

WICHITA EAGLE (KS)
7 June 1985

CIA Submarine Study Is Welcome

WORD that the CIA has started a comprehensive \$10 million study of the supposedly invulnerable U.S. missile submarine fleet is welcome, and not just because the Walker family spy ring is alleged to have put information about the submarine program into the Soviets' hands. It's vital that the nation's military planners know if their assumption that the nuclear-missile-laden submarines are invulnerable to Soviet detection — and attack — is still valid. Ordered by Congress, the study will be as broad as possible, encompassing all available technical and intelligence sources.

The other elements of the United States' nuclear weapons force, land-based missiles and missiles housed in strategic bombers, are much more predictable components of the complex global nuclear equation than nuclear submarines. It's conceivable the Soviets could neutralize those weapons. And in the process, retard the United States' ability to retaliate against a Soviet nuclear attack. Not so U.S. submarines — or so ~~has~~ gone the

thinking at the Pentagon, the White House and the National Security Agency. As long as the five U.S. Trident and 31 Poseidon submarines now in service range freely in the world's oceans, impervious to Soviet detection, the standard thinking has it, the United States' retaliatory capacity is assured. That, in turn, reduces the likelihood the Soviets would strike first.

Even if the worst fears about the Walker spy ring — that it could be the most damaging potential threat to U.S. security since the passage of the atomic bomb formula to the Soviets back in the 1950s — aren't eventually confirmed, the CIA study still makes sense. If the study merely confirms the nuclear submarines' invulnerability, the \$10 million will have been a small price to pay for peace-of-mind among military planners — and American citizens. And if the study shows those assumptions aren't valid, Americans at least will cease living in a fool's paradise, and have a sense of what must be done to bolster their nuclear security. /

BALTIMORE NEWS AMERICAN
 14 May 1985

DEFENSE SPENDING

CIA STUDY SEEKS WAYS TO STREAMLINE THE SYSTEM, PROMOTE EFFICIENCY

Free market is worth more than orderly procurement

By Marvin Leibstone

A RECENT CIA study claims that the Pentagon can reduce the time spent developing weapons and the cost incurred by analyzing foreign methods. Even Soviet purchasing has something to offer, the report adds.

Right now, it takes an average six to 11 years to develop an American weapon from concept to production, depending on the complexity of the item. Foreign governments pull it off sooner.

In 1971, Congress was voting whether to pursue the MX. Production did not begin until a decade later.

But America's problems in developing weapons have a lot to do with America's free economy. The absence of these problems in foreign countries has much to do with Marxism.

In the United States, private corporations first compete with each other with a design for fighter plane, tank or machine gun. The Pentagon selects what it believes is the best design. In the Soviet Union and other Warsaw Pact countries, this does not happen.

Moscow chooses the designer and the factory, and supervises production every step of the way.

It can be argued that Pentagon preparation of design criteria and its review of competing designs lengthen the development process. The CIA notes that the best design often wins a production competition when, in fact, another organization may be the better producer.

In France, the relationship between the Ministry of Defense and the private manufacturer is called "a reserve domain," which means the defense minister decides without parliament which weapons will be created and how.

America prefers "the tortured triangle," CIA's phrase for the three-way relationship between

Pentagon, manufacturer and Congress. In 1966, Congress voted to review every item desired by the

military, prior to approval for funds.

The Pentagon must prove the merit of a system before Congress says yea or nay. Congress also plays an overseer's role during development of these products.

"Too many bakers making the pie," the CIA document suggests.

Every defense analyst in the United States wants Pentagon procurement streamlined. Says a retired Navy contracting officer, "Possibly \$5.2 billion can be saved annually with appropriate reform."

Former Deputy Secretary of Defense Frank Carlucci said in 1981, "If Secretary of Defense Weinberger and I do nothing else in these four years except to straighten out the weapons acquisition system, we will have had a successful tour."

Carlucci, who was once CIA deputy director, left the Pentagon three years ago to work for Sears. But not much about Pentagon acquisition has changed since Ronald Reagan became president.

The list of ideas for reform is well known. Hardly a year passes when a senator or House member does not offer defense reform legislation. Laws requiring more purchases of

off-the-shelf and modularized equipment would save design and production time.

The elimination of design competitions in favor of production contracts, which would include the design phase, would save time and money. It makes sense, too for the Pentagon to buy components, instead of prime contractors doing so and overcharging the government.

These recommendations would not devalue a free market society. Adopting more easy-to-control measures for timely procurement of items such as exist in the Soviet Union or, for that matter, France,

would trim costs in America — but an essential ingredient, "competition," would disappear.

The lack of competition for defense contracts in foreign countries enhances production. The Soviet Union can build a lot of things faster than the United States. Missing, though, is a direct result of competition — quality.

There is a trendy joke, "He who has the most toys, wins." Nothing could be more wrong with respect to recent or future wars. In 1973 and 1982, it was Israeli ingenuity and

quality of reconnaissance and attack systems that defeated Soviet-backed means.

Saturation bombing and mass attack had less impact on Vietcong or North Vietnamese battalions in the 1970s than a few guided systems with high target selection capability.

Competition is more than a condition in America; it is an instrument, without which quality becomes a second-rate idea.

Still, the Pentagon must decide how to maintain competition and quality while reducing production time and costs. More emphasis on improvement of the acquisition process is likely to end in quick-fix recommendations that, in the end, exact a terrible social price.

The CIA study is useful in that it describes how other countries do things. But there is nothing in it worth applying to the U.S. defense industry, unless the nation decides that free market values are worth less than orderly procurement.

• Marvin Leibstone writes for these pages on national and foreign affairs.

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ON PAGE C-1

WASHINGTON POST
28 April 1985

The World-Class University That Our City Has Become

Its Intellectual Clout Equals London's, But Will Politicians Be the Wiser?

By Amitai Etzioni

WHEN I ACCEPTED a professorship at The George Washington University in 1980, several of my colleagues wondered: "Leaving Columbia University — to move to Washington?" Washington was a notoriously un-academic and a-intellectual town, one of the few world capitals without a "major" university. I am still asked that question, but much less often. Over the last few years, Washington crossed an admittedly ill-defined threshold beyond which cities qualify as major centers of research, higher learning and dissemination of knowledge. Just as it now has sidewalk cafes and more than 200 art galleries where there were 18 a decade ago, it now has so many new institutes and centers that, together with its older academic institutions, it easily matches the intellectual vigor of contemporary London. It also has almost as many little magazines (where intellectuals float new ideas) and writers-in-residence as the Left Bank of Paris.

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Amitai Etzioni is a professor at The George Washington University and director of the Center for Policy Research.

Some years back I was asked to conduct an intra-agency review for the U.S. Commissioner of Education. I found that he had a very small staff working directly for him, and had a hard time getting the information he required to evolve policies he was interested in. In the same agency and building, 119 researchers were busy studying numerous aspects of education and issuing reports regularly. I visited them to discuss their becoming more responsive to the commissioner, and to *their* agency (and the country's) policy needs.

"Not on your life" was the unanimous response. Their pride, joy, and ambition was academic work. Indeed, their allies on the campus called me and warned that if the commissioner turned the research to "applied," they would appeal to their friends in Congress to gut the agency's research budget.

All over Washington, openly and secretly, — by government-hired PhD's from the CIA to the Census Bureau to NIMH — on the side and while at work, research is conducted and written up in reports that are indistinguishable from those prepared at the heights of the academic ivory towers from Stanford's Hoover Institute to MIT's Technology Square. It may be distressing to their department heads and to OMB, but it adds grist to the academic mills of W.M.U.

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NEW YORK TIMES

30 August 1983

WASHINGTON TALK

Briefing

The 'Jugular' Newsletter

Washington is awash with newsletters. Hundreds of them scrutinize the minutiae of Government affairs for clients in industry and for subscribers interested in almost everything from air pollution to tax havens. And now there is "Early Warning," a \$1,000-a-year monthly newsletter for "key decision-makers" who want to know about "matters of jugular concern."

Everything about the nine-month-old venture carries hush-hush overtones. "Personal and confidential" is written on mass-distribution letters recently sent to solicit subscribers. On this basis, it is not surprising that Arnaud de Borchgrave, one of the publishers and writers, said the newsletter itself was "ultraconfidential." According to Mr. de Borchgrave, this means that if you subscribe, you should not make copies on the office copying machine.

The newsletter is published by Mid-Atlantic Research Associates, consisting of Mr. de Borchgrave, former chief foreign correspondent for Newsweek; John Rees, who publishes Information Digest, another newsletter, and Robert Moss, a former editor at The Economist.

"Early Warning" promises to scoop the daily news media on domestic and foreign news, as seen through the eyes of "former intelligence officers, including ranking defectors from the K.G.B. and its proxy services and former government officials recently in sensitive positions." Mr. de Borchgrave said he recently offered early warnings on such things as Libya's troop buildup before its invasion of Chad and a currency devaluation in Venezuela.

"After studying our track record," Mr. De Borchgrave wrote to potential subscribers, "Bill Casey of the C.I.A. took several subscriptions."

William J. Casey, the Director of Central Intelligence, is on vacation, but Dale Peterson, an agency spokesman, said that no copies of the newsletter had arrived in the director's office, although he said Mr. Casey could be receiving them at home.

Mr. Peterson said he was not familiar with "Early Warning," but that even if he were, he would not be able to comment on its contents.

The Report on Reports

After writing legislation, Congress has to know how it works in the real world. Consequently, many laws require Government agencies to make reports on enforcement status, on significant mistakes, on plans to spend large hunks of money and even reports on reports.

The Clerk of the House recently filed a report listing about 3,000 mandatory reports. The General Accounting Office, which regularly reports on wasteful reporting, knows of a couple thousand other reports, which, altogether, cost more than \$80 million a year to produce.

"I like the report the C.I.A. has to write whenever they off someone," said Dan Buck, an aide to Representative Patricia Schroeder and an avid reader of the House Clerk's report on reports. He was referring to a State Department report entitled, "Illegal intelligence activity; significant intelligence failure; corrective action."

Some reports are theoretically available to the public, but it requires dogged research, starting at the House Documents Room. Most reports, however, are deemed confidential.

A sampling: "Certain expenses of the President and Vice President," "Audit of the House Beauty Shop," "Advance report on proposed military or paramilitary operations in Angola," "Americans incarcerated abroad," "Audits of undercover operations," "Means of preserving and conserving intangible elements of the nation's cultural heritage," "Failure to compile a role of members of tribe who possess Kickapoo blood," "Activities of the Gold Star Wives of America," "Annual report of Little League Baseball," "Summary and review of the continuing study of rape," "Efforts to reduce paperwork and reporting."

Periodically, Congress passes a law to toss out some of the less useful studies. Recent cuts from the annual publication list include \$7,000 worth of reports on the Tule Elk herd in California and \$5 million worth of reports on Federal employee training programs.

Michael deCourcy Hinds
Warren Weaver Jr.

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ATLANTIC MONTHLY
MARCH 1983

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*Saudi Arabia finds in the perceived unity and
of OPEC a convenient illusion*

THE CARTEL THAT NEVE

BY EDWARD JAY EPSTEIN

OPEC, WHICH STANDS FOR THE ORGANIZATION OF PETROLEUM Exporting Countries, is a four-letter word synonymous with prodigious wealth, arbitrary power, and fear. The wealth is from the combined oil sales of its thirteen member nations, which exceeded \$240 billion in 1981—a sum greater than half of the entire M-1 money supply in the United States; the power from the fact that its members control nearly two thirds of the free world's oil reserves; and the fear from the threat that OPEC might cut off this lifeline of energy, paralyzing the world's economy. Sixteen industrial nations, led by the United States, banded together in 1974 to create an organization known as the International Energy Agency, which, in the event of a dreaded OPEC cutoff, would ration the remaining supply of oil among the industrialized nations. OPEC was taken so seriously that in 1979 President Jimmy Carter specifically blamed OPEC for both the recession and inflation, and there were even hints from Henry Kissinger of American military actions against OPEC. Indeed, no other organization, with the possible exception of the first Communist Internationale, has excited such fears on a global scale.

The continued preoccupation with the potential threat of OPEC, however, distracted attention from the actual flesh-and-blood organization that inspired it. Despite a booming voice that has reverberated through the world's media for the past decade, it turns out that OPEC is an astoundingly small organization. Its headquarters, in Vienna, is its only office: there are no branches or representatives elsewhere. Except for the alert squad of Austrian "Cobra" commandos with submachine guns guarding the entranceway, the four-story building at Donaustasse 93 in downtown Vienna resembles any other modern office building in Europe. It is built of gray marble and glass, with a small parking lot in front, and almost identical buildings on either side, housing IBM and an Austrian bank. In 1982, twenty-two years after it was founded, OPEC employed only thirty-nine persons—all men—on its executive staff. Not counting a few dozen Austrian secretaries and clerks and a handful of employees of OPEC's Fund for International Development (which awards grants and other largesse to countries in the Third World), this

staff of thirty-nine men constituted the entire worldwide employment of OPEC. It included everyone from the secretary general to the press officers.

DESPITE THE MYTH THAT OPEC STATES DO NOT need the oil revenues they receive, a secret 1982 CIA analysis showed that they would have a minimum balance-of-trade deficit of \$17 billion last year and \$25 billion this year. When the economic situation of the individual members is considered, it emerges that only a few have any real room to reduce production without causing financial calamity for themselves.

The members of OPEC fall into two distinct groups. The first is the nine most populous countries, who desperately need every dollar of oil income they can get. For example, Venezuela requires all the revenue from its present production of 2.3 million barrels a day just to pay the multi-billion-dollar interest on its foreign debt. Ecuador, which is in even worse financial straits, at full capacity cannot pay its debt charges this year and has been forced into virtual bankruptcy. Nigeria, which imports more than \$1 billion worth of goods each month, cannot further reduce oil production without depriving its population of food and other necessities. Gabon, the other Black African member of OPEC, is in a similar financial bind. Algeria, which has a \$17.5 billion foreign debt, and Indonesia, which has a \$26 billion foreign debt, are almost entirely dependent on oil revenues to avoid defaults. Libya, once a cash-rich nation, recently announced that it will have to continue to produce at least twice its "quota" in order to avoid bankruptcy. Finally, Iran and Iraq, locked in an expensive war, need their oil revenues to pay for arms and ammunition.

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PHILADELPHIA INQUIRER
4 NOVEMBER 1982



Associated Press

ATOP LENIN'S TOMB, Soviet President Leonid I. Brezhnev is flanked by Politburo members (from left) Konstantin Chernenko,

Nikolai A. Tikhonov, Viktor Grishin and Andrei Kirilenko. All but Tikhonov are considered candidates to succeed Brezhnev.

4 possible successors to Brezhnev identified in U.S. intelligence report

By James McCartney
Inquirer Washington Bureau

WASHINGTON — Soviet President Leonid I. Brezhnev, long in poor health, stands "less than a 50-50 chance" of surviving the winter, according to a U.S. intelligence report that narrowed the list of probable successors to four.

Two of the four — Yuri Andropov, former head of the KGB, the secret police, and Konstantin Chernenko, a close Brezhnev associate — were ranked as the top candidates for Brezhnev's mantle.

The report, which was produced during the last several weeks, identified two others as potential dark horses: Viktor Grishin, head of the Communist Party in Moscow, and Andrei Kirilenko, a veteran Politburo member and an expert in economic and industrial policy.

The report indicated that Grishin's chances were diminished by the fact that he has never held national-level responsibilities. Kirilenko, who as recently as a year ago, was considered the leading contender, reportedly has been afflicted with a serious

illness and lately has been considered out of the running.

Major parts of the report, which was obtained by The Inquirer's Washington bureau, have been sent to Congress, and an edited version is expected to be published within the next several weeks by the Senate-House Joint Economic Committee.

The document stated that no matter who succeeded Brezhnev, dramatic changes in Soviet policy appeared unlikely, since all the potential candidates have similar political outlooks that also are very much like Brezhnev's.

"Changes in Soviet policies are not likely in the foreseeable future no matter who wields the gavel in Kremlin conclaves," the document stated.

"Conformity is the key to promotion in the Soviet system far more, say, than in ours, and those who rise to the top will be well-honed in the value system of their predecessors.

"The possibility of radical change early on is low."

Brezhnev, who will turn 76 next

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UNITED PRESS INTERNATIONAL
26 OCTOBER 1982

By GEORGE ROOSEY

ST. PAUL

Mark Dayton, Democratic-Farmer-Labor Party candidate for the Senate, today proposed a \$200 billion reduction in the nation's defense budget over the next five years.

Dayton, proponent of a nuclear freeze, said even if the Reagan administration and Congress do not agree to a freeze, he would reject "first-strike" weapons systems such as the MX missile, the Trident II missile, the Pershing II missile and the ground-launched Cruise missile.

If the freeze idea is rejected -- and Dayton acknowledged that the Reagan administration is not likely to adopt it -- then he would go along with development of the Trident I missile, the Trident submarine and the air-launched Cruise missile.

He said the United States must, in the absence of a freeze, continue to abide by the MAD (mutual assured destruction) doctrine as a deterrent to Soviet aggression.

Dayton, who seeks the seat held by Independent-Republican David Durenberger, said he views the air-launched Cruise missile as "retaliatory" because it was on planes based in the United States. He said the ground-launched Cruise would be a first-strike system since it would be based in Europe.

Dayton said he would not build the B-1 bomber, as the Reagan administration has proposed, because CIA studies show the nation's present fleet of B-52s will be able to penetrate Soviet air defenses until 1990 so he sees no need to spend about \$20 million a plane on the B-1. Dayton said he would support development of the Stealth bomber, which is supposed to be "invisible" to Soviet radar in the absence of a nuclear freeze.

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THE CHRISTIAN SCIENCE MONITOR
15 September 1982

Gas pipeline: Soviets hint it'll be hard

It can be built on time —
with some stress, strain

By Ned Temko

Staff correspondent of
The Christian Science Monitor

Moscow
The Soviet Union is beginning to signal snags and economic sacrifices in its bid to counter President Reagan's gas-pipeline sanctions.

Most diplomats and foreign business sources here still feel that Moscow's centrally run economy will ensure completion of some kind of new Siberia-Western Europe gas link by the current target date of January 1984.

Besides, these analysts say, the Soviets can almost certainly meet initial gas-delivery requirements by making use of excess capacity in a smaller export pipeline built in the 1960s.

A recent edition of the Soviet government newspaper Izvestia added that a planned Czechoslovakian pipeline to link the new Siberian export conduit with the West European gas grid would operate at "full capacity" only from 1988, but that this would not affect European deliveries contracted for earlier.

And on the political front, the men in the Kremlin can hardly be mourning the rancor within the Western alliance caused by Mr. Reagan's June 17 expansion of US sanctions against the gas-line project.

But the official Soviet news media have recently given a number of indications that building the new pipeline around the US trade restrictions will be trickier than initially suggested.

The first problem — and the one, in the view of foreign analysts, least complicated to counter — is the overall pace of work on the line. Although most Soviet accounts have included routine statements that work is going well, and that the pipe link will be done on or ahead of schedule, the Communist Party newspaper Pravda struck a discordant note in an article Aug. 18.

It said government officials had concluded that workers clearing the line's roughly 2,700-mile route — through some 450 miles of swamp-land, 90 miles of permafrost, over 561

rivers or streams, and across both the Ural and Carpathian mountains — would have to step up their pace by "two or two-and-one-half times" to stay on schedule. So, the newspaper said, would crews doing the rest of the pipeline project: constructing living quarters, laying pipe, and setting up 41 compressor stations.

The Pravda article seemed to imply that general snags in Soviet pipeline construction detailed in earlier accounts published here were hampering the Siberia-West Europe project as well. These include shortcomings in planning and management, in equipment, and in transportation.

The antidote, foreign diplomats assume, is to ensure top priority within the Soviet economy for the current pipeline project — something the Soviet authorities are clearly moving to do, in hopes of making the pipeline a dramatic symbol of Soviet immunity to American "diktat."

[A CIA analysis prepared in August concludes that the Soviets will be able to meet their gas delivery commitments to Western Europe "through the 1980s," despite the Reagan administration's sanctions.]

But if one strength of the Soviet economy is the prerogative to set such priorities centrally, one weakness appears in handling various "priority" projects at once. The Siberian pipeline is competing with other major works already encountering problems of infrastructure and equipment, for instance, the BAM trans-Siberian railway. That rail line is intended as a centerpiece for a new spurt in Siberian resource development later in this decade.

A second challenge for the Soviet economy, more directly linked to the Reagan administration sanctions, is to develop a domestic substitute for the General Electric turbine.

At first, the Soviets demonstratively shrugged off Washington's move to embargo the 25-megawatt machine, the unrivaled world-market leader in powering high-capacity pipelines. Within days of Mr. Reagan's June sanctions, the Soviets, whose domestic pipeline workhorse is a less reliable and efficient 10-megawatt turbine, announced the successful preliminary testing of a new 25-megawatt model by a factory in Leningrad.

Yet amid generally glowing reports of progress in the development and production of the turbine, which is deemed in some ways superior to the GE machine, there have been increasing indications of the sacrifices involved in building the Soviet competitor and of potential problems with the program.

At least 20 Leningrad factories, according to Soviet news media reports, have been

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THE WASHINGTON POST
19 AUGUST 1982

JACK ANDERSON

Arming Castro: A top-secret CIA report notes a significant development in Soviet military aid to Cuba in recent years. Until about 1978, the Russians shipped an average of 11,000 tons of military hardware to Cuba each year.

"The bulk of military tonnage consisted of small arms, mortars and ammunition," the CIA reported, adding that there was "no evidence of a shift since 1968 in the basic Soviet policy of replacing Cuban military supplies and equipment, but with a minimum of upgrading."

But in 1978, the shipments began to include more sophisticated weaponry. And the volume has also increased. Last year, the Russians sent Cuba 63,000 tons of war materiel, twice as much as in 1980, and three times the amount sent in any single year since 1962.

Intelligence agencies estimate the total value of Soviet arms shipped to Cuba so far at some \$2.5 billion, and one-fifth of that arrived in 1981.

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WASHINGTON POST
15 August 1982

Walter Scott's =personality parade=

Q. *I have heard that President Lyndon Johnson gave Israel the atom bomb. Is this true? Does Israel have atomic bombs?—C.C., Oakland, Cal.*

A. Lyndon Johnson did not give Israel the atomic bomb. During his administration, however, the CIA informed him that, in its opinion, the Israelis had the know-how to make nuclear weapons. Six years later, a 1974 CIA report explained: "We believe that Israel already has produced nuclear weapons. Our judgment is based on Israeli acquisition of large quantities of uranium, partly by clandestine means; the ambiguous nature of Israeli efforts in the field of enrichment; and Israel's large investments in a costly missile system designed to accommodate nuclear warheads." In foreign intelligence circles, it has long been held that Francis Perrin, scientific chief of the French Atomic Commission for two decades (1950-70), was helpful to the Israelis—either knowingly or unwittingly—by not hampering their acquisition of nuclear know-how from Saint Gobain, a French company particularly knowledgeable in the techniques of plutonium reprocessing.

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NEW YORK TIMES
8 AUGUST 1982

STUDY OF PROTESTS REPORTED IGNORED

Johnson Got C.I.A. Findings on Antiwar Movement in 1967

TOLEDO, Ohio, Aug. 7 (AP) — The Central Intelligence Agency told President Johnson in 1967 that there was no Communist-controlled or foreign-inspired link to the protests against the Vietnam War but he refused to believe it, a historian says.

A 23-page unsigned C.I.A. report, recently declassified from "top-secret — sensitive" status, was obtained from the Johnson Presidential library in Austin, Tex., by Charles DeBenedetti of the University of Toledo.

The report, submitted to Johnson in November 1967 by Richard Helms, then Director of Central Intelligence, stemmed in part from a march on the Pentagon a month earlier, the historian said.

About 100,000 protesters took part in the demonstration to oppose United States involvement in Vietnam.

Mr. DeBenedetti, who specializes in the history of the antiwar movement, said the report was mentioned by Congressional committees investigating intelligence-gathering practices but was never made public before he obtained it last September.

He said in a paper that the intelligence agency's information to Johnson was colored by "the agency's bureaucratic interest in aiding the Administration in its aim of discrediting the antiwar opposition."

Among the conclusions reached in the C.I.A. analysis was that while many antiwar leaders had close Communist associations "they do not appear to be under Communist direction."

"In any case," the analysis said, "their purposes insofar as the war in Vietnam is concerned coincide with the Communists'."

Noting contacts between antiwar leaders and the North Vietnamese Government in Hanoi, the report said that "Moscow exploits and may lead influence" peace groups through its front organizations but that indications "of covert or overt connections between these U.S. activists and foreign governments are limited."

The analysts concluded, "On the basis of what we now know, we see no significant evidence that would prove Communist control or direction of the U.S. peace movement or its leaders."

The importance of the analysis, Mr. DeBenedetti said, is that Johnson "ignored it because it did not suit his political purpose, which was to establish foreign control of the antiwar movement."

The Great Laser Battle

Lines are being drawn again this year over the issue of U. S. military space laser research and development. Administration managers are trying to forestall an attempt in the Senate to add funding for a demonstration program in space, and, after President Reagan's favorable nod toward the concept during his campaign, the reasons for the foot dragging are baffling some of the participants.

Sen. Malcolm Wallop (R-Wyo.), who is a leader in the Senate pro-laser forces, is critical of the Defense Dept.'s management of the laser effort. He labels the gambit to resist acceleration of the space-based laser program as the hostage-of-the-future technique. "It's an old bureaucratic trick," he says, postponing action available with today's technology by pointing to the rosy potential of the technology that will be coming around the corner tomorrow.

The technology coming around the corner tomorrow is the short-wavelength high-energy laser that Robert S. Cooper, director of the Defense Advanced Research Projects Agency, encouraged the House Armed Services Committee to endorse. High-energy laser research should be reoriented away from long-wavelength chemical lasers toward short-wavelength lasers, the House committee's report on the Fiscal 1983 Defense authorization bill recommends.

In line with that view, the House committee proposes to kill the Alpha hydrogen-fluoride chemical laser demonstration and the large optics demonstration experiment (Lode) and would delete as well \$40 million for USAF to begin a space-based laser demonstration. Cooper is, at the least, passively standing by while the House emasculates a near-term space laser demonstration. Killing the Alpha and optics demonstration programs is a mistake that will lose a valuable technology demonstration. Instead of an acceleration of its high-energy laser effort, the U. S. would be retreating from the high ground of the battlefield in space.

While Sen. Wallop's criticism of the management of the laser research program is directed at Cooper's approach, Wallop's objections go farther. As constituted now, space laser program funding is divided among the Defense Advanced Research Projects Agency and the Army, Navy and Air Force. There is no program office for a technology that could revolutionize strategic warfare if it works. A legislatively mandated creation of a program office by the Senate last year—a highly unusual statutory intrusion into program management—was wiped out by the House. That leaves space lasers as an individual laboratory effort looking at pieces of the technology rather than an integrated program to find out whether lasers can work as a weapon in space.

Impatience of the pro-laser forces in Congress with the pace and management of the space-based laser effort is reflected in the recent General Accounting Office report on the subject. Approved For Release 2006/01/03 : CIA-RDP90-01137R000100060001-2
 existing Defense Advanced Research Projects triad program and with Air Force responsibility for space-based weapons development, a decision to

1987 unless funding levels are increased, the report contended. Although Cooper believes the laser program is adequately funded, the GAO report argues that its financing is actually the minimum to keep things moving at all.

Why the Defense Dept. is willing to settle for a sedately paced laser program is a question that has not been fully answered in the wake of the purportedly inadvertent disclosure of a secret U. S. intelligence report on the Soviet laser program at a congressional hearing. That report said the Soviet Union has the capability to deploy a space-based high-energy laser weapon station within a year, with operational capability as early as 1983 or as late as 1988.

