

Carl T. Rowan: Propaganda and policy

Fifteen years ago, when I was director of the U.S. Information Agency (USIA), and when we had half a million American soldiers bogged down in Vietnam, President Johnson called me out of a luncheon at the West German Embassy.

"I'm sitting here with (CIA Director) John McCone," Johnson said. "McCone says that there's real light at the end of the tunnel, and all we need to win is for you to beam in some more propaganda. Can't you personally talk to the Indians, the Thais, or someone so we can get that new medium-wave transmitter out there somewhere?"

I provoked a nasty discussion by saying that "if McCone's intelligence were as reliable as our broadcasting, we'd be a lot nearer the end of the tunnel."

But I went ahead and appealed personally to Thailand's foreign minister, Thanat Khoman, and got the Thai government to reverse an earlier decision and accept a transmitter that is today a powerful "voice of America" in Southeast Asia.

But we lost the Vietnam war. And a lot of people should have learned that broadcasts, leaflets dropped from planes and other "propaganda" cannot make up for bad political and military decisions.

But it seems people never learn. The hostage crisis in Iran and the Soviet invasion of Afghanistan have provoked silly new cries that everything would be OK if we just had more aggressive propaganda from the Voice of America and from other elements of the International Communications Agency (ICA, formerly USIA).

Through nasty leaks that seem to lead back to the staff of national security adviser Zbigniew Brzezinski, the media are being fed the line that the U.S. is in trouble in the Middle East, Africa and South Asia, and that Soviet agents have been out-broadcasting and out-lying the Voice of America.

Ridder Newspapers quoted a "White House official" as criticizing ICA for putting too much money into exchange programs, for not having broadcast to Iran in Farsi for almost two decades prior to the fall of the shah — and criticizing the Voice of America for taking four months to get Persian broadcasts going after President Carter ordered them in December 1978.

Leaks suddenly popped up even in gossip columns trying to make ICA and its director, John Reinhardt, the villains of the Iran and Afghanistan debacles.

White House sources told me that the leaker was Paul Henze, a Brzezinski aide who formerly worked for the CIA and Radio Free Europe and is now the White House expert on foreign broadcasting.

Henze told me that he did not inspire the Vera Glaser article, and that he does not share the view that the Voice of America ought to move away from news and telling the truth to devote more time to hard propaganda.

"Once you abandon the truth you lose your credibility, and then nobody listens," Henze said.

He told me that the White House's recent concern has been to get VOA to change its language priorities, with fewer programs beamed to Southeast Asia and more to Muslim areas. Henze said the White House also wants to get more powerful transmitters targeted on Muslim areas, with Sri Lanka a possible location for such facilities.

No matter who is doing the leaking, it is important for Mr. Carter to remind everyone that "superior Soviet propaganda" is not remotely responsible for our troubles in Iran and Afghanistan. Policy decisions made by the shah, and by occupants of our White House, are responsible for our crises.

Our intelligence and information activities in

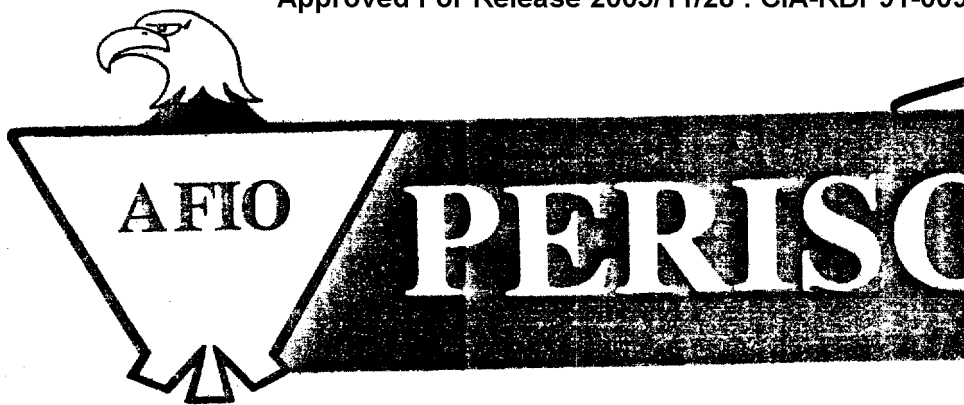
Iran, and our broadcasts to that country, were all inadequate because U.S. officials deferred to the wishes of the shah and embraced the illusion that Iran was so safe that such activities were unnecessary.

