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Deflating the Cult of Intelligence

Ex-CIA Agent Pulls the Sheets off the Spooks

By Sid Blumenthal

Secretary of State Henry Kissinger had more responsibility than the CIA for initiating clandestine US operations in 1970 that opposed the Chilean government of Marxist President Salvador Allende.

Victor Marchetti, former executive assistant to the Deputy Director of the CIA, declared this to the Phoenix last week. Marchetti, who was in Boston for an interview on his book, *The CIA and the Cult of Intelligence*, said:

"The CIA was wary of intervening in Chile in 1970, the year Allende was elected President. But Kissinger was the champion for strong intervention. The US policy on Chile was White House approved and directed."

Prevented by court order from revealing more about CIA operations than already appear in his censored book, Marchetti noted, however, "Kissinger was much more responsible for investigating what happened in Chile than the CIA."

CIA involvement in the Chilean coup has never been officially acknowledged. But there are indications that the Agency played a crucial role in Allende's downfall.

The *Washington Post*, on Oct. 21, 1973, reported the secret testimony of CIA Director William Colby before the House Foreign Affairs Committee, in which he admitted that the Agency "had some intelligence coverage about the various moves being made," that it had "penetrated" all of Chile's major political parties, and that it had secretly furnished "some assistance" to certain Chilean groups. Colby asserted that the executions carried out by the junta after the coup had done "some good."

A Washington-based research group of former intelligence agents — called the Fifth Estate — charges that the CIA channeled millions of dollars to right-wing labor forces in Chile through the AFL-CIO's "Free Labor Development" program. The Fifth Estate says that with Allende's election in 1970, the Latin American project "swung into action like never before."

Why did Kissinger, who is chairman of the powerful 40 Committee which supervises and approves CIA operations, move to a position favoring intervention over CIA hesitation?

Says Marchetti: "Henry Kissinger was turned off by the CIA analysis. He had no intellectual respect for the Agency."

In addition, says Marchetti, "Kissinger was trying to centralize all intelligence operations in the National Security Council staff. Richard Helms, then CIA Director, wanted only raw data, not analysis. Kissinger wanted options and alternatives presented. Their views were opposing. Helms got the facts but didn't consider the possibilities."

Marchetti said: "Under the Nixon administration, the CIA doesn't enjoy the privileged position that it had in the past."

John D. Marks, Marchetti's co-author and former staff assistant to the Director of the State Department Intelligence, commented: "The scary thing about the CIA is not that it is out of control but that it is under direct control."

Victor Marchetti, 44 years old, is the highest level CIA official to defect to the American public. During his 14 years with the Agency he served as its top expert on Soviet matters and to Third World nations, helping to uncover the missile build-up in Cuba that culminated in the Cuban Missile Crisis of 1962, and as executive assistant to the Deputy Director for a number of years. He had a vantage point from which he was



John D. Marks and Ex-Agent Victor Marchetti

able to survey the whole of CIA operations. He quit the Agency in late 1969, disillusioned with its practices and with the war in Vietnam.

After writing a thinly-veiled fictional account of daily life in the CIA bureaucratic maze (*The Rope Dancer*), Marchetti began his revelatory book, whose contents are not yet completely known even though the book was published last month.

As soon as he began writing, the CIA went to court claiming that he had signed a contract stipulating that he would not disclose anything he had learned while in the employ of the Agency and that virtually anything he wrote was therefore illegal. In the midst of his ordeal Marchetti encountered 31-year-old John Marks. Marks assisted Marchetti in the revision of the book and contributed a section on the press and the CIA. When the work was finished, the publisher, Knopf, submitted it to the CIA in accordance with the ruling of a district federal court.

The manuscript came back looking like Swiss cheese: the Agency had carefully scissored out 339 parts of the book. The book is the first ever to be censored before publication by the government. William E. Colby, the CIA Director, is so incensed with Marchetti's action that he has proposed amendments to the 1947 National Security Act that

would stipulate criminal penalties for those who leaked information stamped classified by the CIA. Colby's proposal, if enacted into law, would amount to an official secrets act.