Just because the Soviet Union puts a high-energy laser into orbit does not mean the U. S. should do so willy-nilly. If the USSR can do the job technically, though, there is little doubt the U. S. could do so if it accelerated its own work. This country leads the Soviets by years in optical systems for laser weapon systems, sensors and avionics. The gains from a successful space-based laser weapon, particularly if it can provide an early trajectory ballistic missile kill capability, are so enormous they certainly justify the risk in doing at least an orbital demonstration. No treaty or diplomatic reasons for not doing so have arisen, and the explanation thus devolves into a financial one.

Comments from Administration officials—White House Science Adviser George Keyworth, for one—are not critical of the space-based laser as such, but rather are skeptical of the time-scale on which the development can be done. This is where Sen. Wallop takes issue. He contends that U. S. industry has the technical capability now in the critical technologies, that large enough mirrors can be built for a space laser demonstration, that the pointing technology is in hand, that a space-based laser could deliver enough energy now to neutralize an unhardened ballistic missile warhead.

Industry, which has conflicting interests in competing technologies, has backed off asserting its technical capacity in the laser weapons field, Sen. Wallop contends, bowing to the demands of the Defense Dept. customer not to upset the budget applecart. Industry's position is not crossing its only customer is understandable, but not in the best interests of the nation if, in fact, the technology is near at hand.

There is no intention here to adjudicate whether the technology is mature enough in the arcane world of high-energy lasers to warrant an accelerated orbital demonstration program or whether long- or short-wave is the way to go. There are merits to both technologies. However, there is an aura on the part of the Administration that technology managers are more concerned about their image in standing up to make the case for what will look like a blue-sky program than they are about the merits of the technological case. It is a matter of being preoccupied with the dollar risk of failure rather than the cost of

10 April 1982

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THERE IS EVIDENCE (A 1971 CENTRAL INTELLIGENCE AGENCY SURVEY; A U.S. GEOLOGICAL SURVEY REPORT; A THREE-YEAR STUDY BY BIRMINGHAM UNIVERSITY; AND THE 1976 LORD SHACKLETON REPORT) TO SUPPORT HOPES THAT THERE IS EVEN MORE GAS AND OIL IN THE AREA SURROUNDING THESE ISLANDS THAN IN THE NORTH SEA. ARGENTINA, NOW SELF-SUFFICIENT IN OIL, DOES NOT NEED IT BUT COULD HELP THE UNITED STATES REDUCE ITS OIL DEPENDENCE ON ARAB WELLS - NOT A SMALL INDUCEMENT.

BUT WHY HAS THIS MATTER SUDDENLY TURNED INTO A CRISIS?

SOME "INSTANT EXPLANATIONS" OF THE SITUATION HAVE RELATED IT TO THE NEED OF THE PRESENT ARGENTINE GOVERNMENT FOR A RALLYING POINT OF POLITICAL CONSENT; IN A COUNTRY WHERE UNITY IS A RARE POLITICAL COMMODITY. WHETHER THAT IS TRUE OR NOT, THE ARGUMENT IS SIMILAR TO SAYING THAT THE ENBATTLED GOVERNMENT OF MARGARET THATCHER IS NOW EXACERBATING THE CRISIS TO RALLY THE SUPPORT SHE SEES SLIPPING AWAY BECAUSE OF A LACK OF JOBS; OF HORIZONS; OF A FUTURE FOR ENGLAND.

BOTH GOVERNMENTS ARE INDEED USING THIS INCIDENT FOR THAT PURPOSE, BUT ONLY INCIDENTALLY.

WHILE ARGENTINES WOULD STRESS THAT THE ROOTS OF THE CRISIS ARE 150 YEARS OLD; ANOTHER EXPLANATION FLOWS FROM TWO U.N. RESOLUTIONS - RESOLUTION 1514 OF 1960, WHICH CALLS FOR WORLDWIDE DECOLONIZATION; AND RESOLUTION 2065 OF DECEMBER 1966 (APPROVED 94-6 WITH 14 ABSTENTIONS); WHICH INSTRUCTS BOTH NATIONS TO NEGOTIATE TO DECOLONIZE THE ISLANDS.

AT THAT TIME THE GENERAL ASSEMBLY URGED BOTH NATIONS TO CONDUCT NEGOTIATIONS ON THE SOVEREIGNTY OF THE ISLANDS; AND EVEN SET THE STANDARDS BY WHICH THAT WAS TO BE ACHIEVED. ONE OF THOSE STANDARDS WAS THE RIGHT OF SELF-DETERMINATION BY THE OCCUPANTS OF A COLONY. BUT THE RESOLUTION ALSO DIRECTED THAT THE INITIAL TERRITORIAL INTEGRITY OF A NATION'S CLAIM ON COLONIAL LAND BE RESPECTED.

IN 1967 A SERIES OF AGREEMENTS WAS ESTABLISHED BETWEEN ARGENTINA AND BRITAIN THAT LINKED THE ISLANDS TO ARGENTINA. HOWEVER, THE BRITISH INSISTED ON REDUCING NEGOTIATIONS TO TALKS; "AND THE ISSUE OF THE SOVEREIGNTY OF THE TERRITORY" TO THE "SELF-DETERMINATION OF THE FALKLANDERS."

THE ARGENTINES INSISTED ON RESPECT FOR THEIR TERRITORIAL INTEGRITY; WHICH THEY SAID WAS VIOLATED BY THE OCCUPATION OF THE MALVINAS IN 1833.

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ON PAGE 7A

PHILADELPHIA INQUIRER
5 APRIL 1982

Week's warning needed for U.S. civil defense to work

By Mike Feinsilber
Associated Press

WASHINGTON — President Reagan's ambitious civil defense program — intended to assure the survival of most Americans in a nuclear war with the Soviet Union — is based on the belief that this country would have a week's warning before any attack comes.

The President's plan also assumes that the Soviet Union would not target America's big cities for destruc-

tion, civil defense spokesmen have said. But if there were an imminent threat of nuclear attack, it recommends that the cities be evacuated because they often are located near military installations or other likely targets.

Designers of the \$4.1 billion, seven-year program anticipate that if it were implemented, 80 percent of the U.S. population could survive a nuclear war.

The plan calls for evacuating all U.S. cities with more than 50,000 residents and relocating people away from missile sites, bomber bases and ports.

Up to two-thirds of the U.S. population would be moved from 380 such "high-risk areas" into lower-risk areas — places one study calls "farms and hamlets."

Evacuees would be expected to bring their own food.

A 1978 study performed under contract by Systems Planning Corp., a consulting firm, predicted that 10 percent of the population would

leave the high-risk areas without waiting for orders, 14 percent would refuse to leave and 6 percent would have to stay behind to perform essential services.

In that event, the study said, "the relocation could probably be performed within two days for all areas of the nation except the New York and Los Angeles metropolitan areas, which would require about three days."

The plan assumes that an attack on the United States would be signaled by indications that the Soviets were emptying their cities. Such movement could be detected by satellites.

"Surprise attack is considered highly unlikely," said the Federal Emergency Management Agency (FEMA), which has responsibility for civil defense. "Most experts believe that an attack on the U.S. would come only in the context of a lengthy period of international crisis."

The agency cited a 1978 CIA report to bolster the view that Soviet activity would provide a warning. The CIA had said the Soviets would seek through evacuation, "to assure survival of the homeland and to leave the USSR in a stronger postwar position than its adversaries."

"Our intelligence studies indicate that as a matter of policy they are not bent on destroying populations," said James Holton, spokesman for FEMA. "It wouldn't do them any good to have all the people here dead, to have this vast country and nobody to run it," he said.

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ON PAGE 3

LOS ANGELES TIMES
23 March 1982

U.S. Drifts Toward A-War, Vidal Says

By BILL BILLITER, Times Staff Writer

SACRAMENTO—Democratic Senate candidate Gore Vidal told an overflow audience here Monday that the Reagan Administration is pushing the nation toward nuclear war.

Speaking before about 1,000 members of the non-partisan Comstock Club, Vidal repeatedly asserted his belief that the Pentagon wants war and that big business is eager for its profits.

"In a garrison state, you must fight an occasional war to convince the taxpayers that the money (going to the military) is well spent," Vidal said.

Vidal, an internationally famous author, touched on many topics but made war his central issue.

America has glamorized war, and the military-industrial complex finds it profitable, Vidal said. Therefore, he said, the Reagan Administration has willing supporters for talk of war.

"We are like an aged Clark Kent rushing back into a telephone booth," Vidal said, referring to how America continues to see itself as an international policeman.

Vidal said that President Reagan "and his Bel-Air crusaders"—an apparent reference to the President's wealthy advisers—are trying to stir up American sentiment for involvement in El Salvador and Nicaragua.

Called Unlearned

"They are trying to cook up something down there," Vidal said. "Luckily, this particular group, they are very vague about history and geography and things like that."

"I know for a fact that Mr. Reagan is not clear about the difference between the Medici and Gucci. He knows that Nancy wears one."

The comment produced a howl of laughter from the audience. Vidal punctuated his unprepared speech with scores of satiric rapier thrusts that brought laughter in the midst of grim predictions of nuclear war.

"Now there is a loose gun. (Defense Secretary) Cap Weinberger who is getting ready for a nuclear war—all by himself, I hope," Vidal said.

He said that Weinberger and the Defense Department are trying to convince the nation that Russia has designs on the Middle East because it needs energy supplies there. Vidal said the Central Intelligence Agency was truthful "for once, bless their wicked hearts" and told the White House that Russia actually has more energy supplies than it needs.

"The (CIA) report was sent back for a rewrite," Vidal said, adding:

"This would be funny, if it were not so dangerous."

Vidal said the upshot of war talk about Central America and the Middle East is that the Defense Department now is trying to convince Americans that they could survive a nuclear attack.

He said that the Pentagon, however, is saying that "we would need an eight-day warning to evacuate our cities."

Smiling, Vidal said the eight-day-evacuation requirement could lead to international talks between Reagan and Soviet President Leonid I. Brezhnev.

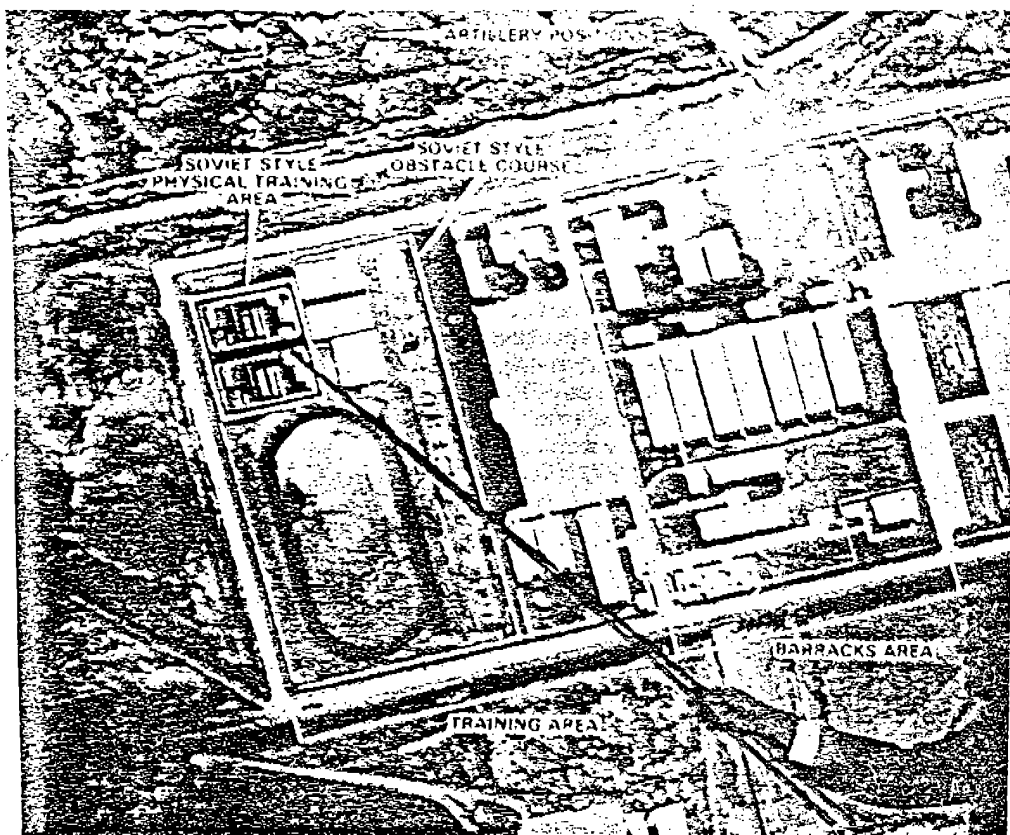
"I can see that conference between Reagan and Brezhnev," Vidal said. "One would say, 'I want eight days' warning,' and the other would say, 'I'll give you seven,' Vidal said. The audience again broke into laughter.

Interspersed between his dark jokes about nuclear holocaust, Vidal made his position clear on two Senate issues: he opposes the draft and he favors withdrawing U.S. troops from North Atlantic Treaty Organization (NATO) countries in Western Europe.

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22 MARCH 1982



Hughes points out a military installation: Longer and louder alarms about communist meddling in America's backyard

Bruce Hoartel

Taking Aim at Nicaragua

The lights dimmed, the projector beamed and the screen filled with blown-up aerial photographs that conjured up an earlier time of confrontation. Before a packed house of reporters, John Hughes, the photo-intelligence expert who presented the evidence in the Cuban missile crisis twenty years ago, took a pointer last week and made the Reagan Administration's case against Nicaragua. Flipping through the grainy photographs, Hughes said the Sandinistas have built 36 new military installations in just two years. He pointed to new airfields, lengthened runways and a dramatic array of Soviet-made tanks, truck-drawn howitzers, helicopters and amphibious ferries. He showed Nicaraguan troops in training and put the total number of men under arms at 70,000—the biggest and most threatening army in Central America. "Who is helping the Sandinistas do this?" he asked. "The fingerprint we find, in every case . . . [belongs to] the Cubans."

The carefully orchestrated show-and-tell session was the most successful element in a ragged propaganda blitz last week. The offensive seemed to reflect the Administration's growing frustration over the limits of its ability to act in Central America. Neither Congress nor the public seems inclined to accept Reagan's warnings about communist meddling in the region. The public mood has all but ruled out direct military intervention.

As a result, the Administration has found itself with few alternatives other than sounding ever longer and louder alarms.

It was hard to say what the alarm bells foretold. Washington seemed to be playing a high-stakes game of psychological warfare designed to keep the Nicaraguans, Cubans and Soviets guessing about Reagan's ultimate intentions. One possibility was that the Administration was hoping to use its evi-

The Administration launches a frenetic propaganda campaign that leaves troubling questions unanswered.

dence to enlist other Latin American nations to help cut the flow of arms to Salvadoran leftists. Looming behind it all was the prospect of a darker plan: a CIA proposal to help paramilitary groups cut the flow of arms from Nicaragua to El Salvador.

There was no doubt about the earnestness of the Administration's concern, but its media campaign raised as many questions as it answered. While the photo evidence demonstrated that the Sandinistas had been far

from candid about the size of their military buildup, nothing in the declassified material showed a direct conduit of arms into El Salvador. "I think most people were ready to believe that the Nicaraguans are building up their army," said one U.S. official, "but that was never the problem."

The Administration hoped to make the Nicaragua-Salvador connection with a parade of witnesses from the front—but the first step went disastrously awry. The State Department invited six reporters to interview Orlando José Tardencillas Espinosa, 19, a Nicaraguan captured in El Salvador. Tardencillas had "confessed" earlier that he had been sent to the war zone by the Sandinistas. But when the tape recorders started rolling, he stunned the reporters—and U.S. officials—by suddenly taking back everything he had said. He described himself as a free-lance revolutionary and said he had been tortured and beaten into collaborating with El Salvador and Washington. "The day before I came, an officer from the U.S. Embassy told me what I should say," he said. "He told me they needed to demonstrate the presence of Cubans in El Salvador. I was given a choice. I could come here and do what I'm doing—or face certain death."

Tardencillas's bizarre turnabout left the Administration in a bind. For weeks officials had been hinting that they had top-secret intelligence data on the Sandinistas' **CONTINUED**

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THE WASHINGTON POST
7 January 1982

JACK ANDERSON

Why So Few Believed in The 'Hit Squad'

Senate Majority Leader Howard Baker announced weeks ago that the threat to President Reagan and other high officials from Libyan assassination squads was "diminishing." What was diminishing was the credibility of the reported threat.

The charges that led to the international uproar—and the tightened security measures at U.S. border crossings—were contained in a 40-page secret report by the Central Intelligence Agency to the National Security Council. My associate Ron McRae has seen parts of this report.

From the outset, foreign policy experts outside the spy agency assessed the CIA's assassination alarm as "possible, but not much better than 10 percent." But obviously, however farfetched the possibility, it had to be treated seriously by security agencies.

"The Secret Service tracks down dozens of crank calls every year, including threats to shoot Reagan with psychic bullets," one official pointed out, adding, "But we don't broadcast them all over the world."

What made non-CIA people in the administration suspicious of the

Libyan hit squad story is clear from the CIA report itself:

- The chief source of the hit squad allegation, who claimed to have been present when Libyan dictator Muammar Qaddafi gave orders for the assassins' mission, demanded \$500,000 for his information (whether he received it is unknown). The fact that the informer passed a lie-detector test is not compelling; a practical liar can beat the gadget, particularly someone with the coolness to demand a half-million for his story.

- The informer also provided the names of some buddies in Beirut who would be willing to sell information on the drug traffic. The CIA recognized some of them as hustlers who had been peddling phony documents for years. Oddly enough, though the CIA itself was dubious about this part of the informer's material, the Drug Enforcement Administration began stuffing suitcases full of cash in anticipation of a big score in Beirut.

- Two of the 14 names on the hit squad were members of the Lebanese Shiite Moslem sect, Amal, which has been engaged in a blood feud with Qaddafi since their leader, Mousa Sadr, disappeared in Libya in 1978. The FBI claimed that the names were included because of a "computer error" and were quickly removed. Yet the names were still on the list in documents issued at least 12 days later.

- Several of the informers are known to have connections with Israeli intelligence, which would have its own reasons to encourage a U.S.-Libyan rift.

- The report calls the evidence of the hit squad's existence "overwhelming," and predicts that "more detailed information is forthcoming" from reliable sources. None materialized.

- The CIA report predicted confidently that its evidence "guarantees the support of allied governments in any action deemed reasonably necessary to protect the lives of American officials." In fact, our allies, when briefed on the CIA findings, found them unconvincing—in a class with the white paper on El Salvador earlier last year, which was later shown to have relied on highly questionable and probably forged documents.

Footnote: There is a possibility that the CIA was played for a sucker by its own "disinformation" campaign directed at Qaddafi. The campaign, ordered by CIA Director William J. Casey last May, used foreign nationals for the dirty work.

Knowing what the CIA wanted, and without proper supervision by American agents, it's possible the CIA's foreign hirelings cooked up the "hit squad" on their own. It fit neatly into the Reagan administration's political scheme of things, and—voilà!—a full-blown international incident was born.

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WALL STREET JOURNAL
16 December 1981

The U.S. and Global Negotiations

By SETH LIPSKY

NEW YORK—The United Nations is edging toward the launch of its long-sought "global negotiations." These would be the grandest of all talks between the rich nations of the "North" and the poor lands of the "South." The Third World is eager for the talks, and Japan and Europe are willing. But a skeptical Reagan administration is still debating whether it wants to go along with a set of talks the ideology behind which it regards as hostile to American interests. A resolution to proceed could come up for a vote in the UN soon.

On the eve of the decision, however, a confidential memo by the Central Intelligence Agency is raising some troublesome questions about one of the more sensitive issues surrounding global negotiations—whether the talks could lead to an erosion of the independence of the World Bank and the International Monetary Fund. Many believe that the developing lands want to use these talks to lift into the UN General Assembly, where each country has one vote, some decisions previously left to the Fund and the Bank, where countries vote according to how much money they've paid in.

The issue is exceptionally important, involving the question of who would—and should—control the strategic decisions on how these agencies parcel out billions of dollars a year in Western development aid and balance-of-payments loans. The Third World is pressing for a greater say at a time when some donors, the U.S. in particular, are complaining the Bank and the Fund are already too lax.

America's position is clear. President Reagan, at Cancun last October, made it a condition of U.S. participation that global talks respect the integrity and competence of the specialized agencies. The CIA's report doesn't suggest the UN has any legal power to take over the international financial institutions. But the CIA raises questions about whether the independence of the Bank and the Fund could be guaranteed in the political sense, once global negotiations got rolling, and suggests the U.S. is likely to get little help from its fellow members of the industrialized world.

Failure Would Isolate America

The U.S. ambassador to the UN, Jeane Kirkpatrick, who commissioned the CIA assessment and submitted it last week to the National Security Council, apparently believes it supports her contention that the U.S. ought to join the global talks, though the CIA itself doesn't appear, on the basis of the memo, to be a partisan in the internal administration debate. A failure to join global negotiations, Mrs. Kirkpatrick and others have argued, would isolate America from friends in Europe and Japan, as well as the Third World. She has sought to be

receptive. "The Third World," it says, "appears ready to compromise utopian plans for restructuring the world economy and accept negotiations that would provide procedural protection for the competence of the World Bank and the International Monetary Fund."

Yet change in the Fund and the Bank is certainly an aim of the Third World. The CIA report lists five separate Third World goals in this regard.

One is to expand resources available for lending to the developing lands by permitting the World Bank to guarantee and the IMF to co-finance private bank loans. A second is to link the creation and allocation of the IMF's special drawing rights to the development needs of poor countries. A third is to steer more IMF lending to the Third World by easing the stiff requirements the Fund imposes on borrowing gov-

A skeptical administration is still debating whether it wants to go along with talks ... it regards as hostile to American interests.

ernments. A fourth is to boost the Third World's participation in Bank and Fund decisions by changing the current system that ties a country's voting strength to its financial contribution. The fifth is to set up a special World Bank affiliate to fund Third World energy projects.

Though it hasn't spoken specifically on all these issues, the Reagan administration probably opposes every one of these goals. The CIA report includes a chart showing how our allies come out on the issues. Italy, for example, sides with the Third World on each issue, while France and Canada tilt to the South side on every issue but giving developing lands a bigger vote in the Bank and the Fund. West Germany favors expanding resources, relaxing conditionality and setting up a World Bank energy affiliate, but opposes the special-drawing-rights link and the change in voting strength. Japan and Britain side with the U.S. on all issues but the World Bank energy affiliate, which they favor.

Commenting on their positions, the CIA report says France is "philosophically committed to economic reform" of the type proposed by the UN group; Canada seeks a "leadership role in negotiated reform"; West Germany believes in some reform but "will not take a leadership role"; Japan "will support economic reform to enhance credentials with the Third World"; Britain is skeptical but the other Europeans may "moderate the UN position"; and

idly behind the U.S. position, even in the privacy of a CIA memo. Most nations, the CIA notes, have given the Third World political support within the UN but have maintained "basically conservative" positions in the international financial institutions. "Global negotiations," it says, "could be the catalyst that impels industrialized countries to make a political decision on whether they wish to transform their reformist sentiment into concrete action."

Making Reform Political

The Third World bloc, says the CIA, will use global negotiations "to pursue its strategy of making reform of the international financial institutions a political as much as an economic question," pressing the General Assembly to issue guidelines and recommendations to the specialized agencies that conform to a "world economic development plan." And the developing lands will press the industrial nations to commit themselves early on in global negotiations to "reform the financial institutions." It predicts France and Canada will take the lead in mobilizing "the latent support for reform."

The CIA, in a concluding note on "prospects," reckons global negotiations "are likely to moderately accelerate" change within the Bank and the Fund. It says the "independent nature of the financial institutions and the power of weighted voting give the U.S. a veto and the ability to control the pace of change." The CIA warns, however, that "political and economic incentives for Western Europe and Japan to lend support to Third World proposals" mean the U.S. "may have to act alone to ensure autonomy and financial discipline of the IMF and the World Bank."

Can the U.S. muster the will? In a National Security Council discussion paper on the question of how the U.S. should vote on a UN resolution launching global negotiations, the warnings voiced by the CIA are alluded to. Such a resolution, the NSC's paper says, "will surely involve us in a series of situations such as this one in which the U.S. will be under pressure to 'go along' or be an obstacle to consensus. However, we know how to say no. And we are unlikely ever to be as isolated on a specific issue as on this general one."

Of course, President Reagan was confronted with the same sort of problem when he was debating whether to go to the summit meeting at Cancun. He didn't really want to enter global negotiations, but he agreed at Cancun to enter preliminary talks. Now the UN is itching to rush through the preliminary talks into global negotiations themselves, and the U.S. again could well vote "yes" rather than stand alone. In the end it may not prove so important that the U.S. knows how to say

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THE WASHINGTON POST
9 December 1981

JACK ANDERSON

Technological Race: Technologically, the U.S. armed forces have managed to keep ahead of the Soviet war machine. But in the last few years, the Russians have been catching up with giant strides.

One Pentagon report estimates that the Soviets outspent us in research and development, testing and evaluation by almost 45 percent, or \$75 billion, in the decade of the 1970s. "Currently, the estimated annual dollar cost of Soviet military RTD&E activities exceed those of the United States by approximately 100 percent," the report warns.

One area in which Soviet scientists have been particularly successful is the development of composite materials. These are combinations of chemically different materials arranged to obtain properties the materials do not have separately. The whole, in other words, is greater than the sum of its parts.

A top-secret CIA report, seen by my associate Dale Van Atta, explains the significance of this seemingly unexciting technological advance.

"The U.S.S.R. has made major strides in the use of advanced forms of composite materials in such weapons as offensive and defensive missiles, aircraft and tanks," the CIA reports. "Composites cut weights and costs, provide protection against radiation and high temperatures, and reduce the effects of vibration and fatigue."

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NEWSWEEK
19 October 1981

Uniting Against Libya

Anwar Sadat's last joint venture with the United States was an ambitious new strategy for dealing with Libya's Col. Muammar Kaddafi. Administration strategists have begun intensive planning with Egypt for a combined response to a Libyan attack on the Sudan or other Soviet-backed aggression in North Africa. The two countries will soon form a joint military commission to help plan such operations—including a possible Egyptian invasion of Libya, though Egypt's military isn't ready to take on Kaddafi yet. The Administration has already decided to accelerate deliveries of weapons, probably including Redeye anti-aircraft missiles to Sudanese President Jaafar Nimeiry. Says one Reagan strategist: "We don't necessarily want to kill Kaddafi; we just want to tie him up."

The Carter Administration discouraged such thinking by the Egyptians, but the Reagan team reversed American policy and began talks with the Egyptians early this year after Sadat suggested an invasion of Libya to counter Kaddafi's expansionism.

Although there is no evidence linking Kaddafi to Sadat's assassination, the murder has given the project new momentum. A still-secret CIA report has identified as many as sixteen terrorist training camps for foreigners in Libya.

NEWSWEEK has also learned that Kaddafi reacted to the downing of two Libyan jets over the Gulf of Sidra last August by ordering the assassination of the U.S. ambassador to Italy, Maxwell Rabb, 71, who is Jewish and a friend of President Reagan—a plot that was aborted when Italian police deported ten suspected Libyan hit men. Washington officials now believe Kaddafi has called off the assassination attempt, but they are not entirely certain. After the Gulf of Sidra confrontation, U.S. intelligence also picked up evidence that Kaddafi had hatched yet an-

other assassination p-

In 1976 Kaddafi's ambassador to Egypt international terrorist Air Force Base in Lib across the desert and gotten wind of the plot the two assassins close

a message warning him to call off the scheme. Kaddafi responded by quoting a verse from the Koran challenging Carter to supply evidence to back up his charge. When Carter did so—in detail—Kaddafi exploded, but the plan was called off. One would-be assassin was captured; the other escaped.