A former ICA officer wrote an article for the New York Times in which he deplored the fact that, as the hostage crisis developed in Iran, "We didn't manufacture a single slogan!"

Recent developments prove that it is idiotic to suggest that a few slogans would have changed the minds of the Ayatollah Khomeini, or Foreign Minister Sadegh Ghotbzadeh, or the terrorists holding the hostages.

President Carter must impress upon his aides that even in times of crisis Americans will not, in panic, embrace totalitarianism and fascism. In testimony before Congress recently, Reinhardt said: "This country does not need — should not want — a propaganda agency. We do not need to trim the truth. The power of our ideas, the grandeur of our accomplishments, speak for themselves."

What Mr. Carter must make clear is whether Reinhardt or the anonymous leaker speaks for this administration.



OFFICIAL ORGAN OF THE ASSOCIATION OF FORMER INTELLIGENCE OFFICERS

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At The Fourth National Convention. . .

NEW BOARD MEMBERS ELECTED, NEW OFFICERS APPOINTED

On October 1-2 delegates to the Fourth Annual AFIO Convention in Coronado, California elected new members to the organization's Board of Directors, and the new Board appointed officers for 1978-79. The new AFIO President is General Robert E. Cushman, Jr., USMC, (Ret.), who replaces Dick Stilwell. General Cushman has served as the 25th Commandant of the Marine Corps and as Deputy Director of CIA. Mr. Don Huefner, formerly of CIA, was selected as AFIO's new Vice President, to succeed Steve Hammond. Reappointed to their former positions were Anita Potocki, Treasurer, and Frances Hoffmeier, Secretary.

The new Board of Directors consists of the following old and new members:

Chairman, David Atlee Phillips

Executive Committee

General Richard G. Stilwell, USA Ret.

John S. Warner

Walter Pforzheimer

Members

Lieutenant General Marshall S. Carter, USA Ret.

William J. Casey

William E. Colby

Mrs. Helen Priest Deck

Lieutenant General Daniel O. Graham, USA Ret.

Vice Admiral Frederick J. Harfinger II, USN Ret.

Derek A. Lee

The Honorable Clare Boothe Luce

The Honorable John M. Maury

Lieutenant General W. Ray Peers, USA Ret.

Donald W. Perry

Stanton V. Phillips

Dr. Louis Tordella

Major General Harold E. Watson, USAF Ret.

Colonel George R. Weinbrenner, USAF Ret.

Speakers at the California reunion, the largest and most successful AFIO gathering to date, included The Honorable John Alex McCone, Congressman Bob Wilson, Professor William Van Cleave, Admiral Ulysses S. Grant Sharp, General Richard Stilwell, Lyman B. Kirkpatrick, Jr., and Mr. John Warner, AFIO Legal Advisor.

During the Convention the Board of Directors floored the proposal that annual dues be increased from \$10 to \$15 per annum. The assembled delegates voted to make the increase \$20 due to AFIO's growing responsibilities in the Congressional liaison area and because all dues and donations to AFIO are now tax-deductible.

Delegates also ratified a decision by the AFIO Board of Directors to join the newly formed Coalition of Peace Through Strength. Two AFIO Board members, General Dick Stilwell and Lieutenant General Danny Graham are co-sponsors of the Coalition. The Coalition is the retention of a capable and effective intelligence gathering and security capability in

of Congress, from both major parties, on its rolls. These elected representatives and the more than sixty organizations comprising the Coalition hope to foster a re-examination of what the U.S. defense posture should be.

Local newspaper publicity and stories on AP and UPI resulted from the conclave. The mayor of San Diego, Pete Wilson, proffered a formal declaration to the convention, naming October 1 and 2 as "Association of Former Intelligence Officers' Days" in San Diego.