The dangerous absurdity of granting the CIA greater powers was aptly illustrated by Marchetti and Marks during the interview at the Ritz. Marchetti resembles neither James Bond nor a spy who has come in from the cold. He is scholarly in his approach to problems and dapper in a business-like way, the model of a top CIA man. Marks is more rumpus in his attire, but that is a difference of generations. He is no less precise in his telling of the story.

The interview was wide-ranging and dealt with far more than the difficulties of writing a book that the world's most powerful secret organization doesn't want to be written. "The case will probably go to the Supreme Court," said Marchetti. For a long time, this will prevent exposure of the material deleted from the book by the CIA. "The material is going to be tied up indefinitely," he said.

Marchetti is barred from revealing the contents of the excised sections, but he did rank them in the categorical order that he thought the CIA considered the priority of censorship. "The CIA is most concerned about exposing foreign

leaders who have been on the payroll." I mentioned that Jack Anderson had reported, as a leak from the book, that Willy Brandt had received an Agency fellowship. Marchetti nodded. "The next thing they are concerned with are operational activities in places like Chile."

"Some of the deletions are trivial and foolish. We had a reference to newspapers and magazines, foreign ones, that are supported by the CIA. In particular, we mentioned *Encounter* magazine. The Agency cut that out even though *Encounter* was exposed as a recipient of funds years ago." Marchetti described the CIA's censorship of another item that has appeared in the newspapers. "They deleted an excerpt from the *Houston Plan* that we took from the *New York Times*. The CIA says it is still classified."

*The CIA and the Cult of Intelligence* is not as specific as its authors would have preferred. Marchetti and Marks were denied access to documents and records that would have fleshed out some details. For instance: a Boston investment firm acted as the stock broker for the CIA until the Agency decided that it was too conservative and not speculative enough in its portfolio choices. Unfortunately, Marchetti can't remember the name of the Boston firm, and the CIA is not prepared to let him

refresh his memory. Still, the book is factual and comprehensive in its picture of CIA operations. Even with the distraction of frequent empty spaces it is probably the clearest view in print of CIA structure, methods and ambience.

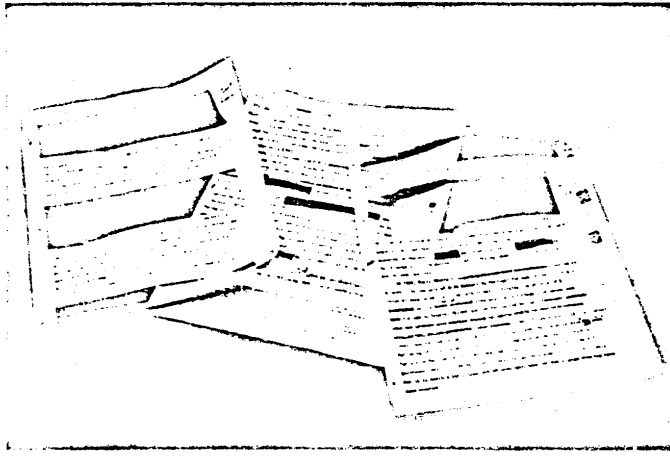
Sitting in the sunny Ritz dining room, overlooking the Public Gardens, was pleasantly, if expensively, mundane. That feeling, I thought, conveyed an essential aristocratic element of the top-echelon CIA style. We calmly talked about the overthrow of governments to the sound of fine silverware scraping fine china.

The WH Flap

Here are some of the topics that came up in the interview:

The CIA was originally constructed as an intelligence gathering agency, neatly collecting and correlating bits of inside information from abroad. It has grown considerably beyond its earliest boundaries. The Agency's mission consists not only of its publicly stated purpose but of its publicly stated purpose but of its distorted mirror reflection as well. The dissemination of disinformation is as vital to operations as the compilation of information. Disinformation, the secret spreading of lies to influence events and attitudes, is a CIA specialty. (It is also known as "black" propaganda.) The most recent vehicles for CIA disinformation were the *New York Times* and *Newsweek*.