Bright Star: The United States and Egypt will test some of their contingency plans next month in a joint military exercise called Operation Bright Star. Although details have not been decided, U.S. strategists are considering an airlift of Egyptian troops to the Sudan under the cover of AWACS aircraft and also the dispatch of a small detachment from the Rapid Deployment

Force to join the maneuvers. In response to an attack on the Sudan or other Libyan provocations, the U.S. Sixth Fleet could be sent back into the Gulf of Sidra to distract Kaddafi's air force and pose problems for Soviet supply ships and oil tankers carrying oil out of Libya. "Those two jets were a sample," says a U.S. official. "We are willing to go to the legal limits." The main obstacles to the plans are the sorry state of Egypt's military and the now uncertain state of its politics. Egypt has 367,000 men under arms compared with Libya's 53,000, but Libya has 2,700 tanks and 500 top-flight aircraft, according to an Egyptian military attaché. "Every plan is ready," he says. "But believe me, we need equipment to fulfill our plans. We are in a hurry—any delay will be dangerous."

MICHAEL REESE with JOHN WALCOTT
in Washington and bureau reports

Kaddafi with Yasir Arafat: A threat too long ignored?

Patrice Barrat—Gamma-Liaison



THE WASHINGTON POST
 4 October 1981

Jack Anderson

'Winnable' A-War?

A chilling new attitude toward nuclear warfare has become perceptible in both Washington and Moscow. The Russians are bolstering their civil defenses. Secret intelligence reports warn that Kremlin leaders believe the Soviet Union can now withstand a nuclear attack. American and Soviet strategists alike have suggested that nuclear war, once unthinkable, is now possible.

Vice President George Bush, who glibly declared last year that a nuclear war was "winnable," has his counterparts in the Kremlin. One of them, unfortunately, is the Soviet civil defense chief and deputy defense minister, Gen. A.T. Atumin.

He has written that adequate preparation for nuclear survival "has become, without a doubt, one of the decisive factors ensuring the ability of the state to function in wartime, and in the final analysis, the attainment of victory."

A secret report on Soviet civil defense by the Arms Control and Disarmament Agency, meanwhile, spells out the difference between the Russians' preparations for a nuclear holocaust and our own.

"While similar to U.S. policy in general purpose, Soviet civil defense organization and objectives differ in essential respects," the report concludes. The primary difference is that in the Soviet Union, civil defense is under the military; in the United States, the Federal Emergency Management Agency is not part of the Defense Department.

The Russians' civil defense force consists of 117,000 personnel, at least 40,000 of whom are military. In time of war, they all report to the military leader in their district.

Humane considerations are secondary in the Soviet plans for a nuclear war. The most important goal is to provide a command center for the nation's leadership and promote swift recovery to come out on top in a postwar world.

"In Soviet civil defense doctrine," the report explains, "the reduction of fatalities from a large-scale nuclear exchange vies in importance with maintenance of a mobilization base for the conduct of conventional or low-level nuclear conflict. The availability of shelters for essential workers near key factories indicates the Soviets would expect military production to continue during hostilities to support operations by the armed forces."

But there is one thing we should make sure the Soviets understand: No matter how extensive a system of city bomb shelters they build, at least one-fourth of the nation's population would probably be killed in the first minutes of a nuclear war. That's about 70 million people.

The only thing that could significantly reduce the number of immediate deaths, the ACDA report says, is mass evacuation of Soviet cities. Assuming "effective evacuation of 80 percent of urban inhabitants," the immediate blast fatalities might be cut in half. But the report adds: "Although effective evacuation could halve short-term casualties, the Soviets would still suffer in excess of 50 million dead and injured resulting from 'immediate' weapon effects. If all U.S. weapons were groundburst to maximize fatalities, an additional 15 million short-term casualties would occur."

"The longer term effects of nuclear war on the survivors cannot be easily estimated," the report notes. "Undoubtedly, shortages of food and medical attention and disruption of production and distribution would further increase losses and hamper recovery efforts."

The most frightening section of the report, which was reviewed by my associate Dale Van Atta, describes the steps taken by the Soviet hierarchy for self-preservation.

"A key aspect of the Soviet civil defense program is the provision of shelters for virtually the whole of the civil and military leadership stratum," says the secret report. "The Soviet Union possesses on the order of 150 leadership protection facilities which can accommodate 110,000 people. More may exist which have not been located and identified."

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NEW YORK TIMES
7 SEPTEMBER 1981

HEROIN OUTPUT UP IN PAKISTANI AREA

Some Aides Reportedly Refuse
to Crack Down on Producers
Along the Afghan Border

By MICHAEL T. KAUFMAN

Special to The New York Times

KARACHI, Pakistan, Sept. 2 — Western diplomats and law enforcement agents in Pakistan say that some of this country's officials are refusing to crack down on illegal laboratories producing heroin.

The bulk of the rising production, the foreign sources say, comes from ramshackle labs that have sprouted in the so-called tribal belt along the tense border with Afghanistan.

One Western drug expert says there are about 20 such labs that can each produce up to 50 pounds of pure heroin a month. He said he had pinpointed two such plants to Pakistani narcotics agents, who told him that they were powerless to move in the region, which has been made more sensitive by the arrival of Afghan refugees and the fighting west of the Khyber Pass.

While aware of Pakistan's security problems, the Western sources say the lax controls, together with enormous profits, have now induced local people to produce heroin for export to the United States and Europe rather than send raw opium or morphine to Europe, where processors would reap most of the profit as middlemen. Large-scale poppy cultivation for the illicit market has grown steadily, but the officials monitoring the trade say the shift toward heroin production marks a substantive and ominous change.

'Independent Freelancers'

"Mostly it's a lot of independent freelancers involved," said a law enforcement official who monitors the illicit flow. "Some have brought in European chemists, but refining poppy down to morphine and then down to injectible heroin No. 2 is something that any high school kid could do from written instructions."

Several of the Western diplomats sympathized with the Government's problems in the tribal area, where most of the nearly two million refugees from Afghanistan have sought sanctuary.

There are vast tracts in this region where Pakistani law does not extend. Tribal law dominates, and the Islamabad Government is represented by a political agent.

Some of the dominant clans are believed to be involved in the drug business, and a Pakistani law enforcement agent acknowledged that any attempt to smash the trade in the region could have severe consequences.

Attempts to Curb Exports

Some Western diplomats say that in general the Pakistani Government has tried conscientiously to curb narcotics exports. They point out that under President Mohammad Zia ul-Haq's regime the planting of poppies has been virtually outlawed, with almost no licenses granted for legal harvesting.

In three years the annual opium crop has dropped from 700 metric tons in 1979 to 125 metric tons in 1980 and a similar amount projected for this year. This is still a huge amount, since it is estimated that 150 metric tons will feed the habits of all the world's addicts for a year.

Other Western officials in Pakistan, including State Department agricultural specialists, believe that Pakistan's performance has been haphazard.

"Even if you concede that the Government can't do much in the tribal areas, there is still a lot of poppies being grown in places like Dir and Lower Swat, where the Government is fully in control," said Sam Samuelson, a United States diplomat who specializes in the problems of drug production in Pakistan.

One Pakistani official, who, like the foreigners, asked not to be identified, complained that the Pakistan Narcotics Control Board had no police powers.

Plans are being drawn up for new programs to stem the flow of drugs. The emphasis is on agricultural extension services aimed at showing farmers that they can earn almost as much money by rotating crops as they can by growing poppies, with none of the same risks.

Some experts question that logic, saying that poppy cultivation now brings farmers 10 times as much as the next most profitable crop. The risks, they say, are minimal, since there are no reports of the Government's burning fields or plowing them over.

The efforts to stem the drug flow have centered largely on movements outside the tribal belt. Customs agents have confiscated trucks carrying large amounts of hashish and smaller amounts of opium.

From Baluchistan to Iran

Many of the supplies are reportedly brought by camel caravan into Baluchistan. Some drugs are transported from there to Teheran, which, according to narcotics experts, has more addicts than New York. Other shipments go by dhows to Karachi, where they are reloaded on ocean-going vessels heading for Europe or the United States.

Recent reports in the United States have mentioned Pakistan International Airlines as a preferred airline for drug traffickers. When one of its jetliners was hijacked to Syria in March, law enforcement officials said they were able to identify four known drug traffickers among the hostages.

"But that's not unusual," a foreign investigator said. "Up to a couple of weeks ago I'd bet there must have been a couple of couriers on every plane out of Peshawar."

What has changed, he explained, is that the military has raided the national airline, taking over key security tasks from dozens of officials who have been dismissed.

The Government said the raids were intended to improve the efficiency of the airline, end union squabbling and stamp out corruption. Western diplomats said they thought that another factor was the publication in the United States and India of articles citing Central Intelligence Agency reports that said Pakistan International Airlines employees had been deeply involved in transporting drugs.

ARTICLE APPEARED
ON PAGE C7

THE WASHINGTON POST
6 September 1981

Jack Anderson

Who Was Watching Khomeini?

Western intelligence agencies have mounted a death watch on Ayatollah Khomeini, the 81-year-old Iranian mullah who is known to be in fragile health. Politically, however, Khomeini is as strong as an ox.

Three years ago Khomeini drew the attention of Western intelligence by arriving in Paris with his son Ahmed and two Muslim clergymen. French security agents tracked the ayatollah from the minute his plane touched down on Oct. 6, 1978, and obligingly gave the CIA a copy of their report on his activities during his first month in France.

My reporters Eileen O'Connor and Dale Van Atta have studied a secret CIA report based on information the agency got from French intelligence. The very fact that French intelligence devoted so much time and effort to an assessment of Khomeini should have been a clue to his potential importance. But the CIA misread the French information and concluded that Khomeini was merely the puppet of forces beyond his control.

The CIA summary of the French report notes that when Khomeini arrived in Paris, he "was welcomed by two well-known Iranian activists of the so-called 'Marxist-Islamic' group who are also affiliated with the Iranian National Front." It continues:

"The French police have long records on these two—Abdel Hassan Banisadr (age 45) and Sadegh Ghotbzadeh (age 40). They have been involved in an assassination attempt of a SAVAK [Iranian intelligence] officer, maintain close ties with pro-Soviet Palestinians and have direct organizational links with the Libyans and other radical groupings."

Bani-Sadr and Ghotbzadeh, who were to be leading figures in Khomeini's revolutionary regime just a few months later, "are the men who have been handling contacts with Khomeini," the CIA's Paris office explained to Washington, adding that "French intelligence has kept a file on his contacts."

"The ayatollah was informed upon arrival in Paris, according to a message from President Giscard to the Iranian ambassador, that 'his visit to France is considered touristic, his stay is provisional, and during his stay he must abstain from all political activity,'" the CIA report notes.

If the French were taking Khomeini seriously, the shah was not. "The initial official Iranian reaction to this French intent to restrain Khomeini was that Tehran was not requesting that Khomeini be muzzled," the CIA in Paris informed Washington, adding: "In fact, the Iranians specifically asked the French not to restrain Khomeini. Subsequently, however, there was a direct request from the shah to Giscard to stop the flow of vitriolic anti-Iranian propaganda from the ayatollah."

There was no hint that the shah appreciated the mortal danger Khomeini posed to his throne. It was characteristic of the shah—and his CIA buddies—that Khomeini's anti-shah pronouncements were called "anti-Iranian." As events would soon show, the ayatollah was more in tune with the Iranian people than the shah was.

The CIA report finally shows a faint glimmer of understanding: "Regardless of his own basic motivations, Khomeini's influence is destructive and possibly the most dangerous currently being employed against the shah."

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ON PAGE B-4

NEW YORK TIMES
11 AUGUST 1981

Climate Cycles Studied in Effort to Curb Drought

By WALTER SULLIVAN

Despite widespread hardships caused by recent droughts, and despite predictions of radical climate changes, there is growing evidence that the climate of the United States has been relatively stable for the last four centuries.

This evidence is seen by many climatologists as an indication that no great change is likely in the near future.

But within those normal limits there is inevitable drought. Because agriculture has become so vulnerable to severe dry spells, scientists are urgently seeking to better understand the history and causes of climate change, how it will vary in the future and what might be done to cope with drought. While many believe no drastic change is imminent, there is much disagreement over what is likely in the next century and beyond.

Perhaps the most pessimistic recent climate prediction was made in 1974 in a secret report circulated in the Central Intelligence Agency. The report said the world was returning to the climate that existed over the 400 years before 1850, "an era of drought, famine and political unrest in the western world."

Warning System Sought

It said the agency should develop the ability "to forewarn us of the economic and political collapse of nations caused by worldwide failures in food production." Furthermore, it added that it was necessary to "assess a nation's propen-

sity to initiate militarily large-scale migrations of their people."

Today, however, most climate specialists feel the predictions were far too dire. They note that the 1976-77 drought on the West Coast should have been anticipated from a 22-year cycle evident in the growth rings in trees west of the Mississippi River. Among those who have come to believe in the stability of that cycle are Dr. J. Murray Mitchell Jr., climate specialist with the National Oceanic and Atmospheric Administration, and Dr. Charles W. Stockton of the Laboratory of Tree-Ring Research at the University of Arizona.

The relative widths of annual growth rings, they say, show that the area west of the Mississippi affected by summer drought has been swelling and shrinking in a cycle of roughly 22 years that is traceable through four centuries.

Link to Sunspots Studied

These droughts, Dr. Mitchell said recently, have faithfully kept in step with the so-called Hale cycle of the sun. But the cycle has only limited predictive value.

As pointed out by Dr. Mitchell, it "prejudices the timing" of droughts in the West but does not exert absolute control. In fact, droughts occur at other times.

The Hale cycle is double the length of the 11-year cycle for sunspots to reach their maximum. The magnetic polarity of spots in the Northern and Southern

Hemispheres of the sun reverses with each cycle. Hence, the sun returns to its magnetic starting point every 22 years.

Major droughts over the last four centuries seem to have kept pace with the irregular tempo of the sun's Hale cycle, rather than rigidly following a 22-year rhythm. Furthermore, said Dr. Mitchell, when the cycle of solar activity was most marked, as in the 18th and 19th centuries, droughts were likely to be most severe. How magnetic changes on the sun might affect weather on the Earth, he said, remains "the big mystery."

Focus on Cloud Seeding

While droughts are not yet reliably predictable, a major effort is under way in Montana to learn how to mitigate their effects by producing rain through cloud seeding. A dozen aircraft and numerous ground stations are being used to learn how and where clouds, in their evolution, are most vulnerable to such manipulation.

Despite the relative stability in precipitation over the last few hundred years, there is evidence of small climatic fluctuations over periods of decades. A warming trend initiated in the last century, at least in the Northern Hemisphere, gave way in the 1940's to a cooling that may now be at an end. There is no agreement as to the causes of these variations.

ARTICLE APPEARED

ON PAGE C 7THE WASHINGTON POST
2 August 1981*Jack Anderson*

'A Conduit for Illicit Narcotics'

President Reagan's determination to bolster world resistance to Soviet colonialism and to crack down on the international drug trade, two seemingly unrelated goals, have come into collision in Pakistan.

The president wants to send billions of dollars worth of military equipment to Pakistan, whose national airline, allegedly is a conduit for narcotics. Indeed, the State Department apparently has known for seven years that Pakistan International Airlines is used by smugglers to transport drugs.

"Available information indicates that PIA is a major conduit for illicit narcotics from Pakistan to Western Europe, the Far East, Canada and the United States," warns one of several secret documents examined by my associates Jack Mitchell and Indy Badhwar.

The drugs "are smuggled aboard PIA planes" and are "hidden in luggage and various compartments inside the aircraft," one report states.

In the past, the CIA relates, "crew luggage [was] not marked as belonging to a specific crew member, so if the bag containing narcotics should be discovered it cannot be sourced to any one individual."

The dope traffic is no penny-ante operation, CIA documents make clear. Amounts smuggled out of Pakistan have ranged from small packets of opium to one incredible load of 1,700 kilos—nearly two tons—of hashish.

Pakistan has become the drug-smuggling capital of Asia, and the Karachi airport is the center, with international flights leaving every day. As a result, "narcotics networks, organized by major international traffickers, have become increasingly active," according to one CIA report.

There are reports that suspicious-looking containers have been secreted aboard PIA planes. For example, I have learned that cartons marked as stereo equipment had been hidden above airliner galleys.

The suspicious packages were "in a critical section of the fuselage with naked wires that could have caused shorts and fires," inspectors reported. The Pakistanis had asked the airplane maker to give PIA written assurance that such irregular storage was in fact routine and permissible. But sources familiar with the exchange said the request was turned down by the manufacturer on grounds that the storage was a violation of safety rules.

In a meeting with State Department officials, PIA representatives said there was "little chance to incarcerate or remove from service those PIA personnel involved in drug trafficking" because, as they lamely explained, the employees have a powerful union.

How high up the smuggling extends is not documented. But several years ago a PIA security official himself was arrested in Frankfurt on charges of drug smuggling.

Maybe the generals in Pakistan's military dictatorship are unable to halt the deadly traffic in drugs; maybe they don't want to. In either case, their failure to do so is hardly a recommendation for supplying them with military aid.

Yet the Reagan administration is going ahead with the proposed aid package, which is to include some of our most sophisticated fighter planes. Apparently, the decision has been made that it is more important to cultivate an ally than to make an issue of drugs.

Critics, meanwhile, have questioned the wisdom of putting the United States on the side of yet another repressive dictatorship. Diplomatic and intelligence sources have warned that for all its apparently tight control, the military regime is in serious danger of toppling from internal pressures. Far from being a stable ally, these critics warn, President Zia may turn out to be another shah of Iran.

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ARTICLE APPEARED
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14 June 1981

The Difference Between God and an Act of *17 JUL 81*

News that Israeli airplanes had destroyed an Iraqi nuclear reactor was preceded several hours by news of a train wreck in India in which it was feared a thousand people had died. Unrelated incidents, to be sure — except they are, and terribly so.

Monday morning, before details about the Israeli raid were released, it struck me that I had read nothing in The Post about the train wreck reported on Sunday night's late TV news. On closer examination I found a one-column headline back on Page A11 in the midst of foreign news items, "Indians Die on Train Blown in River." A gale, or cyclone, had blown the train off a bridge into the swollen Bagmati River. The wreck was said to be the "biggest and worst in living memory."

The following day brought a smaller item buried on the last page of the first section. As many as 3,000 might have died in the wreck, it was reported. Nothing more on the disaster appeared until Thursday. This time, even briefer and farther inside, frogmen were reported as still scouring the river bottom for bodies from the train wreck — now described as "believed to be the worst in history."

Something more profound than an example of relative news values between train wrecks in India and air raids in the Middle East binds these two incidents together. The dimensions of such human catastrophe are too horrible to contemplate — and so we don't. The staggering loss of life in one becomes so large as to be incomprehensible and therefore virtually nonexistent; we brush it aside as if it hadn't happened. The potential loss of life in the other looms so enormously that we cannot deal with the scope of such a calamity; we put it out of mind and go about our business, just as we have been doing for the last 36 years of the atomic age.

Herbert Scoville Jr. was, as he said, frankly gloomy. He was musing aloud about the spread of nuclear weapons, the dangerous international tensions again rising, the American plans to increase military spending dramatically, the new strategic talk in Washington about the winability of "limited" nuclear wars, the lack of any real debate about arms control in the country.

"Somehow the public doesn't seem able to grasp the significance of it as an issue," he said. "They read these numbers — 50 million will be killed in an atomic attack, whole cities wiped out — and it's nothing they can conceive of. It has no meaning in their day-to-day lives. If an airplane crashes and 75 people are burned up, that's a disaster which everybody can visualize. They can picture themselves being in the airplane. But a nuclear war that destroys our society — that tends to be just numbers. It's too depressing and they don't see what they can do about it anyway."

Scoville brings more than casual knowledge to the subject of atomic weapons and nuclear proliferation. He has been intimately involved in the development of America's nuclear arsenal, and with efforts to bring it under control. As a physicist, he worked with the Los Alamos Scientific Laboratory, directed the Defense Department's weapons test program from the late 1940s into the mid-1950s, headed the scientific section of the CIA and was the agency's deputy director for research until named by President Kennedy as assistant director of the U.S. Arms Control and Disarmament Agency. In recent years he has been active in the nongovernmental Arms Control Association.

Along with everyone else, he has been reflecting on the implications of last week's Israeli strike. "There's no question in my mind the Iraqis were trying to build up the capability of having a nuclear weapon," he says, "and obviously that's a terrible thing. We should do everything we can to stop it. But that's not the way to do it. That's just madness. If anything, it's going to make matters much worse. Here are the Israelis, whose

"You can't stop this indefinitely by force. You can't just go around bombing all over the place. The use of force is not the way to deal with it. But having said that, I don't think we've dealt with it very well either . . . There's never been any real halt to the nuclear weapons program. It continues to increase — and not only in numbers. What worries me more than numbers are the technologies being acquired. We are developing smaller, more accurate, more easily deliverable nuclear weapons systems, therefore ones that are essentially first-strike weapons. These are technologies that, in five years and extending on into the future, are going to make it more likely, and more desirable, for these weapons to be used. That is the real danger."

Two years ago, the CIA and Defense Department brought together a group of experts and asked them to think what the world of the 1990s would be like as nuclear weapons continued to spread. The colloquium began with certain basic assumptions:

The 1980s likely would be "a trying decade for the United States." The world energy situation would become more critical. Rising population worldwide would place greater pressures on available food supplies. Gaps between rich and poor nations, industrial and non-industrial, would widen. Terrorism would intensify and spread. And despite the best efforts of the United States and other nations, the trend toward the spread of nuclear weapons and nuclear technology would gain momentum.

In that context, anywhere from 12 to 24 countries would possess nuclear weapons by the 1990s, and a large number of nuclear reactors would be operating on all continents. At least 50 nations would have the capacity to develop nuclear weapons. As one of the participants in that forum concluded:

"The chances that nuclear weapons will be fired in anger or accidentally exploded in a

Haynes Johnson

NUKES

hands certainly aren't clean in this particular area. Everything I know makes me believe they have nuclear weapons of their own. And to sit there and say we have the right to demand that they not have them is just asking for retaliation back. It's also going to

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ON PAGE A-15

NEW YORK TIMES
28 JUNE 1981

3 NATIONS WIDENING NUCLEAR CONTACTS

Some U.S. Aides Feel South Africa,
Israel and Taiwan Are Helping
Each Other Gain Atom Arms

By JUDITH MILLER

Special to The New York Times

WASHINGTON, June 27 — An expanding pattern of nuclear contacts between Israel, Taiwan and South Africa has opened a debate within the Administration over whether the three nations are assisting each other in the development of atomic weaponry.

Some intelligence and State Department officials who monitor the flow of nuclear technology and information are convinced that the three countries constitute the major players in an emerging club of politically isolated nations whose purpose is to help each other acquire atomic bombs. These nations have been forced to rely on each other for military and intelligence contacts, the officials said, as each has become progressively more estranged in the world community.

These officials and private experts expressed concern that Israel might increase such covert contacts if its diplomatic isolation grows as a result of the attack made by Israeli planes two weeks ago on an Iraqi nuclear reactor.

Other officials within these agencies, however, do not believe that such a network is emerging, and discount the threat it might pose to efforts to limit the spread of nuclear weapons. While they acknowledge that there seems to be an increasing exchange of nuclear technology and materials among the three, they are skeptical that the cooperation is aimed at developing nuclear weapons and effective delivery systems.

A 'Triangular Relationship'

But several officials who have most closely followed the growth of what one termed the "triangular relationship" among Taiwan, Israel and South Africa on nuclear matters are disturbed by these developments:

Israel is said by intelligence officials to be assisting Taiwan in developing a rocket that could be used to deliver atomic warheads.

Intelligence officials report that Israeli scientists are working in South Africa on nuclear energy programs that could assist the Government there to acquire the technological expertise to build nuclear weapons.

Scientists from Taiwan are said to be working for South Africa on projects that would enable the South Africans to produce weapons-grade uranium.

South Africa has become a supplier of uranium to both Israel and Taiwan, in exchange, intelligence officials said, for critically important technology and training that the Pretoria Government is said to be receiving from both countries. Last year Taiwan signed a six-year contract to obtain 4,000 tons of uranium from South Africa, according to these officials.

Contacts Cited in U.S. Study

These contacts are cited in a 1979 study prepared for the Defense Intelligence Agency and released last year. The report concludes that South Africa has "enhanced international opportunities in the nuclear field from the emerging 'pariah state network.'" The term "pariah" is used in nuclear circles to refer to the diplomatically isolated nations.

Officials also report growing nuclear ties among other would-be atomic powers, such as Argentina, Brazil and Iraq. Intelligence aides say, for example, that Brazil recently agreed to provide Iraq with sensitive nuclear power technology obtained from West Germany in exchange for guaranteed supplies of Iraqi oil.

American intelligence officials concluded as early as 1974 that Israel had produced nuclear weapons in a program centered at Dimona, with a French-built reactor and uranium supplied "partly by clandestine means," according to a Central Intelligence Agency report made public in January 1978.

This month, C.I.A. analysts told members of the House Foreign Affairs Committee in a secret session, according to one Congressional source, that Israel was now believed to possess 10 to 20 nuclear weapons that could be delivered either by fighter-bombers or Israel's domestically designed and built Jericho missile. Moshe Dayan, former Defense and Foreign Minister of Israel, said this week that while Israel did not have any bombs now, "we have the capacity," and could manufacture weapons "in a short time."

Intensive Pattern of Exchanges

Nuclear cooperation is only part of an intensive pattern of exchanges of conventional military and economic ties among Israel, Taiwan and South Africa, which, officials say, complicate intelligence organizations' efforts to monitor the contacts.

The contacts reflect the three countries' perception that their political isolation is increasing. They feel that they are estranged from the Western democracies, attacked by the Communist countries and "yet barred from the third world," observed Kenneth L. Adelman,

the
Agen

potential and a former member of the Administration's transition team at the State Department.

Each nation fears that its security and its very existence is threatened: Israel, by hostile Arab states; South Africa by a reaction to its system of racial separation, and Taiwan by the Communist regime on the mainland.

Analysts point to other linkages. The large Jewish population South Africa promotes that country's ties with Israel. Mr. Adelman notes that South Africa's 120,000 Jews donate more per capita to Israel than any other Jewish group outside Israel, and are second in total contributions only to American Jews.

United States officials have pressed each of the three to curb questionable nuclear activities, with some success. When the Ford Administration learned, for example, that Taiwan was covertly engaged in the construction of a nuclear reprocessing plant that could have produced weapons-grade plutonium, Washington eventually persuaded Taipei to shut down the program.

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ON PAGE 11

THE VILLAGE VOICE
June 3-9 1981

How Thirsty Is the Russian

The Great CIA

Oil Blunder

Alexander
Cockburn
& James
Ridgeway

WASHINGTON, D.C.—On May 17 of this year, Secretary of Defense Caspar Weinberger was asked on "Meet the Press" for the Reagan administration's rationale for selling the highly advanced AWACS radar planes to Saudi Arabia, over the passionate objections of the Israelis and their supporters in the United States.

Weinberger, himself deeply committed to the sale, replied: "[The AWACS's] principal use, and the principal reason the administration is supporting the sale to the Saudis, is that it would enable them to oversee and look much further into the invasion routes of Iran and Iraq and Afghanistan, where a possible Soviet thrust to the oilfields may come. With the Soviets going to be an energy importing nation in a few years, I think that is an essential capability to have."

But even as Weinberger once again invoked the specter of an oil-starved Soviet Union plunging towards the Gulf, he was well aware that not only had his own Defense Intelligence Agency long disputed this scenario, but that the Central Intelligence Agency was in the process of confessing to one of the most egregious failures of intelligence analysis of recent times, in its own estimate of Soviet energy needs in this decade.