Congratulations are in order for Lee Echols, California State Chairman, and the enthusiastic and hardworking volunteers of the San Diego Chapter, under President Don Perry, who made the convention such a success. Also contributing were Col. Carl Eifler and his wife, Margaret, who donated a fine painting which was auctioned at the reunion.



The Honorable John Alex McCone, former Director of Central Intelligence, was the speaker at the final banquet of the 1978 AFIO Convention.

Approved For Release 2005/11/28 : CIA-RDP91-00901R000600090010-5 a videotape featuring speakers at the convention, and is Copyright 1978, by Don L. Davis, as are the photos on pages 3 and 7.)

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ON PAGE 12-16

SATURDAY REVIEW
3 February 1979

SEX, DRUGS

The Shocking Search for an "Ultim

by John Marks



Richard Helms, Sidney Gottlieb, Allen Dulles—Architects of the CIA's covert drug-testing program

The CIA's venture into control of human behavior—a systematic program of testing LSD on unwitting Americans—began some two decades ago; nevertheless, it remained buried in the agency's secrecy system until the Rockefeller Commission and the Church Committee unearthed its general outlines in 1975. The news stories and headlines about these revelations, however, failed to satisfy freelance reporter John Marks; and he began a three-year search for the details that would flesh out the tale surrounding the CIA's mind-control programs. Through the Freedom of Information Act, he turned up some 16,000 pages of CIA documents, most of which agency officials had not furnished to executive-branch or Senate investigators; and he continued by interviewing numerous people directly involved. Many of the CIA's secrets, he says, will always be effectively protected by some agency officers. But Marks himself succeeded in penetrating the shadowy intrigue that cloaked CIA testing of mind-altering drugs. The story he was able to piece together is presented here.

FOR BETTER OR WORSE, LSD came to America in 1949, when the counterculture generation that the drug eventually symbolized was not even out of the nursery. At the time, the CIA and the military intelligence agencies were just setting out on their quest for drugs and other exotic methods to take possession of people's minds. The ancient desire to control enemies through magical spells and potions had come alive again, and several offices within the CIA competed to become the head controllers.

The agency's Technical Services Staff (TSS) was one of these offices; at the time, it was officially meant to be investigating the use of chemical and biological warfare (CBW) in covert operations. TSS was part of the Research, Development and Development unit of America's World War II spy agency, the Office of Strategic Services (OSS), and its specialists furnished back-up equipment for secret operations: false papers,

bugs, tapes, suicide pills, explosive sea shells, transmitters hidden in false teeth, cameras in tobacco pouches, invisible inks, and the like. In later years, these gadget wizards from TSS would become known for supplying some of history's more ridiculous landmarks, such as Howard Hunt's ill-fitting red wig, but in the early days of the CIA, they gave promise of transforming the spy world.

Within TSS, there existed a chemical division with functions that few others, even in TSS, knew about. These functions concerned the use of chemicals (and germs) against specific people. From 1951 to 1956, the year when the CIA's interest in LSD peaked, Sidney Gottlieb, a native of the Bronx with a Ph.D. in chemistry from Cal Tech, headed this division. Only 33 years old when he took over the Chemical Division, Gottlieb had nonetheless gained the respect of his colleagues, who described him as willing to carry out, as one ex-associate puts it, "the tough things that had to be done."

At the top ranks of the Clandestine Services (officially called the Directorate of Operations, but popularly known as the "dirty tricks" department) Sid Gottlieb had a champion who appreciated his qualities—Richard Helms. For two decades, Gottlieb would move to progressively higher positions in the wake of Helms's climb to the highest position in the agency. Gottlieb was loyal, and he followed orders. Although many people lay in the chain of command between the two men, Helms preferred to avoid bureaucratic niceties and deal directly with Gottlieb.

On April 3, 1953, Helms proposed to CIA Director Allen Dulles that the agency set up a program under Gottlieb for "covert use of biological and chemical materials." Helms added that the program would be used in "present and future clandestine operations" and added that the capabilities acquired would "enable us to defend ourselves against a foe who might not be as restrained in the use of

WILMINGTON SUNDAY NEW JOURNAL (Del.)
5 November 1978

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ON PAGE 11, 10

U.S. alleges ITT payoffs

By JOE TRENTO

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The Securities and Exchange Commission has asked the Justice Department to act on the "apparent criminal misconduct of high officials" of International Telephone and Telegraph Corp.

