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THE CIA

The Big Shake-Up in a G

In Hong Kong, an agent of the U.S. Central Intelligence Agency slips into a railroad yard and checks the wear on ball bearings of freight cars coming in from China to try to spot unusual troop movements. Meanwhile, another agent goes to the Hong Kong central market and buys a large order of calf's liver from animals raised in China to run a lab test for radioactive fallout.

In Eastern Europe, a CIA team tries to obtain a sample of a Communist party chief's urine. Purpose: to determine his state of health. The CIA did this successfully with Egypt's late King Farouk but failed recently with Yugoslavia's President Tito.

THESE are only a few of myriad missions that the CIA has performed around the world. The agency is also constantly accused of fantastic James Bondian exploits that more often than not it has nothing to do with. The fact is that no nation can any longer accept Secretary of State Henry Stimson's bland dictum of 1929 that "gentlemen do not read other people's mail." In a nuclear-ringed globe, intelligence is more vital than ever. Nor can a world power automatically limit itself to such a passive role as mere information gathering; trying to influence events may at times be necessary. But it can no longer be done with the crudity and arrogance displayed in the Bay of Pigs invasion of 1961, or the attempt with the International Telephone and Telegraph Corp. to sow economic chaos in Chile in 1970. To harness the CIA's excesses and yet utilize its immense capabilities for keeping the U.S. abreast of world developments, the Nixon Administration has ordered the greatest reorganization in the agency's 25-year history.

Cooperate. Reports TIME's Diplomatic Editor Jerrold Schecter, who has been keeping a watch on the CIA: "For the first time since its founding the CIA is undergoing a thorough shakeup of personnel and redirection of mission. The two main targets of U.S. intelligence activities continue to be the Soviet Union and China. But a rapidly developing *détente* with those countries has created different demands on the intelligence establishment. Along with traditional estimates of the missile and military capabilities of Communist countries, the White House is insisting on a new emphasis on assessments of their political and strategic intentions. The entire intelligence estimating process is being refined to include more stress on such developments as Soviet and Chinese grain outputs and computer advances."

To chart this new direction, President Nixon has turned to a tweedy, pipe-smoking economist and military strategist, James R. Schlesinger, 44, who

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Richard Helms, who lends "operational men," or spies in the field, over the cerebral analysts, who ponder the intelligence and make policy recommendations. These two sides of the agency, traditionally separated, have orders to cooperate more.

Paramilitary operations are being scaled down. In South Viet Nam, the CIA's role in the "Phoenix"—or counterterror—program has already been phased out. The program used CIA agents to advise the South Vietnamese in the "neutralization," or killing, of Viet Cong officials. Such covert activities are under the CIA's deputy director of operations, currently William

Colby, 53, a former ambassador who was in charge of pacification in Viet Nam from 1969 to mid-1971.

Often called the agency's "dirty tricks department," Colby's section controls field agents who are involved in clandestine activities, including keeping a watch on the KGB (Soviet intelligence) and working with intelligence organizations in Western countries. But Colby's group is now placing new emphasis on such activities as getting early

Defense Intelligence Agency, which provides intelligence for the armed forces, and the National Security Agency, which directs spy planes, satellites and a vast communications-monitoring apparatus that cracks codes and gathers data from other countries.

Schlesinger, as chairman of the Intelligence Resources Advisory Committee, will be taking a hard look at the combined \$6.2 billion (some estimates put it as high as \$8 billion) spent by the three agencies. Nearly half of the money goes for satellite reconnaissance and spy planes; about \$750 million is budgeted to the CIA.

Schlesinger also must watch out for a smoldering rivalry between the CIA and the DIA. The rivalry broke out in the open recently in the form of an article in the small (circ. 75,000) monthly magazine *Army*, written by Major General Daniel O. Graham last December—before he was picked by Schlesinger to be a member of his five-man Intelligence Resources Advisory Committee. Graham's article contended that the Pentagon should win back from the

CIA primary responsibility for analyzing strategic military intelligence. To the embarrassment of military leaders, he conceded that in the past the Pentagon's estimates of Communist military potential were vastly overstated, and that the nation's decision makers rightly regarded those estimates as "self-serving, budget-oriented and generally inflated." But, he wrote, the Pentagon has so greatly reformed and improved its analysis in recent years that there will be no more "bad overestimates" like "bomber gaps," "missile gaps," and "megaton gaps."

Aided by Graham, who will be the primary link between the CIA and the DIA, Schlesinger hopes to improve relations with the Pentagon. Under the able Richard