Earlier that week CIA analyst James Noren had disclosed in a seminar at Harvard that the CIA had prepared a new report conceding that the Soviet Union would have no need to import oil by the mid-1980s. Two days after Weinberger's appearance on Meet the Press, Bernard Gwertzman reported Noren's remarks and the existence of the new CIA estimates in *The New York Times* for May 19.

Thus disappeared one of the major rhetorical planks of the Reagan-Haig foreign policy. For both the Reagan administration and indeed its predecessor had proposed an impending Soviet energy crisis as the prime reason for the defense buildup.

the Rapid Deployment Force and a U.S. military buildup in the Gulf region and the Indian Ocean. This view went almost undisputed throughout the 1980 election campaign, even though it seems that by the fall of last year the CIA was well aware that the predictions on which this view was based were ludicrously wrong.

Birth of a Blunder

The CIA's blunders began to circulate in 1977. In that year the Agency's Office of Economic Research issued a series of reports that amounted to major modifications of intelligence estimates of Soviet economic trends. In a report called "Prospects for Soviet Oil Production," the Agency predicted that Soviet oil output would start to fall by the late 1970s or early 1980s and that this drop could slow the growth of total energy production. "More pessimistically," the CIA said, "the USSR will itself become an oil importer." The report added that during the 1980s the Soviet Union might find itself unable to sell oil abroad, notably to its Eastern European clients, and would therefore have to compete for OPEC oil for its own use.

In a broader assessment the Agency concluded that the rate of growth of Soviet GNP was likely to decline by the early and mid-1980s to between 3 and 3.5 per cent per annum and could even sink as low as 2 per cent. This view was partly based on predictions of worsening problems in the energy sector.

Not everyone agreed with this dire estimate, which was instantly seized upon by the arms lobby as further justification for a major U.S. defense buildup, battling a presumed Soviet grab for new sources of oil. The Defense Intelligence Agency flatly dissented. And a major rebuttal came from the Joint Economic Committee in Congress in March 1978.

This rebuttal took the form of a staff study by Richard F. Kaufman, the committee's general counsel. On the basis of

● Not only was the Soviet Union the world's largest producer of crude oil at the present time, but it had also the largest proven reserves of coal and natural gas. Its oil reserves were probably second only to those of Saudi Arabia, and it continued to make impressive gains in the development of its energy resources.

● In addition to supplying its own needs and those of Eastern Europe, Soviet energy exports to the West were on the increase, with oil exports worth \$5 billion in 1976.

● The boom in oil and gas pipeline construction in the Soviet Union suggested that the country was giving high priority to the energy sector. The Soviets had built 5000 miles of pipeline in 1976 and 10,000 miles in 1977.

● The hard currency earned from oil sales to the West and the influence gained from sales to Eastern Europe were too important to Moscow to be lost by default: "Soviet leaders will probably take the policy initiatives necessary to preserve the USSR's status as a net oil importer. Possible new actions include major increased investment in the energy sector, substitution of natural gas and other energy sources for oil, and conservation."

The Blunder Reversed

Kaufman's assessment made little or no dent in the Washington consensus. The Soviet move into Afghanistan was seen, in the worsening cold war climate of late 1979 and early 1980 as but the prelude to more far-reaching incursions, all climaxing in an assault on the Middle Eastern oil jugular to the West.

In mid-1980 Senator William Proxmire held closed hearings in which he asked the DIA and the CIA for their latest views on Soviet oil production. A sanitized version of these findings has now been released.

Frank Doe of the DIA put his agency's unchanged position straightforwardly: the

Training for terror— the Soviet connection

By Rogers Worthington

CLAIRE STERLING has become adept at expressing anger and joy simultaneously, an ability more natural to sadists and terrorists—of which she is neither.

Joy because her just-published book "The Terror Network" (Holt, Rinehart, and Winston, \$13.95), could not have been better timed to cash in on the floodlight thrown on international terrorism by the Reagan administration.

Anger because the book has been seized upon as evidence for Secretary of State Alexander Haig's charge that the Soviets are responsible for most of that very same terrorism. This has thrown a perturbed Claire Sterling to an unfamiliar end of the political spectrum.

"For the first time in my 30-year career as a reporter," Sterling said, "I have suddenly become an extreme right-wing hawk!" She describes herself as a moderate leftist and doesn't hesitate to tell of a youthful involvement with the Young Communist League back in her Brooklyn College days, before World War II.

"First, they (the liberal left) tried to discredit the book, saying it was just propaganda; a knee-jerk, undocumented, no-credibility, anti-Soviet book.

"And then they (both liberals and conservatives) said that I said the Russians masterminded the terrorists." Her eyes are wide behind tinted glasses and she leans forward with her palm to her chest to emphasize the point. It is all a bit much for Sterling, a foreign corre-

spondent who has spent most of her adult life in Europe, chiefly Italy. When she wasn't raising two children with her novelist-husband Tom Sterling in their Tuscany farmhouse, she was writing about the nuances of politics for the Washington Post, the International Herald Tribune, the New York Times magazine, and Atlantic Monthly. But the nuances of international terrorism, she is finding, are becoming muddled in America by simplistic thinking.

ON ONE HAND, she has found left-leaning, detente-age Americans hard-put to accept the idea that the Soviets could be guilty of involvement with anything as nefarious as terrorism. On the other hand, she finds Americans of both the left and the right all too eager to obscure the differences between masterminding terrorism and supporting it through aid, training, and Third World proxies.

The latter is the case she makes in "The Terror Network," with evidence that, although mostly circumstantial, is impressively logical.

Her plight would be a tempest in a teapot were it not for the Reagan administration's heightened concern with terrorism. Haig has said it will take the place of human rights in the administration's foreign policy priorities: President Reagan has vowed "swift and effective retribution" against acts of international terrorism such as the 1979 seizure of the United States Embassy in Iran. And hearings are being held by Sen. Jeremiah Denton (R., Ala.) and the Senate Subcommittee on Security and Terrorism, before

which Sterling has testified.

She told the senators that, although the Soviet Union may not have been responsible for organizing, directing, or controlling the assortment of left-wing terrorist groups that have bombed, kidnaped, skyjacked, assassinated, and kneecapped their way through the 1970s, the Soviets were responsible for helping to train and arm them.

THE FIRST STEP toward arriving at this conclusion came when Sterling noticed some disturbing similarities between the 1978 kidnaping and slaying of Aldo Moro by the Red Brigades in Italy and the earlier kidnaping of Hans Martin Schleyer in West Germany by the Baader-Meinhof gang.

"It was a replica, a minute-by-minute replay. The papers pointed it out and dropped it. But I thought it was awfully important. In every detail they were alike, so I figured there had to be coordination."

Then she found that half of a multimillion-dollar ransom taken by German terrorists ended up in the hands of Italian terrorists. When she went to Vienna to check it out, she learned of another incident. Two Palestinian terrorists waiting in a Czechoslovakian border town had boarded an Austria-bound train carrying Russian Jewish refugees headed for Israel. Brandishing Kalashnikov rifles and a suitcase full of Soviet-made hand grenades, they held the refugees hostage until the Viennese government agreed to shut down a transit camp for Russian Jews.

Sterling conjectures that the Palestinians had to have learned from the Russians how many Jews they were releasing and when, and that the Czechoslovakian military had to be looking the other way when the Palestinians stood around with bulky, Soviet-made rifles beneath their coats and a suitcase full of hand grenades while waiting for the refugee train.

"Then," Sterling said, "my nose really began to twitch." Soon, other connections were made. The Palestinians were part of a Paris-based ring of international terrorists run by Carlos ("The Jackal"), a Venezuelan linked by Western intelligence agencies to the KGB. And one of the women who worked with Carlos in an earlier adventure, the 1975 seizing of OPEC oil ministers in Vienna, was the same woman later caught with the Austrian ransom money destined for the Red Brigades.

THE NETWORK Sterling was piecing together began to grow.

As early as 1970, there were some obvious clues to the network. That was the year an American and a Palestinian seized an El Al airliner in London. There

CONTINUED

Jack Anderson

What China Is Up to in Africa

China is now on the United States' side in the worldwide struggle against the Soviet Union—largely on the basis of the old proverb that “the enemy of my enemy is my friend.” Faced with this reality, the National Security Council has been curious about what the Chinese have been up to in Africa that may affect American interests there.

The best answer so far has been in a secret report by the Central Intelligence Agency a few weeks ago. The document, reviewed by my associate Dale Van Atta, represents the current information on which the Reagan administration is basing its policy in Africa.

“Over the past quarter of a century,” the CIA report notes, “[Peking] has attempted to project its influence in Africa with varying degrees of intensity and for a variety of purposes.

“Relative to Chinese interests in other parts of the world, [Peking’s] interest in Africa is small, and both African and Chinese leaders are aware that China’s influence in the continent is marginal.” The report adds, however, that there is no reason to suggest that Chinese interest in Africa will not increase.

“Today, the principal objective of Chinese policy in Africa is to check the spread of Soviet influence,” the CIA report continues. “The major focus of [Peking’s] effort has been in southern Africa, where Moscow has been especially active for the past five years.”

The intelligence analysts point out that China

has followed random policies in Africa over the past few decades, but that in the last three years a revitalized, better coordinated policy appears to have emerged. As the CIA experts see the situation, Chinese policy has now focused “on its prime objective and [takes] into account the limited resources it has to spend on an arena far from its own borders.”

The key elements in the current Chinese policy toward Africa, as the CIA understands them, are:

- “Exhort southern African states to be wary of Moscow.”

- “Advise the West—especially the United States—to provide military and economic assistance to states in the region, and to press South Africa to abandon its claim to Namibia and its domestic policy of apartheid.”

- “Urge liberation movements in the region to unite to oppose both colonialism and Soviet hegemony.”

- “Aid liberation movements with small arms and training if they show promise of being effective and not committed to Moscow.”

How Peking expects to accomplish this ambitious program without a far greater commitment of money and effort, the CIA report does not say.

As for the future course of Chinese activity in the continent, this is what the CIA analysts have predicted:

“[In] the coming decade, China is likely to seek to enhance the stability of states that it believes

are not under Moscow’s thumb and have a chance to remain in power.” This encouragement presumably would include economic assistance, if not outright military support.

“With regard to regimes friendly to Moscow, or perceived to be inherently unstable, China is likely to press for evolutionary change or, if compelled by competition with Moscow, revolutionary change sponsored by anti-Soviet resistance movements,” the CIA report predicts.

In short, intelligence experts see the possibility that China would invest significant amounts of economic and military aid to encourage “destabilization” of Soviet-dominated regimes—though Peking would prefer not to be forced into such a situation.

As for the specific regimes that might become embroiled in the power struggle, the CIA reports that, so far at least, Tanzania and Zambia, which have longstanding ties to China, “remain friendly,” though both countries maintain relations with the Soviet Union.

At the other end of the scale, according to the CIA, is Mozambique, which maintains formal relations with Peking but, like Angola, remains “close to Moscow.”

“China’s greatest success has been with Zimbabwe,” the CIA report states. There, “the ruling party, once a Chinese client, remains loyal to [Peking], cool to Moscow and committed to economic and political involvement with the West.”

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7 May 1981

China's Africa strategy

China's leaders, worried about the performance of their economy, may nevertheless be invited by the Reagan administration to play a larger role in resisting the expansion of Soviet influence in Africa.

A recent, highly classified Central Intelligence Agency report says that China's economic troubles are so severe that the government faces a major crisis. Economic weakness has put a squeeze on its military budget. This has angered the country's military leaders, who have been arguing that China needs a big military build-up to protect itself against the Soviet Union.

The CIA report, which was completed in March, points out that China has been cancelling huge contracts with the United States and Japan. The Chinese have also drawn more than \$500m in gold reserves from the International Monetary Fund and borrowed more than \$1.5 billion from various world banks and lending institutions.

Despite the pinch, some Reagan advisers are discussing the possibility of asking China to help fight expanding Soviet influence in Africa. Another, 30-page long, CIA report has been sent to the National Security Council to help it assess Chinese interests in Africa and thus come up with a proposal that would be acceptable to the Chinese.

This report says that China's policy towards Africa, which has been "revitalised" in the past three years, is primarily aimed at checking Soviet influence in Africa, particularly southern Africa. The report says that the Chinese have provided, and will continue to provide, secret aid to liberation movements they support.

This is a country-by-country breakdown of the CIA's view of the situation:

● **Zimbabwe.** This has been China's "greatest success", because the ruling party led by Mr Mugabe is a one-time Chinese client which remains cool towards Moscow, while at the same time seeking economic involvement with the west. "Peking will make a significant effort to build on its ties with Zimbabwe", the CIA predicts.

● **South Africa.** "In South Africa," the report says, "China will try to repeat its success in Zimbabwe by seeking to back a liberation movement that can effectively pursue the struggle against apartheid and remain independent of Moscow". The prospects that China can find such a movement, however, are not rated very highly. The CIA added the following gloss on China's relations with South Africa:

China treats South Africa like a pariah and hotly denies all suggestions that it maintains a clandestine relationship with Pretoria, which officially recognises Taiwan. Peking has recently entertained the head of one faction of its long-standing but highly factionalised client, the Pan-African Congress (PAC). Chinese officials reportedly have told another PAC faction that they would increase their assistance if it could unite.

● **Mozambique.** Though it remains close to Russia, Mozambique maintains relations with China. The CIA says that China "will try to maintain its presence in Mozambique and encourage Maputo's frustration with its Soviet and east European backers".

● **Angola.** Angola is solidly in the Soviet system. Nevertheless, the CIA report adds, "China probably will continue its low-key effort to normalise relations with Angola while it lends small amounts of covert support to dissident elements."

● **Zambia and Tanzania.** Both countries have "long-standing ties" with China, and remain friendly. "Peking probably will continue its determined effort to keep Zambia out of the Soviet orbit and to stay on good terms with Tanzania".

● **Namibia.** Russia remains the main supporter of the South West Africa People's Organisation (Swapo). "Although there are unconfirmed reports that Swapo has expressed interest in reviving its old ties with Peking," the report says, "the Chinese currently are not willing to do more than offer the insurgents moral support and quietly back the initiative of western powers to negotiate a settlement with South Africa."

An Arab-Israeli deficit

The Arabs and Israelis have one thing in common -- a human behaviour problem which could lead to their death in combat, according to a secret Central Intelligence Agency report.

The CIA has monitored the results of a public study in which Arabs, Israelis, Europeans and Americans were investigated for their ability to respond to verbal instructions involving either right-sided or left-sided movements. For the Arabs, 42% responded with hesitation and an initial movement of the eyes in the wrong direction. The corresponding figure for the Israelis, 36% wrong, was not significantly different from that for the Arabs. But the percentage for Europeans and Americans was significantly smaller -- 3% wrong.

The CIA commented in its report that "it would be fair to label the response differences reported as a cultural deficit for both the Arabs and Israelis". What did it mean? "This deficit has implications for performance of the groups in any system or operation in which right-left command or actions are necessary." For instance, the CIA wrote in the classified report, "Under stress and time constraints -- eg, combat -- this problem would be magnified. Any display showing a mirror image also would tend to increase error rates."

The CIA did not see much chance of the problem being corrected. "Although training may alleviate a left-right confusion problem to some extent, this solution may not be applicable for the Arabs and the Israelis," the report said.

The public study put forward the idea that the Arab-Israeli problem may be due to a fixed pattern of cerebral functioning associated with reading from right to left. Said the CIA: "If the diagnosis of the etiology of this problem is correct, most types of training may not be effective."

JACK ANDERSON

Intrigue Deep Beneath the Briny Deep

The CIA is, you might say, "Flipping" its lid over reports that the Soviets are training dolphins for military and espionage missions. Worse, they stole the idea from us.

Their inspiration was not the movie "Day of the Dolphin," in which some bad guys kidnaped George C. Scott's talking porpoise and trained it to attach an explosive device to the bottom of a ship. Nor did they get the idea from clandestine visits to Marineland.

A top-secret CIA report states that the Soviets' fighting fish program "closely resembles that in the United States and apparently was stimulated by a U.S. Navy demonstration of the military value of marine mammals." The Navy began its studies in 1960 with a dolphin named "Notty," trying to determine whether the beast had any special characteristics that could be built into the design of underwater missiles.

One of the Navy's most successful tests involved a dolphin named "Tuffy," which carried tools and messages to aquanauts 200 feet below the surface in the 1965 Sea Lab II project off La Jolla, Calif. That's the caper that apparently hooked the Soviets.

The Soviet program began that very year, and the CIA reports that "the quality of Soviet research has improved steadily and in many areas is comparable" to the Navy's.

The Top Secret Umbra CIA report, slipped to my associate Dale Van

Atta, says the Russian navy may be "training dolphins to perform various military and intelligence tasks... [which] could include attaching intelligence-collection packages and other devices to enemy submarines, and helping divers recover equipment from the ocean floor."

In addition, Soviet scientists are trying to learn more about the way dolphins are able to locate objects under water through the use of echoes.

"The Soviets hope to use the results of this research in developing advanced sonar systems, more efficient hull designs for submarines and surface ships, and improved shapes for torpedoes," the CIA reports.

The Soviet dolphin project reportedly involves five Black Sea research stations, including small bio-acoustics laboratories and a dolphinarium.

Like just about everything else in the U.S.-Soviet competition, each side must come up with countermeasures to nullify the other's new weapon. Here the Soviets may have opened a dolphin gap.

In one Soviet test, according to another CIA report, the Russian experts were able to "estimate... a dolphin's ability to detect an object containing an active acoustical emitter under adverse background noise conditions."

And this, the CIA explains, "could enable the Soviets to evaluate the potential benefits of developing acous-

tical jamming countermeasures to U.S. Navy dolphin programs...."

But don't think the Navy has been napping on the quarterdeck. Evidently alarmed at the possibility that its Fighting Flipper Force might be incapacitated by Soviet jamming, the Navy has broadened its research to include sea lions and whales.

In "Project Quick Find," sea lions were trained to locate instrument-laden missiles and other test ordnance fired into the ocean, and to attach recovery hardware to them.

And in "Project Deep Ops," a pilot whale and two killer whales demonstrated an ability to recover objects from even greater depths than that at which the sea lions operated. The pilot whale proved particularly adept. It learned how to attach a lift bag, which inflated at hookup, to a dummy torpedo resting on the ocean floor 1,654 feet down.

Our Blubber Brigade should give the Soviets something to chew on.

Selected Statements

Pres. Reagan

16 Mar 81

Q & A Session with Congressional Women (DC)

(Regional Defense Spending)

Q. Mr. President, I want to thank you for having us. I represent Cleveland, Ohio, the scene of your debate victory. And I was very pleased in the debate when you talked about and mentioned the inequities of poor women in the social security system, and I think millions of American women were. My focus of concern, of course, is older women and, in particular, problems that the Northeast and the Midwest are experiencing. In the State of Ohio, Mr. President, we get only 71 cents out of the dollar back to our State. And I'm wondering, if we go to a block grant approach to the States, like my own State, can we be assured that we'll get our share of jobs in the defense area and in energy and so on that by-and-large would help our State of Ohio and other Midwestern and Northeastern States? And then we'd have the money on a State level to do the kinds of things that you're suggesting we

ought to be doing on a local area. Is there any concentration on bringing more jobs to our States so that we get one dollar for every dollar in taxation we give to the Federal Government?

THE PRESIDENT. Well, I have to say with regard to jobs of that kind, and government jobs, that we think the whole program is geared at the kind of jobs that really count, and that is the revitalization of industry, the renewal of industry. And I know that Ohio is hurt worse than a great many States represented here today. Your unemployment rate is way above the national average. But that's true also of Michigan and several other of the industrial States. And the whole function of the program is geared to increasing productivity, making it possible for business and industry to invest the capital that is necessary to be able to compete once again with our foreign competitors. So that part

will have—whether you can substitute with defense spending—actually there, I think, the first rule is what is the best and most efficient and economical way to build up our defenses.

I think that too often in the past we have confused military spending with, let's say, trying to attain a social aim at the same time. Now, I can see if there are two States or three States, that any one of them is in a position to meet the military contract, then I think you've got to use some fairness and honesty in spreading it around. But it is true that there are some States that are just heavier in defense—States along the coast with shipbuilding yards and so forth. And I can only say we try to be fair with the other. But the real thing that you need is the private industry put back on its feet to provide that kind of job for the people.

Pres. Reagan

29 Mar 81

Interview with Washington Post (DC)

(MX Basing Mode)

Q. A number of leaders from western states, including some of your strong supporters, oppose the MX fixed-rail siting because it's going to use up so much range land. How do you feel about that?

A. I have to tell you that, while I can't claim that I've had enough input to make a final decision on anything, I'm not enamored of that fixed-rail system. I believe the missile is necessary. I don't believe in the basing method that has been suggested so far.

Q. Because of the land use?

A. It's not only that. It's so elaborate, so costly, and I'm not sure that it is necessary or would be effective. It's again an indication of this whole effort, such as in the SALT talks, to have verifiability so you create a great, elaborate costly system in which you can hide the missile except that the enemy has to know that the missile is there. And it doesn't make much sense to me.

Q. Does that mean that the sea-based op-

tion is under active consideration?

A. Oh, I think there are any number of them, ranging all the way from silos such as we presently have. Silo, sea-based, they're all being looked at.

Q. So the siting question. You've been committed to the missile, but the siting of it is still a wide-open question as far as you're concerned?

A. Yes.

Sec. Weinberger

29 Mar 81

ABC -- Issues and Answers

(CIA Report on Terrorism)

MR. DUNSMORE: Mr. Secretary, there's a report in the press today that there is a draft C.I.A. report, in which the C.I.A. is unable to find substantial evidence to support the Administration's claim that the Soviets are behind international terrorism. Can you enlighten us at all on that?

SECRETARY WEINBERGER: Well, I don't know if enlighten is the right word. I can certainly talk about it a little bit, because the report in the newspaper is one of these reports of a very preliminary draft of the thinking of some of the people. It has specifically not been issued, and it doesn't constitute the final judgment of the C.I.A.

I think, as far as I can make out, because I've not seen it and quite properly so, because apparently it is just a draft, the newspapers have the advantage of me on that, and they have seen it, and what they report is, or at least they have seen something that enables them to write the story, and the story is that on an individual basis, taking a particular piece of evidence, they say this particular piece of evidence doesn't seem to be supportive. But on the other hand, although the headline didn't say it -- the story did -- there are some pieces of evidence in which this draft reports that there is substantiation.

I myself have no doubt that there is good, clear evidence that the Soviets have been participating in the training and in the equipping of groups that, for want of a better term, can be called terrorist groups, groups that are bent upon overthrowing governments that are basically friendly to us and establishing groups within countries that have the potential for overthrowing governments, so that it's really a question of degree, whether all of the evidence is supportive or whether only some of it is supportive. So I think any suggestion that the C.I.A. has found that the Soviets are not behind the training, equipping and encouraging of international terrorism would not only be very premature, it would be quite wrong.

THE GARDEN CITY NEWSDAY (NY)
24 April 1981

A Numbers Game With Terrorism

The CIA has its own version of the new math. According to its latest annual report on international terrorism, there were 5,954 terrorist attacks around the world between 1968 and 1979. Yet last year's report showed only 3,336 for the same 12-year period.

Why the discrepancy? Under prodding by the State Department, the CIA report now includes relatively trivial or vaguely related incidents it used to ignore. As a result, the agency counted 760 terrorist incidents in 1980; previously the highest figure for a single year was 420.

It looks as if policy is determining facts, rather than the other way around. Secretary of State Alexander Haig has accused the Soviet Union of primary responsibility for international terrorism. When a draft report produced by the CIA's National Foreign Assessments Center concluded that there wasn't enough evidence to substantiate sweeping charges of direct Soviet aid to terrorist groups, it was sent back for revision.

There does seem to be abundant *circumstantial* evidence of Soviet money, training and arms for some countries and groups. This should not be denied or minimized. But what purpose is served by re-defining terrorism so that an admittedly serious problem is suddenly made to seem more menacing than it really is?

With congressional hearings on terrorism cranking up, it's worth remembering that the FBI has logged a steady decline in the number of terrorist incidents in this country. For example, it counted 20 terrorist bombings and attempts last year, compared with 42 in 1979. The bureau says it has no evidence of Soviet involvement in terrorist acts in the United States. Here, at least, the terrorist threat hardly measures up to the accusations and denunciations in Washington.

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ON PAGE **A-17**

NEW YORK TIMES
24 APRIL 1981

DATA ON TERRORISM UNDER U.S. REVISION

New Statistics to Include Threats Along With Acts of Violence

By CHARLES MOHR

Special to The New York Times

WASHINGTON, April 23 — A State Department official said today that Government statistics on international terrorist incidents were being revised to include "threats" as well as actual acts of politically motivated violence.

On the eve of Congressional hearings on terrorism, Anthony C. E. Quainton, director of the department's office for combating terrorism, also indicated that the change would approximately double the number of terrorist "incidents" counted by the United States in the last 12 years, although the number of people killed and wounded would remain virtually the same.

Mr. Quainton told a group of reporters at a luncheon that there were 7,000 terrorist incidents in the last 12 years, causing 3,000 "killed and wounded." The Central Intelligence Agency's annual report on international terrorism for 1979 said there were 3,336 "international terrorist incidents" from 1968 through 1979, causing 2,689 deaths and 5,955 wounded.

Publication of the 1980 C.I.A. report, normally available in April, has been delayed because of disputes among Government agencies as to the nature, extent and gravity of terrorism. An official acquainted with the report said, however, that when and if it was published the inclusion of "threats" would probably at least double the number of officially counted incidents in each of the years since 1967 and give a new total of about 7,000.

Haig View on Soviet Backed

Mr. Quainton told the reporters that the Reagan Administration was determined to give a "very much greater interest, priority and intensity" to the question of terrorism. He also defended the contention by Secretary of State Alexander M. Haig Jr. that the Soviet Union had given logistical help, training and encouragement to terrorist organizations, saying this was "amply documented for almost every group."

Some Democratic members and staff officials of Congress said they feared the statistical revisions were motivated by a Reagan Administration desire to justify a more rigid foreign policy abroad and might also be cited by conservatives to justify increased surreptitious surveillance of political dissidents at home.

The Senate Judiciary's Subcommittee on Security and Terrorism, newly created this year, will hold the first of what is expected to be a sporadic series of hearings on the problem of terrorism tomorrow. Several Republican members of the subcommittee and its majority staff have indicated a belief that counterintelligence agents should be given greater legal latitude than they now have to gather intelligence on groups that may be suspected of being potential terrorists within the United States.

Terrorism Held Decreasing

Representative Don Edwards, Democrat of California, chairman of a House subcommittee that oversees the Federal Bureau of Investigation, contended in a telephone interview that "terrorism is actually decreasing" and disagreed with the new statistical criteria.

A Senate staff official, meanwhile, reported that the semantic and statistical debate was even more complex. This official, who declined the use of his name, said that C.I.A. analysts were also being "pushed" or encouraged to expand the definition of terrorist incidents to include "all acts of violence intended to impact on a wider audience than the victims of the violence."

"By that definition," said the official, "the shooting of President Reagan by John Hinckley would be a terrorist act."

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ON PAGE A2

THE BALTIMORE SUN
24 April 1981

Terrorist acts down, FBI on eve of hearing

By Vernon A. Guidry, Jr.
Washington Bureau of The Sun

Washington — Terrorist acts in the United States are declining, undermining "doomsday rhetoric" about domestic terrorism, says the executive assistant director of the FBI in charge of investigations.

"Right now, the risk is tolerable," said Francis M. Mullen in an interview. "We believe we are effective. . . . We do have the ability to investigate terrorist activity and groups."

The level of terrorist activity—both domestic and international—has become a matter of controversy, and so is the question of the appropriate response. A Senate subcommittee begins hearings today on the current extent of terrorism.