"Apparent criminal misconduct" and specific charges of fraud and falsifying company books are contained in voluminous SEC files turned over to Justice, according to officials of both federal agencies.

The intensified criminal investigation comes directly on the heels of a federal judge's order Thursday unsealing an unprecedented SEC complaint against ITT, the nation's 10th largest corporation.

That civil complaint, charging ITT with tampering with its books to hide almost \$9 million in foreign payoffs, asks the court to order the dismissal of all ITT board members, including chairman Harold S. Geneen.

The SEC says the payoffs, which netted ITT hundreds of millions of dollars, were hidden from the government and stockholders by tampering with the company books. The SEC also wants ITT fined \$100,000 for every day it fails to give the commission details of bribery in Spain, Italy, Belgium and West Germany.

SEC and Justice sources say the criminal investigation is focused on Geneen and members of his hand-picked "Geneen Machine," who are still officers of the multinational corporation. A new president, Lyman C. Hamilton Jr., took over the ITT reins as chief executive officer last December.

Sources close to the investigation and the company say that Hamilton is anxious to shake the problems and image created by the Geneen Machine's tactics. One attorney in the SEC Office of the General Counsel, who declined to be identified, said ITT is offering to fire Geneen and some of his executives to settle the SEC complaints.

The Justice probe is another matter, however. SEC spokesman Chiles Larson said Friday: "I am not in a position to be able to comment on what we have or have not turned over to the Justice Department on this case." And Justice's spokesman Robert L. Stevenson refused any official comment.

The Sunday News Journal learned, however, from officials of both the SEC and Justice that the extensive investigative SEC

were turned over to Justice as soon as Judge George T. Hart Jr. unsealed the civil complaint. These files are now being merged into the 30-month-old Justice probe into ITT.

That investigation had focused on the ITT role in Chilean politics and its cooperation with the Central Intelligence Agency.

Pending are criminal perjury and obstruction of justice charges against Edward J. "Ned" Gerrity Jr., ITT vice president for corporate relations, and Robert J. Berrellez, a former ITT Latin America official who is now a Los Angeles public relations manager for the corporation. Their trials are pending.

Leading to those charges were plea bargaining deals with Harold V. Hendrix, who also worked for ITT on Latin America, and with Richard M. Helms, former CIA director.

The Gerrity and Berrellez cases have become entangled in national security arguments. At the request of the CIA, the Justice Department is withholding information that Berrellez's lawyer says is vital to his client's defense.

The national security information includes details of CIA involvement in payoffs by ITT of Chilean politicians between 1970 and 1972. At first the payoffs were used to try to prevent Marxist Salvador Allende from becoming President of Chile in 1970. Later, the information shows, ITT officials bribed members of Allende's government to prevent the takeover of company holdings in Chileco—the Chilean telephone company.

The SEC referred indirectly to those bribes in its complaint this week. ITT collected \$94.2 million from the U.S. government's Overseas Private Investment Corp. after Allende confiscated Chiletele. Since ITT's insurance contract with the government said the company would not interfere in Chilean domestic politics, the Justice department is investigating whether the multinational lied about the payoffs to collect from the U.S. government, and thus may have committed fraud.

The Sunday News Journal first reported in 1977 that the CIA had lied in letters to the Overseas Private Investment Corp. about its knowledge of the ITT payoffs in Chile. Both Berrellez and Gerrity are being charged with obstruction of justice for lying to and withholding information from the American Arbitration Association panel that adjudicated the insurance matter in ITT's favor.

While the SEC complaint does not detail to whom payoffs went, it does say that ITT paid \$8.7 million in bribes to officials not just in Chile but also in the Philippines, Algeria, Nigeria, Mexico, Iran and Turkey, as well as other "numerous countries."

When Judge Hart ordered SEC complaints made public, he ended a fight that first went public May 4 when ITT attorney John Shaffer said the company would be commercially injured if the case were unsealed. His unsuccessful fight went to the U.S. Supreme Court.