When Senator Howard Baker issued his report from the Watergate committee charging the CIA with deep involvement in the Watergate Affair, he cryptically noted in passing a "WH flap" (Western Hemisphere) over a CIA defection. *New York Times* reporter John Crewdson quickly picked up the story. His account, based on CIA sources according to Marchetti, stated that an agent in Latin America, bearing various personal grudges against the Agency, got drunk one night and cried over his beer to a Soviet agent, thus blowing the cover of many crucial Western Hemisphere operations. *Newsweek*, relying on CIA leakers, added an intriguing touch to the story in the *Periscope* column. *Newsweek* asserted that the nameless defector also traveled to Cuba, confessed all to Cuban intelligence agents, who then turned information to the



A Sample of CIA Censorship

PHOTO BY PHOENIX

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## CIA

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two stories together left readers with the certain impression that the man in question was a traitor.

A week later Laurence Stern of the *Washington Post* reported that Philip B.F. Agee, the agent in question, had not detected, was no traitor and was living in England writing a book on his CIA experiences.

The *Times* covered its mistake with a story by Seymour Hersh in which Agee asserted that the CIA in Latin America has, on occasion, killed troublesome agents of its own, contracted in foreign countries. An interview with Agee in the *Times* showed him to be deeply disillusioned with the Agency; his 12 years as an agent turned him into a leftist concerned about US imperialism.

Agee countered the CIA disinformation about him by contacting Stern of the *Post* on the advice of Victor Marchetti. "I know him," said Marchetti. "I came into contact with him some months ago. He wrote me a letter from England describing his situation. We have corresponded three or four times. When the false story on him came out in the *Times* I cabled Agee and urged him to speak with Laurence Stern. I want this guy to get a fair hearing. I want him to stand up and tell his story. I don't want the American public stuck with the CIA party line."

Agee has had enormous problems in the writing of his book, and Marchetti attributes them to the CIA. "Agee is separated from his wife, who is living in the United States with his two children," he said. "Agee felt that the CIA put the screws to his wife in order to keep his children from visiting him in England. This problem was resolved thanks to the American Civil Liberties Union, which Agee went to for aid."

Agee's personal quandary is compounded by difficulties with his British publisher, Penguin. "Agee has written a very long manuscript, about two to three hundred thousand words. He went to England because he knew that he could never publish his book uncensored in this country. He had my example before him. Penguin, however, kept wanting to cut out important items. They cut out an entire critical portion of the book and refused to give any reason for doing so. Agee is suspicious of Penguin's motives although he is still hopeful that they will put together a respectable book from what he has written. He has had to veto some of their ideas of

publishing it, which were extremely suspicious. Penguin wanted to publish the first edition in a foreign country, not England. This could well have been an Eastern European country, like Poland, say, and this would have easily tainted whatever Agee had written. He would have appeared to be what the CIA was implying — a defector, a traitor. The CIA is probably working with MI6 (British Intelligence) to screw up his book," Marchetti said.

"I see the same pattern in his case as in mine. He has chosen to do things differently. He has moved out of the country. The main object of the disinformation about him is the American people. The CIA is certainly not fooling the Soviets."

### Proprietaries

The CIA, in establishing fronts for its operations, has become a business conglomerate. The fronts, known as proprietaries, are necessary to provide a reasonably legitimate reason for agents to travel overseas. They are all incorporated and headquartered in the United States. What may seem to be a steamship company may, in fact, be a CIA proprietary. "God knows how many there are," exclaimed Marchetti. Marks, who is devoting much of his time researching proprietaries, said, "There are a lot of them. The CIA has set up media companies. Among its proprietaries are private security firms, steamship companies, radio stations, publishing houses, magazines, research and development companies. I even came across a behavioral psychology research center that was a CIA cover. You can break through the screen by seeing the incorporation papers that they are legally obliged to file. Then, if you check the boards of directors of the proprietaries you find that there is a high degree of interlocking. If you know who these people are, and the CIA is not that clever about who the directors are, the companies can be identified for what they are."