As the FBI measures terrorist incidents, there were 111 in the United States in 1977, 65 in 1978, 52 in 1979, and 29 in 1980. These are incidents, Mr. Mullen said, in which a claim of responsibility is made by a terrorist organization or in which there is "good evidence" of terrorist responsibility.

"I don't like to see all this rhetoric predicting a doomsday because I don't think that's going to happen," Mr. Mullen said.

"Now, the potential is there," he went on. "We've got to agree to that [but] the problem is being addressed."

One disturbing element is what Mr. Mullen describes as "more of a willingness to take human life" on the part of terrorists operating in the United States than had been the case before.

"What we're concerned about, and what we are watching closely, is that the United States doesn't become a battleground" between different foreign political factions, he said. He cites Libyan, Cuban and Iranian activities as examples.

"The only active [terrorists] we have that are really anti-U.S. government are the Puerto Rican groups," he said.

"We do suspect Cuban involvement in [terrorism involving] Puerto Rico, but to say Soviet involvement, no, we can't prove

it," Mr. Mullen said in response to a question about Moscow's possible role.

This is a key element in the controversy over international terrorism. Secretary of State Alexander M. Haig, Jr., largely began the current debate by focusing attention on what he called "rampant international terrorism" and the role of the Soviet Union in sponsoring it.

A number of experts have questioned whether terrorist activity is actually "rampant" at the moment. Pinning down the extent of Soviet involvement also has been difficult.

This issue will be examined today in a hearing before the Senate subcommittee on terrorism, a group whose very creation has stirred some fears that civil liberties may be abused in the search for internal threats.

One of the witnesses at today's hearing will be Claire Sterling, a veteran American journalist who has written a book on the subject, "The Terror Network."

Ms. Sterling maintains that the Soviet Union and its surrogates are supporting modern terrorist movements. "All the

world's emerging terrorist bands in the 1970s were indebted to the Cubans and their Russian patrons . . ." she writes.

She is sharply critical of Western governments and of the CIA in particular for what she regards as a cowardly failure to point to the Soviet Union as the promoter of terrorism.

Former CIA director William Colby, also to testify at today's hearing, says that, overall, Ms. Sterling has "produced a spectacularly effective analysis."

Mr. Colby says that the Soviet Union must shoulder "a high degree of responsibility" for international terrorism, but adds that "this doesn't mean that every example of terrorism stems from a decision of the Politburo."

As to his former employer, Mr. Colby says Ms. Sterling may be too much put off by the fact that "intelligence people try to write very precisely and not generalize too much."

The controversy may have already touched the CIA, however. Its annual report on terrorist activity for 1980 has been held up for no announced reason, and a

spokesman said yesterday it may not be published at all.

Earlier in the year, officials knowledgeable about the issue said the report for 1980 would conclude that there were about the same number of terrorist incidents outside the United States as there were in 1979, which had itself represented a decline from previous years.

An article in *The Washington Post* this week indicated, however, that the CIA's method of defining a terrorist incident had been changed to increase the number contained in the report.

The use and misuse of information are sure to come up before the subcommittee, which is headed by Senator Jeremiah Denton (R, Ala.).

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ON PAGE A-20

NEW YORK TIMES
18 APRIL 1981

Brezhnev Hints He Wants Talks on Space Arms Cuts

By ANTHONY AUSTIN
Special to The New York Times

MOSCOW, April 17 — Leonid I. Brezhnev, the Soviet leader, implied today that the Soviet Union was ready to resume negotiations with the United States on banning military activity in outer space.

Though he did not refer to the successful flight of the American space shuttle Columbia, his remarks, made at a Soviet space ceremony, appeared to reflect Moscow's stated concern over the military potential of the shuttle program.

In the minimal coverage they gave to

Columbia's liftoff and its return to earth, Soviet television and Tass, the official press agency, portrayed the new space-ship as primarily an instrument for testing laser weapons and "killer satellites" in space. In advance of the test flight, the Soviet press accused the Pentagon of seeking to turn space into a battle arena.

"Cooperation in Outer Space"

Mr. Brezhnev, while presenting awards today to a Soviet astronaut and a Mongolian who flew with him, departed abruptly from the standard encomiums

of the occasion, saying: "I should like to stress that the Soviet Union has been and remains a convinced supporter of the development of businesslike international cooperation in outer space."

"May the shoreless cosmic ocean be pure and free of weapons of any kind. We stand for joint efforts to reach a great and humanitarian aim — to preclude the militarization of outer space."

In effect, Mr. Brezhnev appeared to be calling on the United States to consider resuming the talks on preventing an arms race in space that the two nations held in 1978 and 1979.

In the view of American officials in Washington, Moscow entered those talks despite its commanding lead in space weaponry because it wanted to improve chances of concluding a new strategic arms limitation treaty covering missiles and bombers.

Focus on "Killer Satellites"

The space negotiations were focused on controlling the use of military space vehicles, called "killer satellites," designed to hunt down and destroy communications and surveillance satellites and others put into orbit by the other side.

For two years, starting with these talks, the Soviet Union was reported to have observed a moratorium on its testing of such weapons. But after the strategic missile treaty, signed in June 1979, ran into seemingly insurmountable difficulties in the United States Senate, Moscow was reported by Washington officials to have resumed its "killer satellite" program, conducting a test a year ago this month.

According to American intelligence and military officials, the Soviet Union is well along in its development of satellites designed to destroy other satellites by smashing into them or disabling them with high-powered laser beams.

An intelligence report to the Carter Administration a year ago estimated that the Soviet Union would be able to place an antisatellite laser weapon in orbit by the mid-1980's. Other American experts expressed doubt that Moscow could develop the weapon that fast.

Washington officials have said that the United States has been developing its own antisatellite system but would probably not be able to test it until 1982.

If Mr. Brezhnev's remarks today were seriously intended, it could mean that the Russians are reassessing their chances of retaining their military lead in space in view of the American space shuttle's impressive performance.

ARTICLE APPEARED
ON PAGE 24

THE ECONOMIST
11 April 1981

AMERICAN SURVEY

CIA

It's independent

WASHINGTON, DC

The shooting of President Reagan has revived a number of familiar policy arguments, among them the role of domestic intelligence. Predictable questions are being raised. Are there threats to the president's safety, and to public order generally, that are going undetected? Are there things that government agencies should have known about Mr John Hinckley, the alleged assailant, and others—such as Mr Edward Richardson, apparently a second would-be assassin—like him? Is greater vigilance in order?

Even though there seems to be agreement that the president was the object of no discernible conspiracy, many people in and out of government have expressed a vague sense of unprotectedness. That leads not merely to calls for a more efficient secret service with more names in its computer, but also to a nostalgia for the days when certain other agencies—in particular the Central Intelligence Agency and the Federal Bureau of Investigation—were watching the home front more carefully.

Nobody has yet publicly urged the FBI



Casey's men embarrassed him

to resume the controversial "cointelpros" (counter-intelligence programmes) of the 1960s and wiretapping, break-ins and various attempts to poke through the rubbish,

damage the financial circumstances and break up the marriages of dissidents. But the bureau itself, under the direction of Mr William Webster, a former federal judge, is unlikely to be enthusiastic in any event, in as much as it is still dealing with the legal trouble from the last time around. Testifying on Capitol Hill this week Mr Stewart Knight, the director of the secret service, complained that unduly burdensome restrictions on the FBI were preventing the bureau from learning, and passing along to the secret service, certain useful bits of intelligence. But at the same hearing, Mr Webster said that his agency wanted to be careful not to send the secret service a lot of "garbage".

The CIA may be another matter. Among Mr Reagan's most popular campaign themes was the promise to unshackle the intelligence community. Even as winter was turning to spring in Washington, there surfaced a transition memorandum calling for a new domestic intelligence effort involving the CIA. It reminded many of the ill-fated "Huston plan", a broad internal security programme launched under President Nixon but cancelled after a few days because of a tantrum by the late J. Edgar Hoover, head of the FBI. Some government official who thought the old days had not been so good leaked the memo to the press, and Mr Bobby Inman, former head of the super-secret National Security Agency and the new deputy director of the CIA, disavowed it during his senate confirmation hearings...

That is one curiosity of American intelligence: the CIA does not always behave bureaucratically in a manner consistent with its public image. The agency is distinctly cool to the prospect of reviving its domestic "Operation Chaos" of the 1960s and early 1970s. And it has caused some grief within the Reagan administration with a recent draft report from its national foreign assessments centre, questioning the evidence for the charge that the Soviet Union is financing and fomenting international terrorism. The report contradicts the assertions of Mr Richard Allen, the national security adviser and other foreign-policy spokesmen, and so it has been sent back by Mr William Casey, the director of central intelligence, to the intelligence analysts for "review". That is bound to revive the arguments over whether intelligence should be subservient to, or independent of, American foreign policy.

SALEM STATESMAN JOURNAL (OR)
4 April 1981

Conspiracy idea looks suspiciously expedient

Secretary of State Alexander Haig's conspiracy theory, blaming all international terrorism on the Soviet, looks suspiciously expedient. The Russians always are made to look 10 feet tall when the Pentagon wants more money.

WE REMEMBER how quickly the Soviet missile gap fell away after concern about it had helped to elect President John Kennedy. And we recall Henry Kissinger's describing U.S.-Soviet appraisal of one another's capabilities as those of two blind men locked in a room, each thinking the other is armed.

Our suspicion of Secretary Haig's alarm over supposed Soviet masterminding of international terrorism was heightened this past weekend when unidentified sources in the Central Intelligence Agency leaked information to the press about a draft CIA report.

The report "strongly disagrees" with the Reagan administration that the Soviets are the key supporter of international terrorism. The agency found only "circumstantial evidence" of Soviet involvement in terrorist activities, the report concluded.

DEFENSE SECRETARY Caspar Weinberger promptly disputed the leaked information, saying there is "good evidence" the Soviet Union is indeed behind international terrorism. He said he had no doubt the Soviets have been "participating in the training and equipping of groups that... can be called terrorists."

While the controversy rages, all

sides agree that terrorism itself is a growing problem, particularly for Americans, who were targets of more than a third of the terrorist incidents in past years.

Discussion on international terrorism intensified after publication this spring of a new book entitled "The Terror Network" by Claire Sterling. She argues that the Soviets have been providing arms, training and at times direction to terrorists across Western Europe in hopes that police in Western democracies would crack down on individual freedoms, which would breed resentment and make the masses eager for Communist revolution.

WHILE IT IS true that the Soviet Union makes a habit of causing trouble around the world, most experts agree that the causes of terrorism are "inextricably bound" to the indigenous economic, racial and political currents running through the countries where terrorists strike, whether in the Middle East, Northern Ireland or the Basque region of Spain.

That no one has satisfactorily defined a terrorist illustrates the complexity of the problem.

International terrorism is growing worse. Every nation is vulnerable, regardless of ideology. What is needed is a recognition of the problem as an international threat requiring discussion and cooperation among all national governments. Secretary Haig, by simply blaming the Soviets, tends to discourage the in-depth analysis of causes that this important subject genuinely requires.

THE GUARDIAN (U.K.)
31 March 1981

CIA report on terror embarrasses US

From our own Correspondent in Washington.

The Defence Secretary, Mr Caspar Weinberger, has disputed a draft CIA report which says that there is insufficient evidence to support Administration charges that the Soviet Union is fomenting international terrorism.

The report is a clear embarrassment to Administration officials, who have made several attacks on the Russians for their alleged involvement in terrorism. Indeed, the increased US military and economic aid to the Junta in El Salvador has been based on the assumption that the left-wing guerrillas were being supported by the Russians and their surrogates.

The sharpest attack on the Soviet Union's alleged terrorist involvement came from the Secretary of State, General Haig, at his first news conference in January, and it was followed by similar accusations from the State Department podium; the National Security Adviser, Mr Richard Allen; and from President Reagan.

Mr Weinberger took issue with the CIA report in a television interview, in which he accused the "Soviets of participating in the training and equipping of terrorist groups," and noted that the CIA report was still only a draft.

The report was produced by the CIA's Foreign Assessments Centre, and the director of the CIA, Mr William Casey, is reported to have asked the analysts who compiled it to review

their conclusions. The analysts found in their report that there was some support for the suggestion that the Soviet Union might be aiding and abetting terrorism, but that in many cases the evidence was no more than murky and at times there was none.

Because of its conclusions, which differ so markedly from what the Administration has been saying, the CIA estimate is said to have stirred up an angry debate in the State Department, National Security Council, and the Defence Intelligence Agency.

It was the State Department which accused the Soviet Union of supporting international terrorism last month, when it issued its report alleging Communist backing for the left-wing guerrillas in El Salvador.

The report, compiled by State Department officials from documents captured in El Salvador, concluded that there was "definite evidence of the clandestine military support given by the Soviet Union, Cuba, and their Communist allies to Marxist-Leninist guerrillas now fighting to overthrow the Government of El Salvador." The evidence, the State Department said, was taken from captured guerrilla documents and war material, and corroborated by intelligence reports.

Iain Guest adds: The United States has apparently rejected the appointment of a former Spanish ambassador to the Vatican to lead a special UN

Investigation into human rights violations in El Salvador.

According to diplomatic sources in Geneva, the name of Mr Joaquim Ruiz Jimenez had been put forward by the Brazilian chairman of the UN Human Rights Commission, which met here recently, and decided by a majority of 29 to one to send a representative to report on the terror in El Salvador.

Mr Jimenez, a lawyer, served as a minister under Franco, as well as ambassador to the Vatican before breaking with the Franco regime.

No explanation is being offered for the US veto—which was officially denied by a spokesman at the US mission here yesterday.

FOREIGN REPORT
Published by the Economist Newspaper
5 March 1981

How Russia hides its missiles

Within the past year the Soviet Union appears to have adopted new methods of concealment to keep the development of its latest nuclear weapons secret. It is not surprising that the Russians want to do this, but under the rules of the Salt-1 treaty both super-powers are obliged not to hide their missiles and bombers, so that each side can check whether the other is sticking to the treaty.

On January 28, 1980, the Soviet Union used "significant telemetry encryption" on the first flight test of a new missile. Telemetry encryption is the jargon for the use of codes to hide the data about the missile's performance which are transmitted back to earth. According to the American Defence Intelligence Agency: "If the Soviets continue to encrypt data at this level, the United States' ability to determine the missile's launch weight, throw weight and accuracy will be significantly lessened."

The missile in question is a new submarine-launched ballistic missile (SLBM), using solid fuel, which has been designated as the NE-4. The missile was launched from Nenoksa, but after a mechanical fault it crashed on the Taymyr peninsula. According to preliminary intelligence analysis, about 70% of the data transmitted during the missile's flight were encoded. The DIA noted:

Although the Soviets have encrypted part of the telemetry on their newest land-based ballistic missiles since 1974, this is the first identification of encryption in submarine-launched ballistic missiles telemetry. The unreadable data appear to include all of the guidance computer information and at least some of the propulsion and attitude measurements.

Such use of codes may have started earlier. Other intelligence sources say the Russians began an advanced code programme in July, 1978, for both land-based and sea-based missiles, including the new SS-N-19 cruise missile. And, according to another secret DIA report of March 7, 1980, the Russians used special codes for all four tests of a new version of the SS-18 missile which began in July, 1978, at Tyuratam.

CONTINUED

Office of Current Operations
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News Service

Date. 5 Mar 81
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Distribution II

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47AM-DEFENSE-CHEMICALS2

WASHINGTON, MARCH 5: REUTER -- THE NEW MILITARY BUDGET UNVEILED BY THE REAGAN ADMINISTRATION CONTAINS 20 MILLION DOLLARS TO BUILD A PLANT THAT COULD RESUME U.S. PRODUCTION OF CHEMICAL WEAPONS; PENTAGON OFFICIALS SAID TODAY.

THEY SAID THE REQUEST, IN A PORTION OF THE BUDGET NOT MADE PUBLIC YESTERDAY, DID NOT MEAN MR REAGAN HAD DEFINITELY DECIDED TO END THE 11-YEAR U.S. FREEZE ON CHEMICAL ARMS; BUT THEY SAID IT CERTAINLY INDICATED HE WAS LEANING IN THAT DIRECTION.

IF SO, THEY SAID THE ADMINISTRATION WOULD PROBABLY ASK FOR AN ADDITIONAL 140 MILLION DOLLARS A YEAR FROM NOW, IN ITS 1983 FINANCIAL YEAR BUDGET, TO BUILD PRODUCTION FACILITIES FOR MORE SOPHISTICATED BINARY NERVE GAS SHELLS AND WARHEADS.

THEY SAID FUNDS MIGHT ALSO BE REQUESTED NEXT YEAR TO BEGIN PRODUCING ARTILLERY SHELLS FOR CHEMICAL AGENTS AT THE PLANT TO BE CONSTRUCTED UNDER THE 1981 BUDGET REQUEST.

UNLIKE PRESENT CHEMICAL ARMS, BINARY WEAPONS WOULD CONTAIN ONLY NON-LETHAL AGENTS WHEN STORED OR TRANSPORTED; BUT A SECOND CHEMICAL, ALSO NON-TOXIC, WOULD BE INSERTED JUST BEFORE FIRING AND THE TWO WOULD MIX IN FLIGHT TO FORM DEADLY SPRAYS OR GASES. 4
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47AM-DEFENSE-CHEMICALS 2 WASHINGTON2

THE PENTAGON HAS BEEN PUSHING FOR AT LEAST SEVEN YEARS TO BUILD THE BINARY PRODUCTION PLANT AT PINE BLUFFS, ARKANSAS; ARGUING THAT U.S. CHEMICAL STOCKPILES HAVE BECOME OBSOLETE WHILE THE SOVIET UNION HAS BEEN PRESSING AHEAD.

SUPPORTERS CITE INTELLIGENCE REPORTS THAT ABOUT A THIRD OF ALL SOVIET SHELLS, WARHEADS AND BOMBS IN EASTERN EUROPE CONTAIN LETHAL CHEMICALS; AND THAT CHEMICAL WEAPONS HAVE BEEN USED BY SOVIET TROOPS OR ALLIES IN AFGHANISTAN AND SOUTHEAST ASIA.

FOREIGN REPORT
Published by The Economist Newspaper
14 January 1981

Russia's killer satellites

When President-elect Reagan takes office next week, his defence advisers are likely to find some disturbing new evidence from the CIA on their desks. This suggests that the Russians may be moving ahead of the United States in developing killer-satellites (satellites which can destroy other satellites by blowing them up at close range).

Until now the United States has not deployed or even properly tested an anti-satellite weapon, although American scientists have been working on weapons based on lasers or particle-beams. A particle-beam would be projected from the ground against satellites, while a laser would probably have to be projected from an aircraft or another satellite. Just before he left the White House, Gerald Ford gave the go-ahead for a programme to develop and then deploy such weapons. But President Carter vetoed any deployment, although he allowed the research to continue.

The Russians have been testing killer satellites since the 1960s. In 1978 the Russians suspended their tests and claimed that they were doing so because they wanted anti-satellite weapons banned in a new treaty. But on April 18th, 1980, the Russians held another test (although none has subsequently been recorded by the CIA). The Americans have now monitored 17 separate Russian tests since October, 1968.

In each test, the Russian killer satellite was launched to chase, and get as close as possible to, another satellite. In a war, the killer would then explode into shrapnel and knock out the target satellite. But in the tests the Russians never actually exploded the killer, presumably because they didn't want to waste a satellite.

According to the CIA, the Russian programme is masterminded by their air defence forces and is supported by "two unique tracking sites in the western USSR... and by sites in the space tracking network controlled by the strategic rocket forces". CIA analysts reckon that these two sites, at Talsi and Kirzhach, are used for monitoring the trickiest part of the operation, when the killer satellite nears its target. The target satellites have been launched from Tlesetsk and Tyuratam.

The current generation of Russian killer satellites are between 15 and 20 feet long, about 5 feet in diameter, and weigh about 2½ tons. Four of each satellite's five engines are used for manoeuvring close to the target; the other makes orbital adjustments. The CIA figures that the killer satellite has got a sufficiently accurate guidance system to get within 100 feet of its target. And the Russians can probably launch the killer satellites (or interceptors in the jargon) at short notice. According to a CIA report:

If the booster and interceptor are stored properly, the system can probably be fired within an hour of the decision to launch. If the booster and the interceptor are maintained on the launch pad, the firing could occur within 10 to 30 minutes of the decision to launch. We believe as many as 10 boosters and interceptors can be stored in the launch area.

The CIA has not had much success in analysing how successful the tests have been, since they always take place over Russian territory. But they have defined as "apparent successes" those tests in which the killer satellite got within a mile of its target. Only 10 of the 17 monitored tests have been apparent successes.

The Americans were not very alarmed by the Russian tests between 1968 and 1971 because the killer satellites neared the targets only on their second orbit, suggesting that in the event of an attack on American satellites, there would be plenty of warning time. But in the test of February 16th, 1976, the Russians attempted an attack within a single orbit (although the test was a failure). Another worrying feature of this test was that its timing seems to have been linked to general Russian military manoeuvres which took place between January 29th and February 15th of the same year. The killer satellite was launched, the Russians began the "strategic stage" of the manoeuvres with simulated strikes by naval and long-range aircraft, which culminated in the

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ON PAGE 11 (SECTION 1)

CHICAGO TRIBUNE
1 February 1981

Cuba tried to sell oils to Yank firms, CIA says

By John Maclean

Chicago Tribune Press Service

WASHINGTON — Cuba has tried to sell base oils and lubricants to United States firms and use the revenue to buy other needed oil products from another U.S. company, according to a CIA report obtained by The Tribune.

The sales and purchases were to be financed through Panamanian banks that have correspondent relationships with the National Bank of Cuba, the CIA reported.

Such a series of transactions would violate the U.S. economic embargo of Cuba. The Cubans were so anxious to make the deal, according to a source which the CIA report is based, that they indicated the oils and lubricants they offered would be "very competitively priced."

"THE CUBANS cannot get these additives from the U.S.S.R., which does not manufacture them, and is seeking a more reliable source of supply," the CIA report said. "These additives are used in the oil products the Cubans are trying to market in the United States."

Cuba has been purchasing the additives, made by a U.S. company that

was not identified in the report, from one source in Canada and another in France, according to the report.

The CIA stressed that its report was "not finally evaluated intelligence," and it was distributed only as "an information report." It is classified secret.

According to the report, Celia Caridad Abrahantes Figueredo, a member of the Cuban national assembly and Baudilio Castellanos, manager of exports and imports for Cuba's petroleum industry, outlined the plan last July.

THE CUBANS tried to sell base oils, including 70,000 metric tons of SAE 140 oil, 20,000 metric tons of heavy cylinder oil, and 20,000 to 30,000 metric tons of turbine "L" oil. The amounts could be supplied annually, they said.

The Cubans also wanted to sell 3,250 metric tons per year of lubricants for motors and transmissions to a small U.S. refiner.

Cuba depends on the Soviet Union for nearly all its oil. It has reached agreement over the last year with Mexico to begin geological exploration off Cuban shores and to improve its refining capacities.

ARTICLE APPEARED
ON PAGE 15NEWSWEEK
2 February 1981

PERISCOPE

Admiral Turner Jolts the Navy

One of Stansfield Turner's last acts as CIA director has brought groans from the retired admiral's Navy colleagues. Turner oversaw an annual CIA report comparing U.S. and Soviet defense spending, and it shows that while the U.S. Army and Air Force are being heavily outspent, the Navy is actually spending more than its Soviet counterpart. This finding could make it harder for U.S. admirals to back up their demands for a larger share of the Pentagon budget—which the Navy argues that it legitimately needs, to build more ships. Its budget tops the Soviet Navy's only because the Soviets lack aircraft carriers and planes that require vastly expensive maintenance.

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ON PAGE A17

THE WASHINGTON POST
16 January 1981

Rowland Evans and Robert Novak

The 'At All Costs' Hostage Deal

Behind Deputy Secretary of State Warren Christopher's round-the-clock effort for the American hostages is this verbal order from President Carter, arousing mixed emotions among Ronald Reagan's men: free the hostages "at all costs" before the Jan. 20 inauguration.

The admonition "at all costs" helps explain the steep U.S. raise in the hostage bidding. Although State Department officials denied the published figure of \$8 billion, the actual Carter offer now stands close to it at a rounded-off \$7.3 billion.

All this has chilled U.S. bankers and means more outflow ahead for the leaky U.S. Treasury. While Reagan abjures bargaining with "barbarians" and condemns paying ransom, his foreign policy advisers would be delighted to have the hostage headache cured before he is sworn in. For Jimmy Carter, there are no doubts: if his last bid fails, he rightly fears the hostage taint will dominate history's view of his presidency.

Carter's order to win hostage freedom "at all costs" has concerned major banks holding frozen Iranian assets that would be taken over by the U.S. government for return to Iran. That means claims against Iran for outstanding debts in the end may have to be paid by unsuspecting American taxpayers. That could delay payment to the bankers far into the future.

Nevertheless, the banks cannot intervene. "We cannot even think about tampering with such a life-or-death issue," one major Manhattan bank executive told us. "If we did, the politicians in Washington would string us up without a peep from anyone."

What has worried Carter administration officials far more than the banks is the Reagan reaction. Strenuous efforts have been made to tie Reagan to any hostage deal negotiated but not finally consummated by Carter before Jan. 20.

A top-secret White House cable to U.S. emissaries in Algeria went as far as possible to satisfy Iranian doubts about the incoming administration. If the hostages are freed before Jan. 20, it said, Secretary of State-designate Alexander Haig would look "favorably" on the United States, carrying out the bargain pledged by Car-

ter. A second cable used the word "probably."

Publicly, Reagan and Haig are buying nothing of the kind. Insiders declare that any deal smacking of high-cost ransom will be subjected to intense scrutiny before Reagan agrees.

The reality is more complicated. If Carter issues an executive order unfreezing the Iranian assets, Reagan's options will be circumscribed. Besides, the onus on paying tribute for the hostages would be Carter's, not Reagan's.

There is, moreover, an additional reason for Reagan and Haig privately to welcome even an "at all costs" Carter deal of cash for hostages: ending the hostage crisis would cost the Soviet Union its hostage trump card and free the U.S. hand in the Persian Gulf. Once the hostages are freed, the United States once again becomes a competitor with Moscow for future influence with one of the richest and most strategically important countries bordering the Soviet Union.

Soviet intrigue against the United States in Iran has increasingly concerned the lame duck president. One month ago, Carter began to worry that the Kremlin was fomenting radical Iranian factions to block any consensus for releasing the hostages.

He asked for a thorough Central Intelligence Agency study of Moscow's true policy. But when it arrived in the Oval Office, it was a useless "maybe yes, maybe no" assessment of the Kremlin's intentions that told Carter nothing.

Reagan advisers need no CIA report. They are certain the Soviets want to perpetuate the hostage crisis in their own interest. No matter how hesitant the new president is in promoting a new U.S.-Iranian era, release of the hostages immediately ends Soviet effectiveness in poisoning relations between Washington and Iran. That could prove invaluable for Reagan in the coming battles over the Persian Gulf and its oil.

For the old president, what matters most is history's blessing. He wants it written that Jimmy Carter at the 11th hour ended one of the most disgraceful episodes in American history, whatever the cost to American taxpayers.

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JACK ANDERSON

Win Some, Lose Some — A recent confidential intelligence report sums up the Kremlin's latest achievements on the international scene this way: "The Soviets have gained footholds, whether through proxies or in their own right, in Afghanistan, South Yemen, Ethiopia, Angola, Grenada, Vietnam and, of course, Cuba."

The report continues: "The importance of such footholds in terms of giving the Soviets access to port and repair facilities, and of providing staging and landing rights, training areas and other indispensable support to military activities, should not be underestimated."

Another classified summary tots it all up, saying: "At the present time, Soviet advisers or military personnel can be found in 30 countries adhering formally to the Neutral and Non-Aligned (NNA) Movement. Soviet arms are being sold to 33 NNA nations."