Had the seal not been lifted, SEC spokesman Larson said, "I guess it would have been unprecedented for the SEC. The point is to let shareholders know what kind of trouble their company management is in."

Larson said that while ITT could have been sued in the privacy of a judge's chambers "our job is to get the word of the investigation out among stockholders so they can act accordingly."

Despite repeated calls to ITT Friday, no one in the public relations department of the firm could be reached for comment.

Geneen raised ITT from a relatively unimportant place in the corporate world to what many Wall Street analysts consider the most aggressive international corporation that has ever done business.

Last Christmas Geneen stepped down as the ITT's chief executive at the age of 57 to be replaced by Hamilton. ITT sources told the Sunday News Journal at the time that one reason Geneen stepped down was potential legal embarrassment should his name crop up in then pending criminal investi-

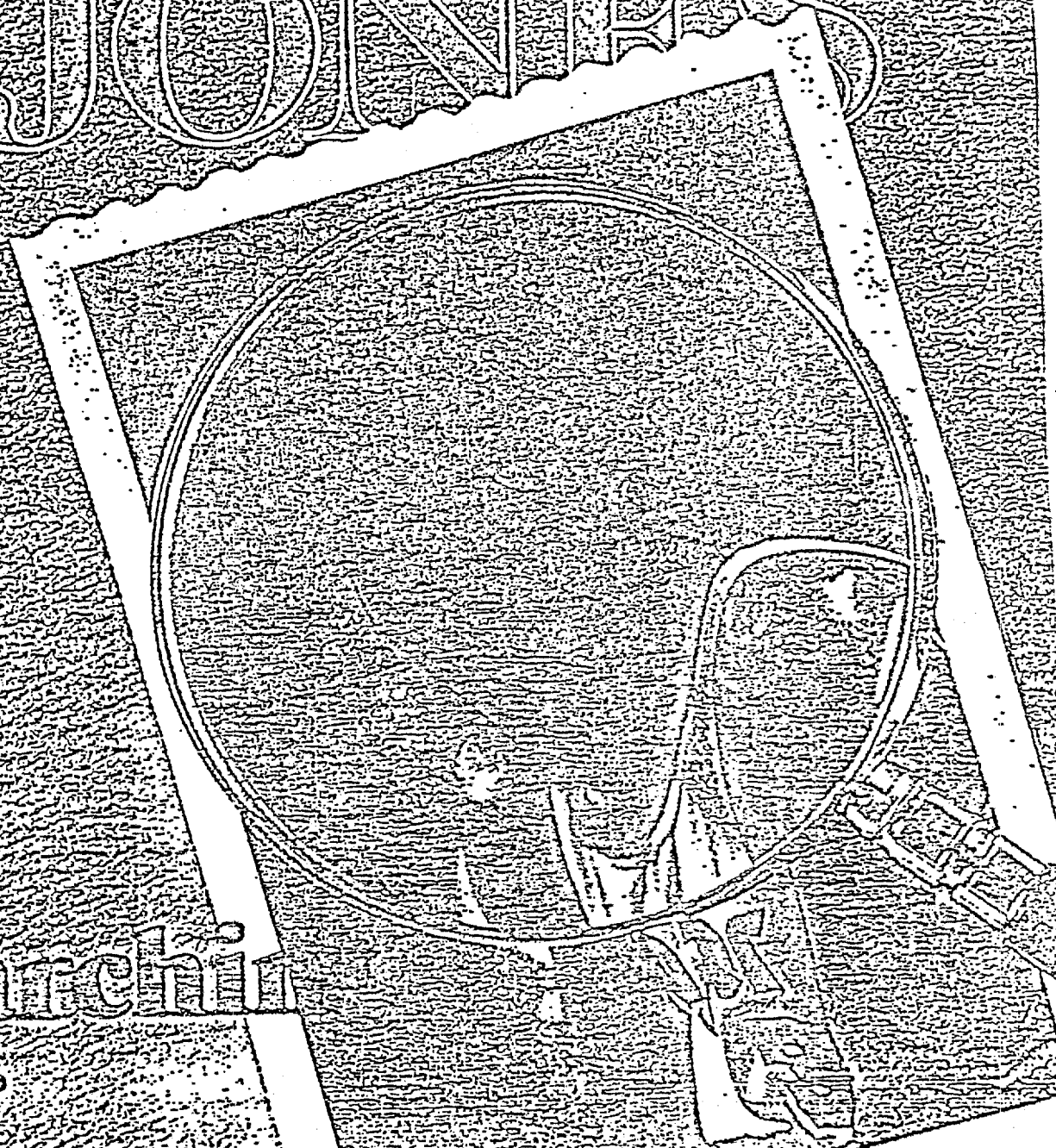
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MOTHER JONES
SEPT/OCT 1978

