions between "representative democracies" and military dictatorships were out of date. Addressing Congress on Nov. 12, he warned that a "chaotic revolution" could break out if the United States did not step up its military aid to Latin American governments, including the military regimes.

Washington's decision to stop discriminating between democracies and dictatorships in Latin America was a serious blow to Latin American liberal leaders like Romulo Betancourt. The former Venezuelan President was the author of a doctrine calling for the non-recognition of governments that come to power by force. This distinction is considered "too rigid" by the current Venezuelan

Government, headed by President Rafael Caldera, which has abandoned it.

Nevertheless, the continent's anti-Communist, anti-Castro, anti-militarist and pro-American leaders who long for the "good old days" of the Kennedy Administration and the Alliance for Progress would like to see it revived.

Yet while Latin American liberals protest at being placed on an equal footing with the military leaders who were their enemies a decade ago, it seems that the State Department, the Pentagon and the CIA are having trouble distinguishing the "good" military regimes from the "bad."

But how can the Latin American military regimes maintain law and order, respect American interests and carry out basic reforms all at the same time? This feat would be tantamount to turning a circle into a square. A series of studies has been initiated by official and unofficial U.S. intelligence services to try to answer the question.

The code name varies, but the technique remains the same. In Chile the U.S. Embassy was forced to apologize to the Government two years ago after the details of Project Camelot were revealed. The project which was undertaken by an American university for the Pentagon was aimed at determining the political sympathies of various sectors of the Peruvian population. Recently the Chilean Senate held a closed-door session to discuss a Christian Democratic Senator's indictment of CIA activities and pressures in the country.

The policies of the agency and the Pentagon do not necessarily coincide. Sometimes they compete with one another in the field. For instance, a study similar to Project Camelot was conducted by the Defense Department of the Chilean Army. Officers were queried about their satisfaction with living conditions and asked in what circumstances they might consider intervening in public affairs.

To stave off a Peruvian-type coup in Chile, U.S. intelligence circles naturally encouraged the military rightists. Naval and air force officers as well as the colonel commanding the Black Berets are key figures in this group.

Peruvian Army leaders are upset by the disclosure of the American Protection Plan, although the affair has not yet broken into the open. A Rand Corporation study carried out for the Pentagon prior to October 1968 predicted any move by the Peruvian military would be motivated by social rather than personal considerations.

Since that date the plan set up to protect American installations in Peru in the case of disorders has served as a framework for espionage, government leaders charge. Peruvian intelligence seized a card file containing several hundred names, and some members of the U.S. Embassy staff were asked to leave the country. Only the conciliating attitude of the American ambassador has prevented a public fuss.

There is no question that some Bolivian leaders want to free their country from dependence on the United States. The La Paz branches of several American organizations—mainly operating out of the U.S. Embassy—have been placed under Bolivian Government control.

Bolivia is undoubtedly viewed as a "marginal country" in terms of U.S. interests, although Che Guevara's guerrilla activities in 1967 make it into a test case. Certain U.S. circles will no doubt be pleased to see the men who defeated Guevara's band with the aid of the Green Berets adopt an "anti-imperialist" attitude.

"What's happening in Bolivia has little in common with our revolution," Gen. Velasco said recently. Nevertheless Bolivia has supplanted Peru at the situation bears close watching.

3  
Proc. Intelligence, Inc.

WASHINGTON, D. C. 20001

Front Page    Edit Page    Other Page

STATINTL

SAN DIEGO, CAL.  
UNION

M - 139,739  
S - 246,007

JAN 11 1970

# Anti-Yankee Epithets Losing Their Sting

By WILLIAM GIANDONI  
Copley News Service

Latin American politicians are finding that they have to do more than wave the anti-imperialist, the anti-U.S., flag to get and keep popular support.

True, it may help, for a time. They may gain a respite by charging that the Central Intelligence Agency is behind a conspiracy against them, or that Washington is plotting their country's economic ruin, or that American companies are ruthlessly exploiting their natural resources.

Talk like that does quickly rally the extremists behind them. And it does fuel the fires of the students and their Marxist-Leninist mentors. But it also creates future problems by whetting appetites of activists who refuse to be placated by anything less than continued, rabid, revolutionary governmental action.

The extremists, however, are the minority, though vociferous, in Latin America, as elsewhere.

Sooner or later, the increasingly sophisticated majorities demand some sort of proof of the wild accusations. When no substantiation is forthcoming, the self-appointed leaders begin to lose credibility and,

when they become aware their support is declining, in most cases they panic.

That is what seems to be happening at the moment in Peru, Bolivia and, to a lesser extent, Chile.

The Peruvian military managed to get along pretty well for about 14 months, buoyed up by the wave of nationalistic fervor they stirred when they expropriated the U.S.-owned International Petroleum Co.

But a nation like Peru, whose wealth is in its subsoil resources, its agriculture and its ocean depths, needs a continuing flow of foreign investment for further development.

The biggest pending foreign investment was a \$355 million project involving copper deposits in Cuajone, in southern Peru, near the Chilean border. And only U.S. mining interests were ready to tackle it.

The Peruvian military had to tread carefully in negotiating with the foreigners, both to preserve its zealously cultivated revolutionary image and to avoid being so obnoxious to the investors as to scare them — and their \$355 million — away.