The gloomy cloud of Soviet aggression has its silver lining, though, according to the U.S. intelligence analysts' report: "Soviet attempts to insert a presence outside their own territory have met with setbacks as well as successes. Their record is hardly unblemished."

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THE WASHINGTON POST
19 November 1980

JACK ANDERSON

Soviet Breaches of Treaty Promises

For reasons that are not clear, the Carter administration has proved reluctant to call the Soviet Union to account for two glaring breaches of solemn treaty promises reported by U.S. intelligence agencies.

The two episodes — a Sept. 14 underground nuclear test and last year's germ-warfare accident in Sverdlovsk — provided convincing evidence that the Kremlin has been systematically violating provisions of two arms-control treaties with the United States. The agreements are the Threshold Test Ban Treaty of 1976 and the bacteriological weapons ban signed in 1972.

Intelligence sources told my associate Dale Van Atta the September nuclear explosion was somewhere between 160 and 650 kilotons. Many experts conclude that the wide divergence in measurement data suggests that the actual intensity of the blast was around 400 kilotons.

U.S. officials could not ignore the incident, as they have often done in previous cases, because even the lowest yield estimate was well above the 150-kiloton limit permitted by the threshold treaty. So the United States officially expressed "concern" to Soviet Ambassador Anatoly Dobrynin.

The violation of the germ-warfare treaty could be even more serious. The Sverdlovsk disaster, which killed hundreds of Soviet citizens by the release of deadly anthrax bacilli, was apparently the final evidence needed to persuade the CIA that the Russians have

been developing biological weapons for offensive use, probably since World War II.

In late April 1979, Sverdlovsk residents were jolted by a loud explosion, probably in a laboratory at the biological warfare installation in the Chakalov district of the city. Clouds of anthrax bacilli were released.

Reservists at the military base were the first to die. Next were workers at a ceramics factory downwind, where ventilators sucked in concentrated quantities of the anthrax germs.

The official Soviet explanation was that the victims, who died within six or seven hours, had contracted anthrax from an illegally slaughtered cow. A classified CIA report dated April 4, 1980, notes that, however, the deaths "were caused by pulmonary anthrax as opposed to gastric or skin anthrax, which would be more likely if anthrax-contaminated beef were eaten or handled."

"The ceramics factory was sprayed inside and out with chloramine, and large areas around the military installation were graded and covered with asphalt," the CIA reported. "Wild animals in a small forest near the [facility] were allegedly killed, and most dogs in the city district were picked up and destroyed."

The exact number of casualties was covered up, but analysts have estimated the toll at between 200 and 1,000. "Unconfirmed reports claimed that the installation commander, a general officer, committed suicide fol-

lowing the first casualties," the CIA report states.

Noting that an effective lethal dose for an individual is 10,000 anthrax spores, the CIA concludes that an extremely large number of the spores must have been released — "effectively negating any assessment of peaceful or defensive research being conducted there."

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ON PAGE B13

THE WASHINGTON POST
3 November 1980

JACK ANDERSON

Iraqis Trained for Chemical Warfare

Despite the near-hysterical rhetoric emanating from both Iran and Iraq, the desert conflict so far has been less than total war. But U.S. intelligence analysts say there is danger of escalation in a particularly gruesome area: chemical warfare.

The reason chemical or biological weapons have not been used may be simply that the balance of terror in this field is clearly in Iraq's favor, and the Iraqis have been doing well enough with conventional forces—so far. But if the fortunes of war should change dramatically, Iraqi President Saddam Hussein may decide to stave off disaster by resorting to chemical weapons.

Iran has done relatively little to develop chemical warfare capability, or defense against such attacks. But Hussein is known to consider chemicals a useful military tool. Iraq's modest stockpile of chemical-biological weapons is a legacy from its years as a military client of the Soviet Union.

The Iraqis began actively acquiring a chemical warfare potential in the mid-1970s. As a secret Defense Intelligence Agency report put it, Iraq embarked on "an aggressive chemical-biological-radiological program, including the construction of training facilities . . . modeled after Soviet CBR installations."

Intelligence sources discovered "at least 15 locations" in Iraq where CBR obstacle courses had been constructed with Russian help. The extent of

these training facilities "highlights the importance [the Iraqis] place on being prepared to operate in a contaminated environment," one secret report states.

The obstacle courses were used as part of general Iraqi army training. "In these areas, troops are instructed to bypass or move through contaminated obstacles and perform normal combat duties while wearing protective clothing," the report notes.

"Each Iraqi division has an organic chemical company that is equipped primarily with Soviet-manufactured materiel such as the truck-mounted ARS12 and DDA53 decontamination apparatus," an intelligence report states. "As in the Soviet Army, the Iraqi ground force has a chemical branch, and CBR doctrine is most likely based on Soviet concepts."

Before relations with the Kremlin cooled following Hussein's crackdown on Iraqi communists in 1978, the Soviets reportedly supplied small amounts of chemical warfare agents for training use.

The Iraqis had "no known chemical warfare production capability, although the technological base required to produce nerve agent exists, and an attempt has reportedly been made to do so," according to an intelligence analysis. It concludes ominously:

"The Iraqis realize that, once acquired, weapons of this type could be

used against . . . potential adversaries, such as Iran and Israel. Numerous weapons systems already in the Iraqi inventory are capable of delivering CBR munitions, which would have to be externally supplied."

Intelligence sources told my associate Dale Van Atta that the French, who replaced the Russians as Iraq's major military supplier, have not provided chemical weapons. But the Iraqis have built up a small stockpile on their own.

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 ON PAGE 42 (MAGAZINE).

NEW YORK TIMES
 2 November 1980

TERROR: A SOVIET EXPORT

By Robert Moss

A tantalizing footnote in a bulky C.I.A. study of Soviet covert action dated Feb. 6 and presented to the House Select Committee on Intelligence early this year stated that the Soviet Union is spending roughly \$200 million a year on support of "national liberation" movements. What this means in practice is that the Soviet Union is currently giving arms, military training, funds and operational intelligence to organizations that often engage in terrorist acts against Western countries and nations whose governments are generally friendly to the West.

Official Soviet spokesmen of course deny that Moscow supports "terrorism," and they have issued vigorous denunciations of specific terrorist actions. Indeed, repeated Soviet claims that they are assisting "national liberation" forces fighting "imperialism" in the

Robert Moss, co-author of the novel, "The Spike," and a columnist for The London Daily Telegraph, lectures at the Royal College of Defense Studies in London and the NATO Defense College in Rome.

third world have led to much semantic confusion. One often hears, for example, that "one man's terrorist is another man's freedom fighter." Yet it remains clear that, whatever its political purposes, an armed political group engaged in bombing, sabotage, kidnapping or murder, especially of civilians, is practicing terrorism. The Palestine Liberation Organization (P.L.O.), for instance, which is openly supported by the Soviet Union, must be counted a terrorist organization — even if some prominent Western politicians choose to express the view that it is not.

The Soviet Union is keenly aware from its own historical experience that terrorism can contribute to the fatal weakening of a non-Communist regime. At the Jerusalem Conference on International Terrorism in 1979, Richard Pipes, professor of history at Harvard's Russian Research Center, suggested that the way revolutionary terrorism had undermined the czarist state in Russia and helped to create the conditions in which the Bolsheviks seized power had "left an indelible imprint on the minds of the Soviet leadership." In Professor Pipes's view, "nearly all the elements of Soviet global strategy are essentially an adaptation to foreign policy of methods which had been learned by the Bolsheviks and their allies when they were in the under-

ground fighting regime."

At a secret meeting saw Pact leader Prague in August leader Leonid I. B tribute to the national liberation' in changing the "forces" in favor countries." His contents of wh known to the British and American Governments through leaks by East European delegates — suggested that the Soviet Union is seeking to exploit terrorism as a calculated instrument of foreign policy. Since Brezhnev made his speech, the Soviet Union has notably increased its support for one national liberation movement, the P.L.O., which has become a coordinator of many international terrorist groups as well as a revolutionary vanguard in the Middle East.

According to Maj. Gen. Shlomo Gazit, the former chief of Israeli military intelligence, terrorists currently receive training at more than 40 establishments inside the Soviet Union. The most important training camps are located in the suburbs of Moscow, in Simferopol in the Crimea, and in the cities of Baku, Tashkent and Odessa. Similar camps have been set up in the satellite countries in Eastern Europe: for example, at Karlovy Vary and Doupov in Czechoslovakia, at Varna in Bulgaria, at Lake Varna in Hungary and near Finsterwalde in East Germany. Maj. Gen. Jan Sejna, a former First Secretary at the Defense Ministry in Prague who defected in 1968, has reported that the training programs in his country are run under the direct supervision of the Soviet internal-security and intelligence agencies, the K.G.B. (Committee for State Security) and the G.R.U. (Soviet Military Intelligence). The same pattern seems to apply throughout the Soviet bloc, in- operations is thought to total many thousands. Since 1974, according to P.L.O. defectors, more than 1,000 Palestinians alone have been trained in Soviet-bloc camps. Courses at the Soviet military academy near Simferopol have been attended by groups from rival wings of the P.L.O., including Al Fatah, the Popular Front for the Liberation of Palestine (P.F.L.P.) and the Palestine Liberation Front (P.L.F.). Zehdi Labib Terzi, the P.L.O.'s United Nations observer, said in a 1979 interview that "the Soviet Union, and all the socialist countries... open up their military academies to... our freedom fighters."

Some recruits are selected from the stream of foreigners invited to attend the Patrice Lumumba People's Friendship University, under the supervision of the International Department of the Communist Party's Central Committee. A former professor from the university who now lives in Britain says that most of the faculty are career members of the K.G.B. or G.R.U., and that one of its main functions is to provide a center for the recruitment of agents and saboteurs from third-world countries.

The most famous alumnus of the Patrice Lumumba University is the Venezuelan terrorist Ilich Ramirez Sanchez, alias "Carlos." In an interview with a Paris-based Lebanese magazine, Carlos revealed that his passage to Moscow in 1968 was paid for by the Venezuelan Communist Party. By his own account, Carlos was expelled from Patrice Lumumba for loose living and indiscipline. However, West European intelligence sources maintain

are also deployed at terrorist

operations is thought to total many thousands. Since 1974, according to P.L.O. defectors, more than 1,000 Palestinians alone have been trained in Soviet-bloc camps. Courses at the Soviet military academy near Simferopol have been attended by groups from rival wings of the P.L.O., including Al Fatah, the Popular Front for the Liberation of Palestine (P.F.L.P.) and the Palestine Liberation Front (P.L.F.). Zehdi Labib Terzi, the P.L.O.'s United Nations observer, said in a 1979 interview that "the Soviet Union, and all the socialist countries... open up their military academies to... our freedom fighters."

Some recruits are selected from the stream of foreigners invited to attend the Patrice Lumumba People's Friendship University, under the supervision of the International Department of the Communist Party's Central Committee. A former professor from the university who now lives in Britain says that most of the faculty are career members of the K.G.B. or G.R.U., and that one of its main functions is to provide a center for the recruitment of agents and saboteurs from third-world countries.

The most famous alumnus of the Patrice Lumumba University is the Venezuelan terrorist Ilich Ramirez Sanchez, alias "Carlos." In an interview with a Paris-based Lebanese magazine, Carlos revealed that his passage to Moscow in 1968 was paid for by the Venezuelan Communist Party. By his own account, Carlos was expelled from Patrice Lumumba for loose living and indiscipline. However, West European intelligence sources maintain

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THE WASHINGTON POST
PARADE MAGAZINE
21 September 1980

STORM WARNINGS AT OUR DOORSTEP

by Jack Anderson

Most Americans still think of the Caribbean countries on our southern shores as a luxurious string of "Fantasy Islands"—honeymoon hideaways where we can bask in the warm sun, fanned by gentle tropical breezes.

The grim truth is that the Caribbean nations are today being swept by revolutionary winds, fanned by Cuba's Fidel Castro in behalf of the Kremlin. Soviet strategists see the islands as political machetes aimed at more vulnerable and vital governments throughout Latin America. The Soviet goal, according to intelligence analyses, is to encircle the fabulous Caribbean oil reserves off the Mexican coast.

There is no doubt in the minds of American analysts that the Kremlin's wily old Leonid Brezhnev is hiding behind Castro's beard. Declares one top-secret study: "Castro has demonstrated that the issues that had strained Cuban-Soviet relations so severely [13 years ago] are no longer even minor irritants. Cuban submission has been complete. The brash, young Caribbean rebel of the mid-1960s has been replaced by a mature, responsible, self-critical member of the team"

Not until recently have U.S. policymakers awakened to the fact that our island neighbors, most of them newly independent of colonial rule, have become pawns in a power struggle for control of the Caribbean. Previously, the State Department treated the islands as training schools for young, inexperienced personnel or as pleasant but unimportant havens for aging diplomats and political hacks.

Only in the past few months has the Carter Administration begun to realize that a major confrontation is boiling up on our back doorsteps.

Two islands, Grenada and Jamaica, have already been drawn into the Castro orbit. Tiny St. Lucia is being magnetized in the same direction. So are the governments of Guyana and Surinam on the rim of the Caribbean basin. Across the Gulf of Mexico in Central America, our past treatment of Nicaragua, El Salvador and Guatemala as banana republics is bearing bitter fruit.

I have examined hundreds of pages of secret intelligence documents, which underscore the seriousness of the situation. In dry language, the disturbing documents tell a story of indifference, indecision and incompetence in Washington. Although this negligence now jeopardizes vital U.S. interests in the Caribbean, the story has been swept under the secrecy cover to avoid official embarrassment.

Consider these developments, which the Carter Administration has seemed helpless to cope with:

- A coup in Grenada in March 1979 provided Castro with a solid new foothold in the island chain. Marxist Maurice Bishop ousted the leader backed by the United States, Eric Gairy, and installed a totalitarian regime heavily reliant on Cuba.

- In Jamaica, Prime Minister Michael Manley has come under Castro's spell. With general elections in the offing, one secret intelligence report predicts he will "present a more moderate image to the voters" and play down his "intimacies with Havana" temporarily. But his heart, the report suggests, belongs to Castro.

- In Central America, the Nicaraguan junta is indebted to Castro for supporting their guerrilla movement, which ousted dictator Anastasio Somoza. Now the Cubans are repeating the Nicaraguan strategy in El Salvador and Guatemala.

Castro has been able to score these successes at a time when his own island economy is in sore distress. Cuban agriculture has been ravaged by two devastating crop years in a row. Falling living standards and worsening depression have caused widespread disaffection. The Soviets, with economic strains of their own, are unwilling to pump into Cuba more than the \$9 million a day they now invest.

Manpower, more than money or military manipulation, has been the secret of Castro's success in the islands. Take Grenada, where, according to a secret CIA report to Congress, "...as far as we can tell, the coup occurred...from local circumstances. The Soviets had nothing to do with it, or the Cubans either...."

But once the coup took place, Castro moved swiftly. A cadre of 250 Cubans went to work in the capital of St. George's, building a modern jet airport while the Americans twiddled their thumbs. Now Castro's military instructors are training Grenada's new people's army.

Within a week of the Somoza overthrow, Castro sent a consignment of 200 teachers to Nicaragua to help the new regime open schools for the fall session. By the close of the school year this summer, 1200 Cuban teachers were

U.S. Nuclear Missiles May Be Vulnerable To Soviets, Brown Says in Reassessment

By WALTER S. MOSSBERG

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — America's land-based nuclear missile force may already be vulnerable to a Soviet missile attack, Defense Secretary Harold Brown disclosed, in a departure from earlier assessments.

Just seven months ago, in his annual report on U.S. defenses, Mr. Brown predicted that the Soviets would attain the capability to destroy many or most of America's 1,000 Minuteman missiles "within a year or two." But in a speech prepared for delivery in Newport, R.I., the Defense Secretary declared, "That potential has been realized, or close to it."

Pentagon officials argued that the new, gloomier assessment, which was derived from recent U.S. intelligence reports, advances by only a few months, at most, the long-expected onset of a period of U.S. missile vulnerability.

But the disclosure could hand a powerful political weapon to Republican presidential nominee Ronald Reagan, who is campaigning on a charge that President Carter has allowed the Soviets to surpass the U.S. militarily.

Reagan's Evaluation

The admission may also undermine the President's claim that his Republican opponent exaggerates U.S. defense deficiencies and that Mr. Reagan's election would thus pave the way for a new arms race, and possibly, for war.

In his speech, at the U.S. Naval War College in Newport, Secretary Brown strongly defended the Carter record. He confirmed press reports that the President has recently "refined" U.S. nuclear strategy in order better to deter the Russians from "limited" nuclear attacks such as strikes against the vulnerable Minuteman missiles. And he also hailed Mr. Carter's plan to build the mobile MX missile and other new nuclear weapons as a way of solving the vulnerability problem.

A similar theme is likely to be struck by the President himself throughout the campaign, and may be repeated as early as today, when Mr. Carter is scheduled to address the convention of the American Legion in Boston.

"Window of Vulnerability"

But the Republicans accuse the President of going forward too slowly with the MX missile, and of missing other opportunities to shorten the widely predicted "window of vulnerability" for the land-based U.S. nuclear strike force. One of those missed opportunities, in the Republicans' view, was Mr. Carter's 1977 decision to cancel the B1 bomber.

William Van Cleave, a key defense adviser to Mr. Reagan, charged that the speech by Mr. Brown displayed "the utter confusion of the administration's strategic thinking." He asserted, "In the same speech in which he lays out the new strategy, Mr. Brown writes off as vulnerable the one part of our strategic force accurate enough to carry it out."

In his own address to the American Legion convention yesterday, written before Mr. Brown's disclosure, Mr. Reagan declared: "Our nuclear deterrent forces must be made survivable as rapidly as possible to close the window of vulnerability before it opens any wider."

The Arsenal

The land-based nuclear missiles, including the Minuteman and a small force of 54 Titan missiles, carry only about a fourth of the U.S. total of 9,200 nuclear warheads. The others are deployed in airborne bombers and aboard missile-firing submarines. But the land-based warheads are generally considered the speediest and most accurate in the U.S. arsenal.

Secretary Brown and others in the Carter administration have argued, however, that U.S. bombers and especially submarines remain highly survivable against Soviet forces for now. Thus, they say, there is enough force to overcome any Soviet temptation to mount a preemptive attack on the land-based missiles. They say this is reinforced by Mr. Carter's restatement of U.S. nuclear strategy.

The new statement of nuclear strategy, known as presidential directive 59, was signed last month, and leaked in fragmentary form to several newspapers soon thereafter. The stories caused debate in Washington and condemnation from the Soviet Union.

Aims at Flexibility

The Defense Secretary said the directive is a "refinement, a codification," of a long-evolving U.S. strategy. That strategy, he said, aims at giving the President the flexibility to respond to any Soviet nuclear attack in a variety of ways other than by simply unleashing all of America's nuclear might at once to obliterate most Soviet cities, factories and bases.

Pentagon officials explain that U.S. analysts fear some Soviet military leaders might be willing to gamble that a "limited" Russian nuclear attack on remote U.S. missile silos, or bases in Europe, that killed fewer people than an all-out nuclear onslaught, would leave a president unwilling to order total destruction of the Soviet Union. Further, some Soviet military writings suggest that, through a protracted exchange of such "limited" strikes, the side that lost less military power could "win."

Mr. Brown declared: "It is our policy to ensure that the Soviet leadership knows that if they chose some intermediate level of aggression, we could, by selective, large (but still less than maximum) nuclear attacks, exact an unacceptably high price in the things the Soviet leaders appear to value most." These things are, he said, "political and military control, military force both nuclear and conventional, and the industrial capability to sustain a war."

Range of Retaliation

He stressed that the U.S. "will keep a survivable and enduring capacity to attack the full range of targets, including the Soviet economic base," if such all-out retaliation is called for. But, he said, the new directive "conveys to the Soviets that any or all of the components of Soviet power can be struck in retaliation, not only their urban-industrial complex."

This threat, he said, should convince Soviet leaders "that any notion of victory in nuclear war is unrealistic," because it places in jeopardy the very parts of Soviet society—mainly the political and military systems—whose survival is the key to the Soviet definition of "victory."

He declared that even "limited" nuclear war "would involve immense casualties and destruction," and said it would likely escalate to a full-scale nuclear war that would be "an unimaginable catastrophe."

He insisted, however, that planning for the actual fighting of a nuclear war helps the U.S. to deter one, "by ensuring that our ability to retaliate is fully credible."

SAN FRANCISCO EXAMINER
2 June 1980

Secret CIA report on Afghan invasion

By John P. Wallach

Examiner Washington Bureau

WASHINGTON — The CIA has concluded that "there is considerable evidence that the Soviets intend a permanent military presence" in Afghanistan similar to the 35-year-old occupation of East Germany and are using the war to test untried weapons "in a combat environment."

"Many of these items of equipment," the top-secret study concludes, "are not actually newly introduced but this is the first time they have been evaluated under combat conditions."

A copy of the report was made available to The Examiner.

The weapons include new types of armored personnel carriers, multiple rocket launcher systems, automatic mortars, fixed-wing and helicopter aircraft, armored mine-laying vehicles, automatic grenade launchers, assault rifles and "a new battle management computer system."

"In the new configurations the kinds of divisions that they mainly brought in, the motorized rifle divisions, were basically developed for use in the European theater or perhaps against China," a senior intelligence official explained.

"They are hardly adapted for the kind of relatively small unit operations in very difficult terrain against guerrilla forces which are their problem in Afghanistan," he said. As a result, the Soviet army of about 85,000 has had to improvise adaptations on a host of equipment.

"They are putting more slits into their helicopters both behind and through the roof in order to be able to install additional machine guns which will be able to be fired at 'the people who otherwise are firing at the Soviets' from mountain tops, the official added.

This is the evidence cited by the CIA study that projects an indefinite Soviet military presence to support the Marxist transformation of Afghan society:

- The takeover by Soviet officials of senior Cabinet posts in every Afghan ministry except the Foreign Ministry where Afghans occupy deputy director positions "because of the ministry's visibility and its dealings with foreigners."

- "All decisions are Soviet," the report states. "The Ministry of Information and Culture is perhaps the most blatantly Soviet-dominated with virtually all press releases being produced by Soviet personnel. Soviets have even been assigned as editors of Afghan newspapers."

- In addition, since last fall Soviet civilian advisers said to number well over 10,000 have been drafting a new Afghan constitution and supervising the introduction of new Marxist text books in secondary schools.

Several thousand students also have been sent to the Soviet Union and East Europe for indoctrination. "Russian is fast becoming the nation's second language," the report states.

So total is Afghan dependence on Moscow that Babrak Karmal, the Afghan prime minister, is said to be a virtual prisoner of the Soviet Union. "Except for a dozen sentries at the main gate, the security of the old palace where he lives is in Soviet hands.

"Babrak's bodyguard, chief, driver, doctor and six chief advisers are all Soviets. His isolation is described as so total," the CIA study says, "that his father told Babrak never to enter his house with his Russian retinue. The old man is said to hold the Soviet Union in contempt."

- Economic dependence also "is growing" to

the point that CIA analysts project Soviet domination of the Afghan economy has been insured "for years to come." Soviet engineers have started plotting the construction of a railway link from the Russian border to the Kabul area.

"Soviet domination of Afghan natural gas resources — the controls for the pipeline are in Soviet territory — suggests a Soviet intention to exploit other Afghan resources believed to be of economic significance," the report states.

"Meanwhile, the Soviets are virtually feeding Afghanistan. Several large grant-in-aid wheat deliveries have been announced, the latest on 30 April for 140,000 tons. The insurgency is having a major impact on food production.

"Soviet deliveries will increase in importance," the CIA projects, "perhaps to the point of total dependence."

- The Russians also are building the internal infrastructure to support the takeover for decades ahead.

Two permanent bridges are being built across the Amu Darya River that separates Afghanistan from the Soviet Union. "These two bridges will replace Soviet pontoon bridges utilized by the Soviet overland invasion force which moved into Afghanistan in late December 1979," the report states.

The Soviets also are building up fuel reserves by constructing permanent underground gasoline and water storage facilities at military bases throughout the country. These, however, have been increasingly sabotaged by disloyal Afghan army troops. Permanent quarters, including officers clubs, also are being constructed.

Hardened ammunition storage facilities are being built at the huge Soviet base at Pole-Khomri as is a permanent communications facility to replace mobile field communications used during the first months of the invasion. A large

Soviet military headquarters is under construction north of Kabul.

- In addition to arresting 8- and 10-year-old children who are protesting the Russian occupation, "Army and police press gangs are now raiding residential areas in Kabul, searching for young males down to 15 years despite Afghanistan's legal draft age of 22-25 years."

This results from the defection of almost two-thirds of Afghanistan's regular 100,000-man army and the failure of a recent campaign to recruit 40,000 troops despite incentives of free trips to Moscow for NCO and officer training, pay raises and bonuses for extending service.

According to the CIA report, only a few hundred Afghans were recruited.

The Soviet Union also has had to replace its original invading army, which was heavily composed of soldiers from Soviet Moslem republics in Central Asia, with regular army troops, some of whom have been transferred from Eastern Europe.

The Moslems were called up for the first three months of the invasion. Their tours could not be extended without the declaration of a national emergency, something the Kremlin feared would conflict with its well-greased "peace" offensive.

As a result, regular Soviet army troops had to be used. The standard tour of duty for them reportedly is two years. Another indication of the long-term nature of Moscow's plans is the fact that dependents of these troops as well as the Russian civilian advisers have started returning to Kabul.

They began to come in last March but were evacuated in large numbers after the Afghan "freedom fighters" began inflicting heavy casualties on Russian civilians.

But the CIA report is not very optimistic about the chances of these insurgents, who lack a unified command structure and more important, the outside arms help to continue their struggle indefinitely.

"Despite their hardy constitution and somewhat martial life style, the tribesmen are ill-equipped to face modern military firepower," the CIA study states. "Without formal military training they cling to classic guerrilla tactics with which they are familiar.

"They are extremely vulnerable to attack by armored vehicles and particularly aircraft."

The report also states that "medical assistance is virtually nil or available only across the Pakistani border" and concludes "the freedom fighters are experiencing increasing casualties.

"Nevertheless, bolstered by Islam and their hatred of the Soviets, the tribesmen continue the fight despite little external support."

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ON PAGE 16A

PHILADELPHIA INQUIRER
19 DECEMBER 1979

The enemy below

Soviet submarine is faster than U.S. craft

By Fred S. Hoffman
Associated Press

WASHINGTON — U.S. intelligence sources say the Soviet Union has begun deploying a new nuclear-powered attack submarine that is faster and can dive deeper than the most advanced American sub.

The Soviets' Alfa-class submarine may pose a major problem for the Navy in the future if it is built in large numbers, analysts say. Attack submarines are used to fight other submarines and to hunt and sink naval and merchant surface ships.

U.S. intelligence has been aware for some time that the Soviet Union was testing the Alfa submarine, but its first operational deployment into the North Atlantic was detected only recently.

There were indications that the Alfa sub accompanied a Soviet missile-firing submarine from the northern part of the Soviet Union, using the noise of the Alfa's machinery to throw off U.S. acoustic devices that are used to track such missile submarines on patrol.

The Alfa sub has since headed toward its home base in the Soviet

Union's Arctic region, said the sources, who asked not to be named.

Very little has been disclosed publicly by defense officials in congressional testimony about the Alfa submarine.

Adm. Hyman G. Rickover, the Navy's nuclear-propulsion expert, told Congress in late October that the Soviets had a "new, deep-running, very fast nuclear attack submarine." He did not elaborate.

The United States has no new attack submarine under development. Recent emphasis has been on development of cheaper submarines that can be produced in quantity, a trend Rickover has criticized.