America's Supersecret Super... DAYS DEATH

SEPT/OCT 1978 A MAGAZINE FOR THE REST OF US \$1.50

MOTHER JONES



Searching
FOR
Bill Waller

Bechtel Corp. hits 'distortions and lies'

The following is a response from the Bechtel Corp. of San Francisco to an article published on the Aug. 15 Forum page. The article was written by Mark Dowie of Mother Jones magazine. A condensed version was distributed by Pacific news service.

The Aug. 15 Plain Dealer carried a long and greatly distorted article of the Bechtel organization, which was condensed from a longer story in Mother Jones magazine.

Normally, Bechtel would not respond to such transparently shoddy reporting. But a number of our valued employees and their families live in the Cleveland area, and we believe they deserve a public defense from such an irresponsible attack.

To most responsible journalists, the reporting technique used by Mother Jones is well-known and long discredited. Unfortunately, however, it still survives in some quarters, such as the sensational tabloids and much of the so-called "alternative media" like Mother Jones.

We are disappointed, frankly, that a newspaper of the caliber of The Plain Dealer would reprint the story without even asking Bechtel for a response to the accusations. We assume that it was a momentary lapse rather than a calculated decision.

We object vigorously to the article because, as any thoughtful analysis will show:

- It is riddled with factual error.
- Truth is often distorted by important omissions.
- Incidents which have no significant relationship to each other are skillfully and deceptively woven together to insinuate sinister relationships which in fact do not exist.
- The bias, preconception and prejudice of the author regarding the Bechtel organization are clear in the story. It was also evident from our first contact with the magazine that it would be impossible to receive a balanced treatment.

Here are a few samples of error, distortion and innuendo to illustrate just how slipshod and deliberately

In attempting to create some fanciful connection between Bechtel and U.S. intelligence agencies, the author writes that "Bechtel has learned from U.S. foreign service intelligence sources that Nigeria is planning to spend \$50 billion on industrial development."

In fact, Bechtel learned this information from the "Third National Development Plan" printed in English by the Nigerian government and available to the public across the counter for 80 cents a copy.

The author states that John McCone "as AEC (Atomic Energy Commission) chairman, helped swing to Bechtel the contract to build the country's first commercial nuclear plant in Dresden, Ill."

The fact is, as could rather easily be ascertained, John McCone became AEC chairman in 1958, three years after Bechtel was awarded the project in 1955.

Failing to develop any facts to support his preconception about some elusive Bechtel-CIA connection, the author nevertheless proceeds to fabricate the case. Witness the following three-sentence paragraph taken line by line:

"Two organizations as security-conscious as Bechtel and the CIA don't leave many visible traces of their relationship."

(Especially if none exists.)

"And Bechtel employees are sworn to secrecy, both when the company hires them and when they leave."

(The only secrecy agreement Bechtel employees sign is a standard agreement used by most professional companies to protect their own research and development, inventions, patented processes, and the handling of similar information entrusted by clients. It is nothing more than a promise to treat confidentially all such information.)

"But the flow of men back and forth between the two institutions indicates more than mere coincidence."

(Reasonable men might reasonably infer from this line that a "flow" would constitute a rather large exchange of personnel. The author then strains to state there are only two men to support his spy-thriller.)

The author creates the mysterious figure of John Lowrey Simpson, who supposedly had close ties to former CIA Director Allen Dulles and was "suddenly" brought into Bechtel in 1952 into a high position in the company's financial operation.