Marchetti added, "There are proprietaries we don't even know about, don't suspect and we will learn about them to great surprise to ourselves. But they are there." One CIA agent, who headed what may very well have been a proprietary, the New Orleans Trade Center, was Clay Shaw, a man fingered by New Orleans District Attorney Jim Garrison as a key plotter in the conspiracy to assassinate President Kennedy. Marchetti remembers that during the Garrison probe the Director of the CIA was very concerned that Shaw's affiliation might be exposed. "The Director was obviously concerned when

the Garrison investigation was going on. When I asked what the problem was I was told that Shaw had been a domestic contact agent. The Agency is afraid of any exposure, even an innocent one. Shaw may simply have been just an agent. I have no information linking the CIA to the Kennedy assassination. I do feel

Kissinger), told him that the cables that Hunt forged *did* exist at one time. According to Marchetti's account, Halperin said that he had seen the cables but that they disappeared after the Democrats left office. Hunt was engaged not so much in fakery as in historical reconstruction. There is no way



E. Howard Hunt: Reconstructing History?

that the investigation into the JFK assassination ought to be reopened, though. There are many unanswered questions. The problem with the Agency is that it employs so many different people for so many different reasons."

### The Plumbers

In January, 1972, Marchetti noticed that several top level CIA people were making their way periodically to the White House. He met with Bob Smith of the *New York Times* and registered his apprehension. Smith investigated and reported that an office to stop national security leaks had been set up, headed by David Young. This was, of course, the Plumbers, but it was nearly a year after the *Times* story appeared that their cover was blown. Marchetti's initial instinct was proved to have been sound.

One of the "national security" problems involved Plumber E. Howard Hunt's attempt to forge cables alleging that President Kennedy ordered the assassination of South Vietnamese President Diem. Marchetti claims that Morton Halperin, a former member of the National Security Council (bugged on the order of, and now suing, Henry

of finally proving this charge, since the original cables, if they ever existed, have vanished.

### CIA In Boston

The CIA maintains a center in Cambridge for debriefing pliant traveling professors and businessmen. But the most important CIA activity in this area, according to John Marks, is the recruitment of foreign students as agents. "There is a contact agent on every major university campus. He recruits foreign students who may rise to positions of power in their own countries," said Marks.

Marchetti said, "You never know when a foreign student from Harvard is going to wind up being a cabinet minister. The odds are in favor of having some high foreign officials as long-time CIA agents."

### Repressive and Inept

Marchetti and Marks, two insiders from the intelligence network, do not invest the CIA with the omnipotence that many cursory critics attribute to it. Having lived in the concentric rings of the spy bureaucracies for years, they are able to discern its structure and its weaknesses. The CIA has a palpable familiarity to them; it is not seen as an almost mythological force,

silently and clearly guiding events to favor American imperial interests. The CIA is neither so silent nor lucid.

"They're not so good. That's the funny thing about it. They are very fallible and inept at times," said Marks. He paused and added, "If you were a Chilean Marxist you wouldn't think that but the CIA is not that good at what they do."

Marchetti said, "They are becoming more sophisticated, however. Their covers are becoming deeper as things are exposed. The revelations about their clandestine activity is forcing them to become a truly clandestine organization."

"One can't minimize the danger to us and American society they pose," Marks said. "It's much more complex than people think. They are both repressive and inept."

"You mean impressive and inept," interjected Marchetti. "Sometimes they can be very good and sometimes they are very bad. You almost have to go on a case-by-case basis. They do have one thing going for them — they are an established bureaucracy. They survive. They have an injunction against me, a precedent. They are trying to get a new law, an equivalent to an official secrets act. We may be strangling Frankenstein's baby and wind up with Dracula."

Marchetti glanced at his watch. "It's late for an appointment," he said to himself, and sprinted away from the table.

Marks and I were left alone. He confided to me, chuckling, that in the negotiations between the CIA lawyers and the ACLU lawyers over the manuscript of the book, both agreed that the National Caucus of Labor Committees is an obnoxious bunch of squirts. He doesn't believe that the NCLC (or the SLA) is CIA. "Just a pain in the ass," he said. Marks has recently become a Washington editor of (*MORE*), the journalism magazine. He is a contemporary journalist, part of the post-Watergate press, operating like an intelligence agent for the public. "When you expose something that's hidden its cover is blown. Investigative reporting on the CIA is very fruitful. It stops some of their practices. You can't get at the root of the generic problem but you sure can get at specifics."

Marks's statement explains exactly why the CIA is relentlessly pursuing its disaffected agents with covert pressure and court orders. Several former intelligence agents are not about to halt the imperialist juggernaut, but their potential for educating Americans about clandestine action taken in the national name is inestimable.