A Navy source estimated the Alfa-class sub can travel submerged at speeds of more than 40 knots. That would be faster than the U.S. Los Angeles-class submarines, which are believed to generate speeds of more than 30 knots.

Naval experts said the new Soviet submarine can operate at depths of 2,000 feet, possibly deeper. That

would take the Alfa below the maximum depth of U.S. subs.

A key to the reported high-speed and deep-diving abilities of the Alfa is said to be the use of titanium, rather than steel, in construction of hulls.

Titanium is considered to be much stronger than steel and able to take the enormous pressures experienced in ocean depths. Titanium is lighter in weight than steel.

Steel is used for the hulls of all U.S. submarines.

The Soviets customarily pay less attention to making their submarines quieter, and thus less vulnerable to anti-submarine attacks, than do American designers. Navy experts say the Soviets apparently are willing to sacrifice the security of quieter engines for the higher speeds generated by noisier power plants.

Faced with the problem of dealing with the Alfa-class subs, the Navy in August moved into advanced development of a new lightweight, faster torpedo to counter the Alfas.

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LOS ANGELES TIMES
16 DECEMBER 1979

Soviets Seen Developing Futuristic Arms

U.S. Analysts Predict Use of Superfast Subs and Laser Weapons

By NICHOLAS DIANILOFF
United Press International

WASHINGTON—The Soviet Union, which has reportedly spent \$144 billion on arms since 1970, is developing an arsenal of advanced weapons that includes superfast submarines and futuristic laser weapons.

Intelligence experts believe the Russians could probably put a laser on mountaintops in four to five years that could knock out low-flying U.S. spy satellites by burning up their electronic components.

Later, the Russians may be able to produce beams of charged elementary particles that could damage aircraft and other satellites, some Air Force experts believe.

For now, U.S. intelligence analysts say, the Russians are making a major effort to improve the quality of their conventional and strategic weapons even as they reduce some of their numbers.

Among the new weapons, the United States probably will spot a mobile intercontinental missile—counterpart to the U.S. MX—and a full-fledged aircraft carrier that the Russians once sneered at as being vulnerable on the high seas.

None of these weapons is prohibited by the SALT II treaty.

The treaty would limit the number of strategic weapons on both sides, and it would place modest limitations on improving quality. Both sides would be still able to build one new intercontinental missile.

Because of the weak restraints of the arms treaty and the vigor of Soviet defense programs, the Joint Chiefs of Staff have concluded that the treaty is only a modest contribution to stemming the U.S.-Soviet arms race.

Lt. Gen. Thomas Stafford, who retired last month, as chief of the Air Force's research, played a key role in raising questions about Soviet arms development. He succeeded in getting CIA estimates of Soviet weapons costs declassified.

Stafford said in a recent interview, "I argued for the release of the CIA figures because of what they show. There's nothing wrong in releasing that so long as you don't disclose the way in which you came by them."

The figures show that between 1970-1978, the Soviet Union spent the equivalent of \$104 billion for new weapons and \$40 billion for research.

Had the United States spent the equivalent it could have purchased all 244 B-1 bombers it originally planned, all the MX missiles it is currently projecting, all the Trident submarines it would like, as well as the XM-1 tank, a new air transport plane and the complete F-14, F-15, F-16, F-18 and A-10 fighter programs.

Sen. Sam Nunn (D-Ga.) has seized on the figures to press the Carter Administration to increase military spending by up to 5% a year over the next five years.

The White House, which pushed a 3% annual increase in real military spending over the next decade, was miffed, but philosophical, over this development.

So far, no one has disputed the figures, although the CIA itself says that its estimate of Soviet weapons programs could be off by as much as 15%.

Despite impressive intelligence gathering resources, the CIA apparently has no man in Moscow who can supply an insight into Soviet weapons planning. (In the 1960s, Col. Oleg Penkovsky of the Soviet military intelligence forwarded valuable data on Soviet weapons; Penkovsky was caught and executed in 1963.)

The CIA reportedly relies on the appearance of new Soviet hardware to base its estimates. It tries to calculate how much each piece of equipment would cost to produce in the United States and Soviet Union.

Here are some of the new Soviet weapons that U.S. analysts are scrutinizing:

—The "Alpha" is a deep-diving, fast-cruising sub. It has been trailed by U.S. warships and has astounded

Navy men by being able to travel at speeds up to 40 knots. Its major disadvantages: it makes a great deal of noise and is easy to trail.

—The Russians have begun experimenting with catapults and specially reinforced MIG-27 fighters. That evidence, combined with articles by Soviet Vice Admiral K. Stalbo, has led Navy intelligence to conclude the Russians are preparing to build a true aircraft carrier in the 60,000-ton class. In the past, they sneered at the big carrier as costly and vulnerable.

—The Soviets are on the verge of developing a land-mobile intercontinental missile. (Russian diplomats here acknowledge the Kremlin is increasingly concerned about the vulnerability of their land-based missiles.) The Pentagon research chief, William Perry, said, "They will probably go road-mobile. They will go small, even smaller than our MX (190,000 pounds). Since they don't have many roads, they will be limited in size and deployment."

—Soviet (and American) futuristic laser weapons are almost here, Stafford said. "The laser is going to be here very soon, before the charged particle beam," he said. "We could prototype a laser weapon which could blow up a low-altitude satellite from a mountaintop."

"They are working hard on it. We're working on it. If you wanted to push, you could have it in four years. We could have it in two years if you push."

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LOS ANGELES TIMES
14 DECEMBER 1979

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News in Brief

THE WORLD

U.S. intelligence reports assert that Soviet experts concluded eight years ago that Afghanistan probably has vast oil deposits, but that finding was never reported to Afghan authorities, Washington sources said. The sources said that after a 1969-71 geological survey, the Soviets wrote two contradictory reports. One, given to Afghan officials, said there was no evidence of oil deposits; the other, for Moscow officials, said there was. A State Department official said Western surveys in Afghanistan found the country poor in oil, and several U.S. oil experts said they were unfamiliar with the intelligence report, but that they doubted that Afghanistan has significant oil.

Saudi Oil Official Sees Gas Costing \$2.25 a Gallon

**Sheik Tells Secret Meeting of Elite That Crude Price Will Reach
\$40 a Barrel by 1982 as Reprisal for U.S. Policy Favoring Israel**

President Carter's policy of buying a politically profitable but impossible Mideast peace by diverting America's oil imports to Israel (SPOTLIGHT, May 28) now means that you will pay more than \$2.25 per gallon in 1982. The angry Arab nations, once staunch U.S. allies, are fighting Carter's diplomatic invasion with their own best weapon: oil.

EXCLUSIVE TO SPOTLIGHT

By George Nicholas

Crude oil sold on long-term contract at \$40 per barrel by 1982—meaning that the year after next U.S. motorists will fill their gas tanks at \$2.25-plus per gallon—was firmly forecast by Saudi Oil Minister Sheik Ahmed Zaki Yamani, the world petroleum cartel's senior spokesman, to a small gathering of top U.S. industrial executives at a secret London meeting last month.

The SPOTLIGHT has learned from well-placed Wall Street sources that the brief reunion—the second in three months—took place at Sheik Yamani's luxurious London flat under cover of tight secrecy and unprecedented security precautions which sealed off the entire block to uninvited passersby.

The SPOTLIGHT's sources, who include a senior oil analyst frequently consulted by the White House, have identified the leader of the American group at the tense and grim London meeting as Thomas Murphy, the chairman of General Motors.

Top executives from DuPont Co., the leading chemical combine, Alcoa, U.S. Steel, General Electric and International Harvester were among the industrial giants who were present.

In a 40-minute briefing subsequently described by participants as "somber" and "uncompromising," the Saudi leader warned the managers of U.S. industry that the world petroleum cartel intends to tighten its stranglehold on fuel resources, especially high-grade oil.

Dropping his first bombshell, the Saudi minister unhesitatingly admitted that the petroleum shortfall which has descended like a plague on a number of

American motorists was the creation of the oil monopolists, among whom Sheik Yamani included the major U.S. petroleum producers.

Noting that during most of 1978 the world experienced a plentiful supply of petroleum products, the minister revealed that "This oversupply, this glut of oil, became a great source of worry to all of us in the fuel business." The U.S. oil majors feared that gasoline prices would drop, while the petroleum-exporting countries grouped in OPEC saw with growing concern that "all thought of fuel efficiency, of energy conservation went out the window.

"Moreover," the OPEC leader told the American industrialists in what proved the meeting's most explosive revelation, "overconfidence in the oil surplus rendered Washington's policymakers indifferent to Arab needs and aspirations. U.S. foreign policy took a wrong turn. It ended up in the morass of the pro-Zionist Begin-Sadat pact. We are wholly against that so-called 'Camp David' treaty. We have decided to make use of all our natural and financial resources to compel the abrogation of that treaty."

Secret Report Confirms Manipulation Of Oil Price, Supply

The manufactured oil shortage is being exploited by international power brokers. Events are rapidly unfolding and point in one direction: ever-higher fuel prices that inflame another war to waste the lives of America's young men. For an in-depth discussion on how these clandestine forces lead the world into such horrors, read the SPOTLIGHT editorial of May 28: "For Whom DID the Bell Toll?" The U.S. government itself stated, last November, that it would "stage fake energy emergencies" (SPOTLIGHT, June 11).

EXCLUSIVE TO SPOTLIGHT

By George Nicholas

Drastic new oil price increases that could provoke a bloody Mideast war are now being planned, and a secret CIA report has confirmed SPOTLIGHT's disclosure (May 28) that American oil imports are being diverted to Israel. Meanwhile, the head of a major oil company has publicly admitted precisely what The SPOTLIGHT told you on April 9: you will pay \$1.50 for a gallon of gas this year.

John Swearingen, the \$750,000-a-year chairman and chief executive officer of Standard Oil Co. (Indiana), the nation's largest gasoline retailer, publicly admitted on June 3 that gas prices will go to \$1.50 per gallon to provide "adequate" revenues.

The oil magnate's arrogant assertion comes at a time when hard evidence confirming that the current gas crunch has been created by deliberate manipulation of the world fuel market is emerging from a top-secret report prepared by CIA analysts.

A summary of the 114-page CIA "decision memorandum," originally submitted to President Carter in mid-April, has been obtained by The SPOTLIGHT.

Swearingen dropped his bombshell when he ran into sharp questioning by Washington investigative reporter Brit Hume, a former Jack Anderson legman, on ABC TV's live national interview show, "Issues and Answers."

GREED BLURTED

Confronted with accusations that the energy industry's profits were "sky-rocketing," Swearingen, who had skyrocketed the revenues of his own multinational conglomerate four-fold recently, to a record high of \$1.1 billion last year, blurted angrily that the oil corporations were making nowhere enough money yet.

"I think prices will have to rise," Swearingen said, "somewhere up to the \$25-a-barrel range . . . and that would translate into something like \$1.50-a-gallon gasoline."

At that price level, the oil magnate, who has boosted the huge fuel corporation founded by John D. Rockefeller—and still largely owned, in the form of substantial shareholdings, by members of the Rockefeller family—into the leading U.S. producer of unleaded gas, assured his listeners, the fuel industry will begin to drill new wells and undertake other measures to improve the atrophied American gas supply.

Article appeared
on page A-1, 6

Oil-Price Hike May Exceed Any Since '73

By Leonard Curry
Washington Star Staff Writer

World oil prices could increase this spring by the biggest single amount since the 400 percent surge in October 1973 that precipitated the deepest recession since World War II, according to Arab communications monitored by the United States.

Another boost in petroleum prices would divert consumer spending into energy products, and ultimately into foreign pockets, during a critical period in which the U.S. economy is expected to be slowing.

The United Arab Emirates and Kuwait and Qatar are pushing Saudi Arabia toward a restructuring of the 14.5 percent price increase set only two months ago by the 13-nation cartel known as the Organization of Petroleum Exporting Countries.

The calls for higher prices are couched in language saying OPEC has a responsibility to the world's poor oil-importing nations to prevent the multinational oil corporations from reaping "illegal" profits. United Arab Emirates Oil Minister Mani ibn Said Utaybah said higher prices will return the illegal profits to their true owners, OPEC.

THE COLLAPSE of Iran, the second-most-prolific producer in OPEC, has caused spot prices of petroleum to jump to \$20 a barrel compared with the OPEC-posted price of \$13.34. The high price in the unstable open market is caused by bidding from Iran's former customers and rampant speculation by resellers anticipating exceptional profits after the depletion of Iranian oil.

The last of the Iranian oil pumped before the civil war, which caused the collapse of the Pahlavi family reign, is being loaded on tankers for shipment around the world.

The spot market customarily involves 5 to 7 percent of total world production, according to the American Petroleum Institute. But U.S. intelligence sources report that some Persian Gulf states are selling in "fairly large quantities."

The spot market is not considered to be a reliable means of pricing petroleum because many transactions involve "crisis" conditions. Some Persian Gulf states, however, are using spot market demand in their arguments for realigning the price structure established in December. Under that agreement, OPEC will increase prices a total of 14.5 percent in four stages through October.

ARAB PETROLEUM officials say open market prices for oil are 50 percent higher than the OPEC fixed price. These officials are predicting spot prices up to 200 percent higher than the fixed price by April.

In light of the spot market price and the huge profits being reported by the multinational oil corporations, the Arab countries are discussing the inevitability of a large price increase to recover "illegal" profits of the multinationals, according to foreign communications compiled by the Commerce Department.

U.S. petroleum sources said American consumers can't absorb price increases of the magnitude under discussion by petroleum officials of the Persian Gulf states.

"This will create economic chaos and destroy the president's anti-inflation program," said Rep. Benjamin Rosenthal, D-N.Y., a consumer advocate who recently conducted hearings on the effectiveness of voluntary wage and price guidelines and a constant critic of the petroleum industry.

ROSENTHAL CALLED for revoking foreign oil tax credits granted U.S. companies for buying OPEC oil, creation of a national oil-purchasing corporation to buy all imported petroleum and an excess-profits levy to tax away from oil companies any windfall profits received from a sudden price rise due to the unavailability of Iranian oil.

The Emirates and Qatar, Libya, Algeria and Iraq have either announced their intentions to raise prices or actually increased them 5 to 7 percent in the past few days. But petroleum industry sources said these increases were allowable within the OPEC price schedule because of the unusually high quality of the oil.

Speculation now centers on a new round of price increases to be re-

viewed March 26 in a meeting that may be raised from the level of "consultation" — meaning no price changes could be made — to the rank of "extraordinary." By labeling the session extraordinary, a change in the price structure could be made.

THE JUSTIFICATION for new pricing is the confusion in distribution caused by the collapse of Iranian production and difficulties associated with refineries outside Iran.

Al-Utaybah raised the issue of elevating the March meeting to a price restructuring level in a Feb. 10 meeting with Saudi Oil Minister Ahmad Zaki Yamani, according to the foreign communications monitored here.

Al-Utaybah complained that the multinational oil companies were "reaping huge profits, especially from consumer-developing countries." The Emirates oil minister said the Arab OPEC members had to take a "united stand against those companies, stop their illegal profits and return them to their real owners."

Kuwait Oil Minister Ali Khalifa al-Sabah made similar arguments to Yamani yesterday in a meeting in Jeddah. Al-Sabah said the multinational petroleum companies are taking advantage of the current shortage to "make unrealistic, huge profits which ought to be ours, not theirs."

MEANWHILE, the communications indicated that Iran would not be resuming oil production at anywhere near its previous level of 6 million barrels a day.

Dr. Bani Sadr, a fellow exile of the Ayatollah Ruhollah Khomeini and now reportedly in line to become the revolutionary government's economics minister, said "soil, natural resources and capital will be transferred from private property to social property."

Sadr said only as much oil will be exported as is necessary to pay for a smaller volume of industrial goods needed by Iran. He said the "Islamic republic will export much less oil" and that fewer goods will be imported.

Article appeared
on page 26A

THE ATLANTA CONSTITUTION
8 February 1979

U.S. Warns Cuba About Nicaragua

WASHINGTON (AP) — The United States is worried about possible Cuban intervention against the Somoza regime in Nicaragua and has expressed this concern directly to the Castro government, it was reported Wednesday.

In a report which President Carter transmitted to Congress, Nicaragua was listed as one of several "problem areas" standing between reestablishment of U.S.-Cuba diplomatic relations, which were severed in 1961.

"Nicaragua is another possible area of contention between our two governments," the report said, adding:

"We have expressed our concern directly to the Cubans and will be closely watching for any evidence of intervention on their part."

According to a secret CIA report made available to The Associated Press last year, intelligence officials claimed to have evidence that the Castro regime has furnished weapons to Sandinista guerillas battling the forces of Anastasio Somoza.

The information was at-

tributed to usually reliable sources in Panama.

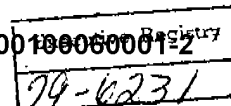
At the time, State Department spokesman Hodding Carter said the matter had been raised with the Cubans.

But the president's report Wednesday was the first official expression of U.S. "concerns" about possible Cuban intervention.

The document, a yearly report to Congress required by law, claimed that relations between the United States and Cuba have improved since Carter took office in 1977. But it reiterated the view that several obstacles still block normal diplomatic relations.

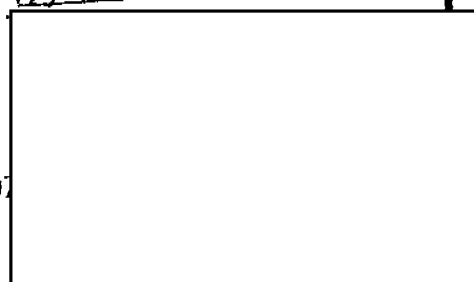
The report cited once more a series of longstanding obstacles to rapprochement, including the presence of Cuban combat troops in Africa, Castro's failure to pay for seized U.S. property, and his "excessively abrasive manner" of pressing for Puerto Rican independence.

Not only that, the report said, the last 12 months have seen some new obstacles, including tensions over Nicaragua and the transfer of Soviet MiG-23 jets to Cuba.



D/PA
STAT

30 January 1979



Dear Norman,

I read your article in The Nation of 20 January. Apparently there has been some disconnect between my understanding of what I said at New Haven and your interpretation of it. To begin with, I never have acknowledged "rewriting Agency reports to meet the requirements of policy." That is the furthest thing from my intent. Let me also point out that your ultimate recommendation that the CIA be disbanded and political intelligence be given over to the State Department would expressly place intelligence under a policy maker. The principal reason for having a CIA analytic function is that it is the only place in the government where such work can be divorced from policy making.

Beyond that, I certainly didn't intend to say that we were "virtually at war." There are some words in my text about being at war with narcotics traffickers and international terrorists, but that is all.

To help clarify these things I am enclosing a copy of the full transcript of what I said.

Warm regards.

Yours,

STANSFIELD TURNER

Enclosure

Professor Norman Birnbaum
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Amherst, Massachusetts 01002

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Article appeared
on page A-1,20

THE WASHINGTON POST
20 January 1979

STAT

CIA Will Survey Moslems Worldwide

By Jim Hoagland

Washington Post Staff Writer

The White House has ordered U.S. intelligence agencies to produce a worldwide study of Moslem religious movements in the wake of the Islamic revolt that helped drive the shah of Iran from his country this week, the Senate Foreign Relations Committee was told yesterday.

Administration officials disclosed at a closed-door committee hearing that Zbigniew Brzezinski, the president's national security adviser, ordered the study. These officials emphasized that the existence of the request was considered highly sensitive by the administration, because of the growing political impact of Moslem fundamentalism in many areas of the world.

The Carter administration is being charged in Congress and elsewhere with a major intelligence failure in discounting the strength and importance of the Iranian protest, which was spearheaded by Moslem religious leaders.

In other testimony at the hearing, the State Department's top Middle East expert, Assistant Secretary Harold H. Saunders, was reported by participants to have voiced what is believed to be the administration's first direct criticism of Saudi Arabia for not supporting Egyptian President Anwar Sadat's effort to sign a peace treaty with Israel.

Under questioning from the committee chairman, Sen. Frank Church (D-Idaho), Saunders reportedly said that the administration was dissatisfied with an ambiguous attitude in the Saudi royal family toward Sadat and voiced hope that it would change.

After being told of the summary of Saunders' statement obtained by The Washington Post, Church said, "I would hope the administration is beginning to take the blinders off. We have tiptoed around Saudi Arabia long enough."

At the same time, the administration is pushing ahead with plans for a visit here next month by Saudi Crown Prince Fahd, who led the Saudi delegation to the Baghdad Arab summit in November. The Egyptian media have portrayed Sadat as feeling "betrayed" by Fahd's performance at Baghdad.

State Department spokesman Tom Paston said yesterday that a standing

but no definite date has been set.

Members of the Senate committee echoed a concern raised Thursday in a House International Relations subcommittee. The potential loss of two Central Intelligence Agency listening stations in northern Iran that monitor Soviet ballistic missile tests, they said, could harm the administration's chances of Senate approval for a strategic arms limitation treaty (SALT) with Moscow.

The head of the CIA's analysis division, Robert R. Bowie, confirmed at the House hearing that one of the stations has been dismantled, but said the other is still functioning, according to subcommittee members. Loss of both stations would "lower confidence" in U.S. intelligence on Soviet missile launches, Bowie said, but would not be a crucial loss since the information obtained by the stations was already being gathered by other means.

The Senate and House panels concentrated much of their questioning on the reported failure of the CIA and U.S. diplomats in Iran to make contact with members of the shah's political and religious opposition because of the monarch's sensitivities.

In testifying before the House subcommittee Wednesday, Saunders said that restrictions on contact with the Iranian opposition would have come from the U.S. ambassadors in Tehran and not from the State Department. He acknowledged, however, that there were relatively few contacts with religious elements in Iran.

Brzezinski is reportedly determined not to allow the political impact of Moslem fundamentalism in such potential crisis points as Pakistan, Afghanistan, Egypt and the Philippines to go unreported in the future. He has formally directed the intelligence community to produce an in-depth study of this phenomenon.

The leading symbol of opposition to the shah throughout the past year of protests has been the exiled religious leader Ayatollah Khomeini. He is now seen as representing the major threat to the government of Prime Minister Shahnour Bakhtiar.

Saunders and Undersecretary of State David Newsom made more explicit at yesterday's hearing than they have in public the administration's evident decision to try to shore up Bakhtiar's government but not to become so identified with it that Khomeini's followers will seek revenge against the United States if the ayatollah eventually wins the power struggle.

The administration's position "seemed realistic," Church said. "They seem prepared to roll with the punches and hope that our influence can contribute to the emergence of a government prepared to follow a reasonably moderate course in its relations with the West and its neighbors." Another source who heard the presentation said the administration has decided "to go with the flow of events."

Asked about the report of the White House ordering an intelligence study of Moslem fundamentalism, Church said that after "the intelligence failure" in Iran, "I have to wonder if we are competent to manage an intelligence gathering program on anything."

Meanwhile, a spokesman for the Iranian embassy in Washington said that Iran's new foreign minister, Ahmed Mir Fendereski, cabled the embassy yesterday with a denial of statements made in Tehran and here that Ambassador Ardeshtir Zahedi has resigned.

The telegram confirmed Zahedi in his post, according to the spokesman, who said that Zahedi had left Washington yesterday without telling his staff where he was going.

Zahedi has been in Texas and California for much of this week visiting members of the shah's family and preparing for the Iranian monarch's expected arrival in California next week. The shah remained in Egypt yesterday.

THE BATTLE AGAINST TERRORISM

Although the news media report worldwide terrorism with distressing frequency, a study by the Central Intelligence Agency has found that such violent incidents actually declined in 1977.

A total of 270 terrorist acts were committed last year — 134 fewer than the 413 which occurred in 1976. The 1977 total is the lowest since 1973.

The CIA report states that "this decline was probably in large part due to increased security measures taken by previously victimized governments," along with a wait-and-see attitude by terrorists and the growing reluctance of some countries to offer a safe haven to the international outlaws.

The success of stepped-up police activity has been noticeable this month in West Germany and Italy. On Sept. 13 Italian police captured 30-year-old Corrado Alunni, who is suspected of being the mastermind of the Red Brigades. The arrest is considered a major breakthrough in the efforts to round up Red Brigade terrorists who kidnapped and killed former Premier Aldo Moro last spring.

On that same day a special anti-terrorist squad recovered art treasure valued at more than \$750,000 and later arrested five men in the thefts. A week earlier Willy Peter Stoll, 28, was slain by police in Dusseldorf as he pulled a gun as police approached in a Chinese restaurant. Stoll, who was listed as one of the country's 20 most wanted top terrorists, was being sought in the killings of three prominent Germans last year.

The brazen contempt for society was displayed last weekend by three suspected terrorists as they conducted target practice with sub-machine guns in the woods on the outskirts of Dortmund. Residents who heard the firing called police, captured two of the suspects, including Angelika Speitel. The 26-year-old woman is one of 14 suspected Red Army Faction terrorists sought for the 1978

slayings of Siegfried Buback, federal chief prosecutor; Juergen Ponto, banker; and industrialist Hans-Martin Schleyer. One West German policeman was killed and another wounded in the woodland shootout.

It may appear that Americans are a long, safe distance from international terrorism. But such is not the case. Of the 2,690 terrorist activities throughout the world during the decade ending in 1977, almost half of such incidents (1,148) were directed against citizens of the United States or American businesses abroad. Most of this violence includes incendiary and explosive bombings or kidnappings. In the 10-year period Latin America led with 455 terrorist actions aimed at Americans and their properties. Western Europe with 298 incidents was second, followed by the Mideast with 194.

The CIA report warned, "The decline in the frequency of international terrorist attacks is expected to level off and may even be reversed." It also pointed out that worldwide terrorism moves up and down in cycles, with the violence ebbing at present. The study also predicted the locations and targets of terrorists will remain unchanged: American citizens and their properties in Latin America, Western Europe and Mideast.

Although terrorists in other parts of the world receive most of the publicity, the CIA warned the United States also has violence-prone groups: Cubans opposed to Castro and Croats-in-exile opposed to the Yugoslav regime.

Alertness against terrorism is being emphasized in the U.S. This point has been underscored by FBI Director William Webster, who announced the bureau is increasing its anti-terrorist program. That is the only way the international criminals can be fought effectively in a cooperative effort by all the civilized nations of the world.

Carter Oil Equipment Decision Doesn't Worry Soviet Industry

Journal of Commerce Special

The Carter administration's recent decision to make all oil equipment sales to the Soviet Union subject to special government review and a specific export licence in response to the Soviet government's imprisonment of dissidents will not effect the overall development of the Soviet oil industry, according to Zandar Takoyev, deputy minister of the oil industry.

In a recent interview, Mr. Takoyev said that the kind of foreign equipment which the Soviet Union intends to import to speed up development and increase the efficiency of its oil and gas industry was also available from other suppliers

in Western Europe, Comecon and Japan. Any embargo would merely rebound on U.S. industry, he added.

The first major contract to be affected by President Carter's decision is the \$144 million oil drill bit plant to be supplied by Dresser Industries (although it appears that this sale will be permitted to go through).

But Mr. Takoyev also referred to Sen. Henry Jackson's demand for a ban on the export of submersible pumps. "Mr. Jackson should not try to bully us. We shall be producing 10,000 submersible pumps ourselves this year and a big new plant is due to come on stream in Tatara next year which will cover all our needs," he said.

According to a recent CIA discussion paper presented to the East-West Trade Advisory Committee, the Soviet Union purchased \$3 billion worth of Western oil and gas equipment and know-how plus a further \$4 billion worth of large diameter pipe in the 1972/76 period. The U.S. share only amounted to \$550 million. But this includes over 1,000 submersive pumps with a lifting capacity of more than 3 million barrels per day which have played a significant role in stabilizing production of the aging Urals-Volga oil fields.

The United States is also recognized to have considerable technical expertise in the production of high quality bits for deep drilling, a fact which is acknowledged by the plan to import such a bit plant from Dresser Industries.