Yes, John Simpson knew Allen Dulles, who was a director of the bank where Simpson was a highly respected international banking expert and a senior officer. The author could easily infer a CIA connection for every other bank employee at the time down to the most junior tellers.

That John Simpson was some mystery figure when he came to Bechtel is nonsense. He is, in fact, the uncle of Laura Bechtel, wife of senior director S. D. Bechtel. In a company long known for its family-oriented management tradition, the addition of John Simpson and his banking skills to the company's finance operation is hardly remarkable, particularly because Mr. Simpson had served also as a consultant to Bechtel prior to joining the organization on a permanent basis.

The author reports that when George Shultz, president of Bechtel Corp. and former Treasury secretary, "tells the president of Tai Power Corp. of Taiwan that he can arrange a \$100-million loan guarantee from the Eximbank to finance new nuclear generators, or promises to do what he can to delay the diplomatic recognition of the People's Republic of China for a couple of years, he is offering something that money can't buy."

While Mr. Shultz is flattered by the suggestion that he can single-handedly make American foreign policy and maneuver the destiny of nations, the assertion is patently absurd. For the record, Mr. Shultz made no such promises.

Documents Show Ford Promised FBI Data—Secretly—About Warren Probe

By George Lardner Jr.
Washington Post Staff Writer

Gerald R. Ford promised to keep the FBI secretly informed of the activities of the Warren Commission almost immediately after it was organized to investigate the assassination of President Kennedy, FBI files show.

Then the House minority leader and one of the commission's seven members, Ford made the offer in a Dec. 12, 1963, conversation with FBI Assistant Director Cartha D. DeLoach which Ford requested be kept "in the strictest of confidence."

Headed by Chief Justice Earl Warren, the commission had held its first meeting only a week earlier, on Dec. 5, but it was already embroiled in internal bickering, according to a two-page memo DeLoach submitted to his superiors after the meeting in Ford's office on Capitol Hill. Ford, for one, was critical of Warren, and the House GOP leader reported similar complaints by House Democratic leader Hale Boggs (D-La.) and former Central Intelligence Agency Director Allen Dulles.

Made public this week along with more than 58,000 other pages about the Kennedy assassination from FBI files, the memo by DeLoach continued:

"Ford indicated he would keep me thoroughly advised as to the activities of the commission. He stated this would have to be on a confidential basis, however, he thought it should be done."

DeLoach said Ford, then a Republican congressman from Michigan, "also asked if he could call me from time to time and straighten out questions in his mind concerning our investigation. I told him by all means he should do this. He reiterated that our relationship would, of course, remain confidential."

"Well-handled," FBI Director J. Edgar Hoover jotted down on the report, that additionally assured him that the bureau's relations with Ford over the years had been "excellent" and that the congressman had even been given "an autographed copy of the director's book, 'A Study of Communism.'"

A spokeswoman for Ford said he would have no immediate comment.

The Warren Commission, by contrast, appears to have had no comparable insights into the workings of the FBI. In fact, when Ford told DeLoach of "startling information" about the Oswald case that he had just received from CIA then-Director John McCone, Hoover harrumphed in another notation:

"This shows how garrulous McCone is."

The report concerned an alleged exchange of money in Mexico City between Oswald and "an unknown Cuban Negro," which, DeLoach assured Ford on the spot, had already been largely discredited.

The early dissatisfaction with Warren, according to DeLoach's memo, involved what Ford called the Chief Justice's attempts "to establish a 'one-man commission'" by naming one of his proteges, Warren Olney, as chief counsel.

The proposal was headed off, according to a subsequent DeLoach memo, only after "a number of sources" worked "to confidentially brief members of the presidential commission, other than Warren, as to Olney's background," which the bureau evidently found objectionable.

As Ford related the outcome to DeLoach, former CIA Director Dulles "protested quite violently" when Warren proposed Olney's appointment at the first commission meeting. By the second session, Ford and Boggs stated their opposition. Boggs was quoted as warning flatly "that he [Boggs] would not work on the commission with Olney."