At several stages in the negotiations, the Peruvian armed forces lashed out at their critics. They informed the Peruvian newsmagazine Oiga, which opposed any agreement with foreign mining interests, that they did not need lessons in patriotism. And they banned the circulation of the hemispherically circulated Spanish language newsmagazine, Vision, which favored the project, for daring to report what everybody knew: that there was a division within upper levels of the government on the Cuajone matter.

But, apparently to stifle criticism that they expected from anti-capitalist sectors, the Peruvian junta decreed a press law that, in the words of the Confederation of Workers of Peru, "substantially modifies the right of freedom of expression and subordinates it to a series of procedures that will signify open coercion in its exercise."

With that, the Peruvian military managed to enrage virtually the entire press corps.

In Bolivia, junta boss Gen. Alfredo Ovando Candia discovered that the support he drew from the extremists by

nationalizing the Bolivian Gulf Oil Co., the biggest U.S. investment in the country, lasted only as long as he castigated the company for exploiting Bolivia. But when Ovando refused to go along with the demands that the remnants of the late guerrilla leader Ernesto (Che) Guevara's band be released from prison, the extremists turned against him.

Anti-junta feeling within Bolivia has reached the point that in one speech Ovando suggested that he might send the Bolivian revolution's enemies before the firing squad. The reaction to that threat, in Bolivia and from abroad, was so stiff that Ovando subsequently backed off, saying that it was just a figure of speech.

From Chile, reports are that political observers say that Radomiro Tomic, the presidential candidate of the ruling Christian Democratic party, has done his cause considerable harm by repeatedly criticizing the United States and by his insistence on the "non-capitalist road to development."

It was in Chile, too, that Sen. Rene Fuentealba spoke lengthily in the upper house of congress on reports of a Central Intelligence Agency plot against the government. Eventually, though, the senator admitted that he had no evidence to back up his charges.

A Spanish version of this dispatch appears elsewhere on this page.

STATINTL

# U.S. Social Science Agency Proposed

By RICHARD EDER

Special to The New York Times

WASHINGTON, Oct 9 — Legislation to set up an independent Federal institution to finance social science research will be introduced tomorrow in the Senate.

The bill, which was drawn up by Senator Fred Harris of Oklahoma and the staff of his Subcommittee on Government Research after informal consultation with the Administration, has strong support in the Senate.

Among its 20 co-sponsors are the majority leader, Mike Mansfield of Montana; the assistant minority leader, Thomas H. Kuchel of California; Senator John O. Pastore of Rhode Island, and other influential Senators.

One main purpose of the bill, which would establish a National Foundation for the Social Sciences modeled on the National Science Foundation, is to devise a means for using Federal money to support research in politically and socially important fields without arousing a suspicion of academic impropriety.

Over the last two years, disclosures that social science research work was being financed

by the Central Intelligence Agency and the Defense Department have created a controversy that has jarred the academic community and, in one instance, has prompted Presidential intervention.

The most celebrated case involved Operation Camelot, a study of the causes of insurgency in Latin America and other developing areas that was conducted by an office connected with American University.

When the project came to light in Chile, and it was disclosed that the United States Army was paying for it, there was an explosion in Chilean political circles that resulted in acute embarrassment at the State Department. President Johnson ordered the Army to cancel the project.

Mr. Johnson also ordered the State Department to screen all Federally financed research projects abroad for propriety and potential political difficulties.

Another Army-backed study in Colombia, called Operation Simpatico, was disclosed. This was followed by reports of C.I.A. involvement in a South Vietnamese technical assistance project conducted by Michigan State University.

For the last year, the question has been discussed at a series of meetings of scholarly societies, in academic journals, at specially organized seminars, and in a series of hearings before Senator Harris's subcommittee.

The burden of the complaints voiced by leading social scientists was that research into subjects such as social change, when funded by "operational" agencies such as the Army and the C.I.A., was inevitably suspect as to its motives.

By accepting such support, especially if an attempt was made to conceal it, scholars were said to discredit them-

selves and to block the access of other scholars to their sources, especially abroad.

## Shortage of Funds Cited

Other scholars and academic administrators cited an acute shortage of funds for social—as opposed to physical—science research. To ask the academic world to reject an important source of funds was perhaps to ask too much, they said.

The bill to create the social science foundation is designed to help solve this dilemma.

The foundation would be independent of all other Federal agencies, and it would be forbidden to allow interference with its personnel or policies from any other Federal official or department.

A 25-member board of trustees made up of leading figures in various areas of the social sciences would supervise its work. It would have a director and deputy director named by the President and approved by the Senate.

With an annual budget of \$15-million to \$20-million, it would finance research in political science, economics, psychology, sociology, anthropology, law, history, statistics, geography, demography, linguistics and international relations.

The foundation would be allowed to accept contracts for research from other Government agencies, including the Defense Department the C.I.A., but the connection would be announced and all research would be made available to the public.

The foundation would retain complete control of personnel selection and research strategy. Furthermore, it would not be allowed to accept contracts worth more than a quarter of its own research budget from any agency.

All projects would be screened by the foundation's staff and consultants for scientific interest and possible political repercussions, especially abroad.

STATINTL