The Soviet Union's need to import substantial quantities of Western equipment is largely due to the sheer scale of the Soviet exploration and production effort but also reflects relative technical backwardness in areas like accurate deep seismic analysis, deep drilling techniques and equipment and offshore technology.

This technology gap exists largely because most of the expansion of the oil and gas industry up to the late 1960s was concentrated on large and relatively accessible onshore fields like the Urals-Volga. Here technology was developed to exploit oil and gas from relatively shallow hard-rock formations. But the expansion eastward into Siberia and the existence of large potential deposits in inland sea areas like the Caspian and offshore areas like the Barents Sea and off Sakhalin

Island in the Far East have created a big need for both deep drilling and offshore technology plus more sophisticated gas injection recovery methods, pumping techniques and large dimension steel pipes.

In spite of these shortcomings, and the enormous difficulties involved in producing and transporting oil and gas from the harsh Siberian environment, the Soviet industry is still on line to fulfill the 1980 target of 620 million to 640 million tons of oil, compared with 546 million tons produced last year, Mr. Takoyev said. A key role in achieving this target is being played by the oil fields of western Siberia and especially the giant Samotlor field. According to Mr. Takoyev, output from the Samotlor field was 112 million tons in 1977 and is scheduled to rise to 140 million tons in 1978.

The largest Soviet estimate for output from the west Siberia oil fields as a whole in 1980 has been increased to 315 million tons, above the highest figure in the 300 million to 310 million ton range projected for 1980 in the current five year plan. Production of 350 million tons is expected from the west Siberia oilfields by 1985, he added by way of refuting last year's controversial CIA report predicting an early peaking and subsequent sharp decline of output from this area.

In the Caspian Sea, where up to now offshore production has been limited mainly to the shallow continental shelf, one Dutch-built and two Soviet-built jack-up rigs capable of operating up to 75-80 meters are in operation and the first Soviet-built semi-submersible

rig capable of operating in up to 250 meters and drilling to 6,000 meters is now expected to be ready at the end of the year for operation early in 1979. A second Finnish-American semi-submersible is being assembled at Astrakha.

Offshore production of oil and condensate in the Caspian totals 11 million tons so far, and by the end of 1980 five jack-up rigs and three semi-submersibles are expected to be in operation to boost production considerably, he added.

Foreign companies, including Britain's Wimpey, Brown and Root, McDermott and Japanese and French companies are currently awaiting a decision from the Ministry of Foreign Trade which is shortly expected to award a new contract for offshore drilling technology in the Caspian.

But the Soviet Union is also planning extensive cooperation with Comecon countries, particularly Rumania, the GDR and Poland with its extensive shipbuilding capacity, in the exploration and exploitation of the ice covered Barents and other arctic sea areas. This is an area where BP's combination of North Sea and Alaskan North Slope experience is also believed to be of particular interest to the Soviet industry.

According to Mr. Takoyev, geophysical research so far in Barents Sea shows "a good structure very rich in hydrocarbons at a depth of around 3,000-3,100 meters." But exploratory drilling on an offshore island of the sea has not yet reached presumed deposit levels. The industry also holds out good prospects for the east Siberian fields where some Soviet geologists believe there is more likely to be extensive

gas deposits while others believe that seismic studies so far indicate large and balanced deposits of both oil and gas, he said.

On the subject of Comecon cooperation in the energy field, which was one of the major topics for discussion at the recent Comecon summit in Bucharest, Mr. Takoyev said there are now several long term agreements lasting into the 1990s for cooperation in offshore exploration, down-hole instruments, surface installations, pipelines and scientific and technological research into enhanced oil recovery and other fields. He also indicated that Soviet supplies of oil and gas to Comecon "would not be less than now" during the next five year plan.

Delivery targets for the next five year plan have not yet been fixed and were in any case the competence of Gosplan and Foreign Trade, not the Oil Ministry, he added.

ARTICLE APPEARED
ON PAGE 14

NEW YORK DAILY NEWS
28 June 1978

CIA Says SALT Won't Cut Soviet Spending on Arms

By JEROME CAHILL

Washington (News Bureau)—Agreement on a new strategic arms limitation treaty (SALT) between the United States and the Soviet Union would not "slow the growth of Soviet defense spending significantly," the CIA said yesterday.

In a study presented to the Congressional Joint Economic Committee, the CIA predicted that the Soviets over the next two or three years will be increasing their defense outlays, but at a somewhat lower rate than their 4% to 5% longterm-growth rate, because some new missile, submarine and fighter aircraft programs are nearing completion.

But during the early 1980s, the intelligence agency said, "We expect the Soviets to begin testing and deploying a number of the new weapon systems under development," probably boosting outlays to their longterm rates.

The study said that the Soviet economy, which has been slowing in the 1960s and 1970s, will slow even more so in the 1980s. This has caused "concern" but will likely reduce defense spending "only marginally," the CIA said.

According to the intelligence agency, the Soviets currently are devoting only about 10% of their total defense spending to intercontinental attack forces subject to the SALT negotiations. A SALT agreement, the study said, "would probably reduce the rate of growth of total Soviet defense spending by only about 0.2% per year."

In the 1976-77 period, Soviet economic growth was lower than any time since World War II "and the situation is likely to worsen," with annual growth rates of 4% through 1980 tailing off to 3% or 3.5% from 1981 through 1985, the agency said. It attributed the lackluster outlook to a decline in the Russian labor force and an inability to improve productivity.

The 14-page analysis said several members of the present leadership in the Kremlin "Will almost certainly pass form the scene" in the next five years, leaving no heir-apparent to President Leonid Brezhnev. It predicted that a caretaker regime would assume authority, continuing current policies.

ARTICLE APPEARED
ON PAGE B-7

THE WASHINGTON POST
4 June 1978

Jack Anderson

Toppling Inflation

The Central Intelligence Agency has sent the White House an economic report that contains ominous news for all Americans. For the first time, the United States has overtaken the six leading industrial nations on the CIA's inflation charts.

This has brought an urgent warning from President Carter's chief economic adviser, Charles Schultze. "Additional federal action is essential," he told the Cabinet behind closed doors, "to avoid a recession."

The CIA has recorded the trend in weekly charts, comparing the economic indicators for Britain, Canada, France, Italy, Japan, West Germany and the United States. In November 1975, the U.S. inflation rate started to gain on the cost of living in the other industrial nations. President Gerald Ford began passing out "Whip Inflation Now" buttons and threatening to invoke wage and price controls.

Now Carter is trying to tighten the federal pursestrings as an example to the nation. He has named Robert Strauss as his special anti-inflation fighter. It is Strauss's heroic mission to persuade corporations, unions and families to tighten up.

A rueful Strauss was obliged to acknowledge the other day that "the score is: Inflation 100 percent, Strauss zero." This has caused quiet despair in the backrooms of the White House, where Carter has questioned "whether the country has the will to combat inflation."

Without voluntary restraints, the

president won't be able to keep the lid on the economy. His economists have found no government elixir that will ensure prosperity, without inflation. Schultze has reported to the Cabinet: "No substantially different approach has emerged that could satisfy the goals of holding down the deficit while also stimulating the economy, creating new jobs and containing inflation."

It will take sacrifices by everyone, the president has told associates, to prevent the economy from going into a stall. But he made it emphatic that the sacrifices should begin with the government.

The best way for the government to fight inflation, he stressed, is to cut back spending. "It is sound political, as well as substantive, strategy to oppose excessive spending bills," he said.

According to the confidential minutes, he emphasized "the need to hold the line against increases in the budget" and announced his determination "to take a firm stance against any additions proposed by the Congress."

The confidential Cabinet minutes indicate that the Carter crowd didn't begin to wake up to the economic danger until last November. Commerce Secretary Juanita Kreps kept warning that the gross national product, the measure of how well the nation is doing economically, would be disappointing. She called for regular meetings with the president's chief economic counselor.

By the end of the month, Schultze

had met with Kreps, Labor Secretary Ray Marshall, Treasury Secretary Michael Blumenthal and White House domestic adviser Stuart Eizenstat. In December, Schultze began attending regular Cabinet meetings.

It was Marshall who suggested on Dec. 5 that the federal government should set an example for the private sector. Otherwise, he warned, "there will be escalating demands for wage and price controls or for a tighter monetary policy, both of which proposals are fraught with severe practical and political difficulties."

The president, quickly agreeing, asked each Cabinet member to reassess the spending habits of his or her agency and seek ways to hold down inflation. He urged the Cabinet "not to let constituency groups dominate an agency's handling of issues that have inflationary impact."

Schultze volunteered that his economic experts would review 15 to 20 key government regulations each year to determine how government activities and the regulatory process could be used to combat inflation. "Who," demanded Blumenthal, "would make the tough decisions when the regulatory analyses revealed large inflationary effects?" Schultze said he would call upon government officials to produce alternatives that would cost less.

ARTICLE APPEARED
ON PAGE 111-112

THE NEW YORKER
1 May 1978

A REPORTER AT LARGE

EXCERPT:

BRZEZINSKI

—ELIZABETH DREW

Brzezinski's emphasis on the rivalry between the United States and the Soviet Union sets him apart from many of the people he works with, both on his own staff and in other parts of the government. One who works in the national-security apparatus says, "Zbig has thought about the Soviets during much of his academic life. He thinks of them as more central and key than Vance does. Brzezinski's own instinct is to stand up, be tough, outproduce them economically and militarily. His view is that we are coming out of a bad time and they have to be shown some things. There is an almost systematic toughness in Zbig's writing and thinking. Vance believes that the Soviets are vital, but he is more likely to take other questions into consideration." A State Department official says that the difference in outlook between Brzezinski and State is one not so much over policy as over emphasis. Vance is described as not wanting to cause unnecessary abrasions in relations between the United States and the Soviet Union.

Officials offer a number of examples of Brzezinski's preoccupation. One is that he has brought up the idea from time to time that perhaps the United States should cause trouble for Agostinho Neto, the leader of Angola, who has Cuban backing—perhaps by giving some support to Jonas Savimbi, who had South African backing during the struggle over who would control Angola when it gained independence from Portugal. In 1975, Neto was backed by the Soviets and the Cubans, while the United States at first supported Holden Roberto and then, after he dropped out, joined South Africa in supporting Savimbi. At the end of 1975, the Ford Administration tried to increase our aid to Neto's opponents, which was mainly channelled through the C.I.A., and Congress not only balked but also tightened the restrictions on C.I.A. activity so that they would apply specifically to Angola. During

the 1976 campaign, Jimmy Carter was critical of the Ford Administration's action. Also in 1976, Neto's forces prevailed. In recent months, Brzezinski has raised the question of whether the congressional restrictions are still applicable; the C.I.A. has told him that they are. I remarked to an Administration official who told me about this that I thought the matter of Angola had been settled before this Administration took office. He replied, "So did I. That's why I'm confused."

Brzezinski's concern about the Soviet Union came up in the context of the elections in France and Italy—what to do if the Communists gained power, what to do to prevent them from doing so. In the case of Italy, our ambassador was called back, and the State Department issued a statement toughening our earlier positions. The theory was that our statement of non-involvement but concern had been taken by some in Italy to mean that we were not concerned. Some Administration officials said privately that they did not want to be the ones to "lose" Italy. There are some within our government who feel not that it is unimportant who comes to power in these countries but that our issuing such statements does not affect the electorate at which they are aimed, except, perhaps, in precisely the opposite direction from what was intended.

Brzezinski's concern about the Soviet Union also comes up in the context of questions about our policies toward Eastern European nations—about how much emphasis should be given to encouraging some of those nations, such as Poland, Hungary, and Rumania, to distance themselves from the Soviet Union. Thus the President's visit to Poland, the first stop on his trip late last year. In Warsaw, at a press conference, he praised the "great religious freedom and otherwise" of the Polish people, and Brzezinski and Mrs. Carter made a publicized call on Stefan Cardinal Wyszyński, the Primate of Po-

land's Roman Catholic Church. It comes up in the context of whether to play to China in order to twit the Soviet Union. It comes up in regard to questions of intelligence-gathering methods. Brzezinski has been pressing for a revision of our intelligence-gathering methods, to move them from dependence on technological "hardware"—a dependence that developed during the nineteen-fifties, when the Soviet Union and other parts of the world were more difficult to penetrate than now—and back to more traditional espionage methods. He has also expressed concern about the restrictions that have been placed on C.I.A. activities as a result of the disclosures and investigations of recent years. He is troubled by the number of reviews to which some activities have to be subjected before they can be undertaken. He apparently believes that the United States should be able to use a wide range of techniques to

influence the course of events in other countries. The Senate and the House, in creating intelligence-oversight committees, and President Carter, in issuing an executive order in January, took the position that whatever actions are proposed should be worked through a system that includes informing appropriate members of Congress and also the acceptance of responsibility by the highest executive leaders. The executive order requires that the President must "sign off" on any activity of any importance. Brzezinski is known to believe that the President should have broad flexibility, including "deniability"—that is, that it should be possible to carry out operations in a way that would enable the President to deny he knew about them. The question of accountability for such operations was one of the basic issues raised in the recent examination of our intelligence activities. The argument for it was that since any major intelligence activity could cause us great damage, it ought to be decided upon by our highest officials, who ought to take responsibility for it.

Closer C.I.A.-White House Ties Raise Doubts on Agency's Independence

By RICHARD BURT
Special to The New York Times

WASHINGTON, April 29—The Carter Administration's drive to make analyses prepared by the intelligence community more relevant to White House needs is raising questions in Administration and Congressional circles over whether the Central Intelligence Agency is able to exercise independence on sensitive policy issues.

This concern is said to be reflected in a report by the Senate Intelligence Committee, scheduled for release in the near future, which suggests that a much-publicized C.I.A. study on Soviet oil production may have been manipulated by the White House.

The committee report says that the study's conclusion that the Soviet Union would become a larger importer of oil in the early 1980's was probably wrong, but that the White House used the prediction to develop public support for President Carter's energy program.

Some officials maintain that this episode, which occurred last year, is symptomatic of a new set of delicate problems that the Administration is encountering in trying to make intelligence estimates more relevant to Administration policy.

With top foreign policy officials taking an important role in determining what the C.I.A. addresses, the agency may be too accommodating, some aides suggest. "When the White House orders up a study," one agency official said, "it is usually pretty clear what results it is looking for."

The Administration has made a concerted effort, in its plan to reorganize the intelligence establishment and in recent changes made by the Director of Central Intelligence, Adm. Stansfield Turner, to strengthen and centralize assessment capabilities that withered in the Vietnam period and were further weakened by interagency feuding in the Nixon-Ford years.

Addressing New Questions

The Administration's effort, which began last summer, is also designed to redirect intelligence work to such new problems as terrorism and nuclear proliferation, which are of growing interest to policy-makers. These steps have won the approval of most intelligence officers as well as the two congressional intelligence committees.

But in undertaking these changes, several intelligence officials said recently, the Administration has begun to confront a familiar problem: how to insure that intelligence information that appears to run counter to existing policy is neither suppressed nor distorted. This problem, officials said, first emerged in a serious way in the mid-1960's.

According to intelligence officials who served at the time, C.I.A. estimates that appeared to challenge President Johnson's policy of increasing military commitment to South Vietnam were ignored by such top foreign-policy aides as Eugene Rostow, the Presidential national security adviser. Accordingly, communications between the C.I.A. and the White House became increasingly strained. As the former Presidential adviser, McGeorge Bundy, testified recently before Congress, C.I.A. Director John McCone's access to President Johnson declined sharply after 1966.

The estrangement persisted during President Nixon's first term, when, according to one former official, the C.I.A. became "a service operation for Henry Kissinger." The official said Mr. Kissinger, as Presidential adviser, strongly distrusted Richard Helms, then the Director of Central Intelligence, and made sure that analysis work on important intelligence questions was performed by his own staff.

The C.I.A.'s problems were compounded in the Nixon years by its disagreements with Defense Secretary Melvin Laird, who contended that the agency's estimates of the growth of Soviet military capabilities were too low. In the early 1970's, Mr. Laird argued with Mr. Helms over whether a new Soviet missile, the SS-9, was equipped with multiple warheads. Although the C.I.A.'s contention that the missile did not possess such a capability was ultimately proved right, the dispute badly damaged the credibility of C.I.A. estimates.

Central Section Dismantled

Morale was further weakened when James R. Schlesinger, upon becoming director of the agency in 1973, responded to concerns over intelligence bias by dismantling the central analysis section in the agency, the Office of National Estimates. Aided by the Board of National Estimates, a group of academics and specialists who advised on intelligence questions, the office had built a reputation for accuracy and independence in the Eisenhower and Kennedy years.

Mr. Schlesinger replaced both the Board and the Office of National Estimates with a group of national intelligence officers, each responsible for a different area of analysis. "There was a feeling," one official recalled, "that they were a bunch of staff officials whose basic job was to match intelligence evidence to the views of the White House."

Now, in the Administration's effort to make sure that the C.I.A.'s views are not shunted aside, the role of the Director has been strengthened and an effort has been made to insure that Admiral Turner sees Mr. Carter at least once a week. At the same time, a Cabinet-level intelligence committee has been established, with the Director of Central Intelligence as Secretary of State Cyrus R. Vance and Secretary of Defense Harold R. Brown to define their needs,

Within the agency, Admiral Turner in October established the National Foreign Assessment Center, headed by Robert R. Bowie, Mr. Turner's deputy for national intelligence. Officials say that the center, similar to the old Office of Estimates, is designed to improve analysis by pulling together estimates done by different C.I.A. offices and other agencies.

There is widespread agreement that C.I.A. studies now have greater visibility in the Government and that agency reports are becoming more useful to policy-makers. The problem, as the official put it, "is that while C.I.A. work is no longer ignored, there is a growing danger that intelligence and policy will become indistinguishable."

Reinforced by Turner

This danger is said to stem from the Administration's attempt to make the Director of Central Intelligence a more influential figure—a tendency that has been reinforced, officials say, by Admiral Turner's strong appetite for political power.

"They may not know it," said a former high-ranking intelligence official, "but they are on the verge of turning the Director of Central Intelligence into a political job."

In the case of the C.I.A. study on Soviet oil production, the Senate committee has not accused the agency of shaping its findings to meet White House needs. The committee reportedly has suggested that the C.I.A. made an analytical error in its report, but more troubling, according to some committee officials, is that Mr. Carter announced the findings last April in dramatic fashion at a press conference, in an obvious appeal for support for Administration energy plans.

In some other cases in the last year, some members of the Senate committee believe, the C.I.A. has bent facts to meet White House views. One example is said to be a contention by the agency that a proposed Soviet-American accord limiting strategic arms could be verified using reconnaissance satellites, an opinion apparently questioned by several intelligence officers.

Another alleged instance is the failure of the C.I.A. to warn the White House of possible dangers in moving ahead with Mr. Carter's plan to withdraw some 30,000 ground forces from South Korea. "It was pretty clear that the President had made up his mind on the issue, so the agency simply fudged over the question of whether the pullout would create a military risk," a member of the Senate committee said.

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THE WASHINGTON POST
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**Around
The World**

• U. S. intelligence analysts reported that conditions are right for locusts to devastate a wide swath of East African and South Asian croplands while control efforts have been impeded by the recent Ethiopia-Somalia war.

Russia's Nuclear Program Said to Be Lagging Badly

By Fred Hoffman
Associated Press

Russia's nuclear power development program has fallen seriously behind schedule because of industrial shortcomings, U.S. intelligence sources say.

The sources, who asked not to be named, indicated the Russians may try to get more help from Western countries.

Analysts filed a secret report recently saying the Soviet Union's goal of achieving 18,400 megawatts of nuclear generating capacity by 1980 "probably will be missed by a wide margin," probably by about 3,000 megawatts.

Soviet heavy industry cannot meet commitments to provide the necessary reactor components, the U.S. intelligence report said, adding that the Soviet Union has been willing to buy nuclear equipment from the West.

The new report comes at a time when other intelligence appraisals speak of shortfalls in Soviet agriculture and steel production.

The Russians are said to be building a new production plant on a 1,600-acre site at Volgodonsk, from which nuclear reactor units are supposed to be available starting in 1981. Much of the equipment for this plant is being bought in the United States and Italy, intelligence sources said.

But slow construction is reported to have set back Soviet plans for this factory complex by one or two years.

Meanwhile, U.S. intelligence officials said the Russians are committed to supply nuclear power plants to some of their Eastern European allies and Finland. Czechoslovakia is said to be building components for Hungary and East Germany to fulfill some of the commitments Russia cannot meet.

Despite its production problems, Russia has sent teams of Soviet technicians and engineers to start setting up a nuclear power station in Cuba. According to intelligence reports, the Soviets have promised to get two 440-megawatt reactors into operation in Cuba by 1985.

OPINION AND COMMENTARY

Joseph C. Harsch

Moscow's prospects

One of the more interesting subjects for analysis at this turn-of-the-year moment for stocktaking is whether the American people are correct in their present mood of not worrying about the Soviet Union.

I base my assumption about that American mood on the Dec. 26 issue of Time magazine which reports a poll showing "the main issues" facing the United States, or what worries the American people. According to that poll 39 percent of Americans are worried about inflation, 28 percent about jobs, 25 percent about energy and 16 percent about taxes. Other worries dwindle down into single-digit numbers with worry about the men of Moscow at the bottom of the list at a bare 1 percent.

If this is anything like an accurate measure of the American mood then a lot of powerful propaganda machinery has been wasting its time. A whole galaxy of private organizations has been pumping out to the American people a flood of literature, films, radio broadcasts, and speeches on the alleged new Soviet menace. According to this material Moscow is steadily expanding its military power, will within a few years, perhaps as early as 1980,

enjoy actual military superiority over the United States, and will then use its power to dominate the world.

Time's poll would indicate that this sounding of the tocsins is falling on deaf ears. But that leaves the question, should it? Herewith, one man's appraisal.

The Soviets have a remarkable capacity to turn out a steady flow of serviceable, practical, and relatively up-to-date weaponry. They were doing it while the United States was burning up its best new weapons in Vietnam. They have since kept up a steady flow of the weapons. If the United States did nothing about this, the time would come eventually when the Soviets would have an advantage. There is no safe reason to assume that if they did gain the advantage they would shrink from using it at least for political blackmail.

The Soviets do not yet have such an advantage. The rate of American production of newer and technically better weapons has been speeded up. Still newer weapons of more advanced design are in various stages of preparation. The cruise missile is well along in the development stage and could be deployed soon in

air, sea, and land-based versions. Unless there is a SALT II agreement acceptable to the Senate there will undoubtedly be development work on a new mobile missile to offset the weight of the big-size Soviet missiles.

The Soviet Union itself is currently pursuing a relatively static foreign policy. There is no current pressure on Western Europe or on China. It is pursuing an active policy only in Africa where it still supports the local regime in Angola, and where it is supplying weapons and technical aid to Ethiopia. But Somalia has sent home all Soviets formerly based there. There is nothing left of once-promising Soviet prospects in all of northeastern Africa except in Ethiopia and Libya.

According to CIA (U.S. Central Intelligence Agency) appraisals Moscow faces during the early '80s some serious economic problems and is not yet taking the steps which could prepare it to meet and handle those problems. It will go over from an oil exporting to an oil importing condition. This will mean that the Eastern European satellites will have to turn elsewhere for their oil. And the Soviet use of labor is so inefficient that it already is beginning to run low on manpower. It may be forced to cut back on the number of men in the armed forces to keep its industry and agriculture going.

The steps necessary to meet these problems will be too unsettling for the present and aging leadership in Moscow to handle. A new generation of leaders is likely in the early '80s. They will inherit the unsolved economic problems. Their main problem will be how to shake Soviet industry out of its lethargy and its technical backwardness within the existing political and economic system. Can Soviet industry ever become efficient and progressive under the present centralized system of control?

The immediate prospect is for continued stagnation in the Soviet economy, a conservative clinging to the centralized bureaucratic system, continued suppression of dissent, a cautious foreign policy, and continued slow but steady increase in military power. There is no reason inherent in Soviet behavior at the moment to anticipate any radical changes in Moscow or in its behavior pattern.

NEW YORK TIMES
10 November 1977

Against the Grain

By William Safire

WASHINGTON, Nov. 9—Adm. Stansfield Turner's first public failure as Director of Central Intelligence saved the Soviet Union hundreds of millions of dollars in hard currency, and cost the United States what might have been a useful negotiating point.

The C.I.A. is charged with the responsibility of maintaining accurate, current estimates of the economic strength of our adversaries, which so often determines military strength and diplomatic objectives.

The most important element in estimating the economic muscle of the Soviet Union is grain production. To measure that central activity, the C.I.A. works with the Department of Agriculture, underwrites NASA satellite surveillance, monitors grain in Australia and Canada, debriefs travelers and probably employs a few agents in Ukrainian grain fields.

Two weeks ago, this extensive, expensive C.I.A.-Agriculture overt-covert intelligence reported publicly that the Soviet grain production would exceed the announced Soviet goal by two million tons, to a healthy (and market-depressing) 215 million tons.

Last week, President Brezhnev announced a surprise: Grain production in his country would be only 194 million tons. The American intelligence community was stunned: a 10 percent error was egregious, especially since we were sensitized by our 1973 forecast error which permitted "the Great Grain Robbery."

Blandly, the Agriculture spokesman next day agreed that the Soviet production would indeed be 194 million tons. Since President Carter disbanded the Foreign Intelligence Advisory Board, and since Senate oversight is more concerned with abuses than quality, no hard questions were asked of the Director of Central Intelligence

about the failure of our intelligence gathering.

But here is the significance of that failure: We have a five-year agreement with the Soviet Union to sell it no less than six, no more than eight million tons of grain each year. If it wants more, Moscow is expected to notify us, so that our markets remain orderly, and our investors and speculators are not suckered by those possessed of inside information.

Last August, the Soviets neatly—and legally—circumvented that arrangement by secretly buying contracts for most of their shortfall from the European subsidiaries of American grain companies and other traders who do not have to report their sales of "all origins" grain futures. Of course, the corn would have to come from the United States market; but by not specifying they were buying United States grain, and by encouraging the

"all-origin" grain contracts, plus United States permission to make that place of origin the U.S.A. Then, and only then, did Mr. Brezhnev break the news that our estimates were far off and the Soviet Union needed to buy grain heavily.

Zapped again. Had the C.I.A. and the Agriculture Department been awake—and there were plenty of American travelers and Chicago grain traders who tried to wake them up—we could have at least caused the Soviets to pay the higher rates that will prevail when the grain is delivered.

More important, we could have used the Soviets' desperate need for our corn to extract some concessions on human rights, or to put a little more backbone in our position on SALT.

To many Americans, the subject of grain sales is a MEGO—my eyes glaze over—yet there is an interesting lesson here:

We expect the Soviets to trade keenly, like capitalists. But if, in a period when they are actively promoting détente, the Soviets make a mockery of the spirit of our grain agreement by taking such advantage of loose reporting requirements, can we be confident of Soviet good faith in negotiating hard-to-verify arms agreements?

And we can tolerate a certain margin of error in the C.I.A.'s economic intelligence estimates. But if all Admiral Turner's satellites, meteorologists, debriefers and spies can be so wrong about the way the grain is growing or rotting in open fields in the Ukraine, can we be confident of his recent intelligence estimates in more sensitive and more closely guarded areas like the production and deployment of intercontinental missiles?

ESSAY

C.I.A.-Agriculture believe that the Ukrainian harvest was bountiful, the Soviet Union was able to buy cheap and save hundreds of millions of dollars.

With much of their secret grain buying already completed, the Soviets sent their trade delegation to the United States in the first week of October. Still thinking the Soviets had no need for extra grain, the American negotiators offered—or were subtly induced to offer—the Soviet delegation the right to buy 15 million tons of grain in the United States, which just happened to be the amount the Soviets needed from the U.S. this year.

At that point, the Soviets had the