Former Solicitor General Lee Rankin was named instead, as a compromise choice. He, in turn, was apparently dissuaded by the FBI and others from pressing for his own investigative staff. By Feb. 17, 1964, the FBI files show, Hoover was telling publisher William Randolph Hearst Jr. that not only was Hoover "convinced that Oswald killed the President" but he was also confident "that the commission will ultimately reach that finding."

Another document indicates that testimony before the commission was on occasion carefully coordinated. On May 13, 1964, FBI Assistant Director William C. Sullivan reported that he had just been contacted by James Angleton, the CIA's chief of counterintelligence, about McCone's scheduled appearance before the commission the next day.

"Angleton said it occurred to him that it would be well for both McCone and Mr. Hoover to be aware that the commission might ask the same questions wondering whether they would get different replies from the heads of the two agencies. Angleton wanted us to know some of the things which he believes McCone will be asked and the replies which will be given."

"One question," the memo continued, "will be 'Was Lee Harvey Oswald ever an agent of CIA?' The answer will be no."

Despite such attention to detail, it is sometimes difficult to figure out the FBI's investigative priorities. In a Jan. 17, 1964, memo Hoover, for example, told a top aide to Attorney General Robert F. Kennedy that the FBI did not investigate Oswald's alleged killing of Dallas policeman J. D. Tippit "because it was strictly a local crime."

"Our investigation," the memo said, "only touched on those aspects of the crime which related directly to our interest in Oswald and the assassination of President John F. Kennedy."

Contributing to this article were Washington Post staff writers John Jacobs and Ron Kessler and researcher Dennis Rini.

C.I.A. Established Many Links To Journalists in U.S. and

The following article was written by John M. Crewdson and is based on reporting by him and Joseph B. Treaster.

One day several years ago, a correspondent for a large Middle Western newspaper, arriving in Belgrade, was asked by some colleagues whether he would like to meet his newspaper's local "stringer."

Knowing that his newspaper did not employ anyone in Belgrade, or so he thought, the correspondent ascended the stairs of the stringer's hotel, only to glimpse the man racing down another set of stairs on his way, he shouted, to catch an airplane for Prague.

The correspondent was puzzled, but said he learned later that the man had been an operative of the Central Intelligence Agency, fleeing to protect his "cover," and that he had obtained his press credentials directly from the newspaper's publisher.

He and the publisher had agreed to keep the matter as their secret, apparently never anticipating that one of the newspaper's legitimate correspondents might turn up unexpectedly.

That instance was but one of dozens uncovered during a three-month inquiry by The New York Times into the C.I.A.'s three decades of involvement with the communications industry, at home and abroad, and especially its relationships with American journalists overseas.

In interviews with scores of past and present intelligence officers, journalists and others with knowledge of the situation, The Times checked the names of 200 individuals and organizations whom

C.I.A.: Secret Shaper Of Public Opinion Last of Three Articles

various sources identified as having possible intelligence connections.

Nearly 20 correspondents were found who said they had refused offers of employment by the agency.

But The Times also obtained the names of more than 30 American journalists who have worked since World War II as paid intelligence operatives, in most cases for the C.I.A. and at least a dozen other American reporters who, although unpaid, were counted by the agency as its operational "assets."

In addition, at least 12 full-time C.I.A.

officers have worked abroad over the last 30 years while posing as employees of American-owned news organizations.

Of the more than 70 individuals identified by The Times as falling into one of these categories, several are dead and a score could not be located. But a number of the others confirmed their involvement, and several spoke freely about their experiences, though nearly all requested that their names not be used.

"I want to live over here in a country that I like without having to worry about getting a bomb through my window," said one man, a former correspondent for ABC News who worked for the C.I.A. in the 1950's.

At ABC, William Sheehan, a senior vice president, has said that the network is "satisfied there was no one on our staff in such a dual role."

All of those interviewed, like one man who had been a Time stringer in Rome, insisted that they had been able, though in some cases at psychological cost to themselves, to maintain a separation between their intelligence work and their journalistic careers.

None said that the C.I.A. had ever encouraged them to slant their dispatches to suit its purposes or to compromise themselves journalistically in any other way.

Some expressed fear that publicity would cost them their jobs or make future employment more difficult. The C.I.A. made no financial provision to lessen the shock of separation when terminated relations with the last of its reporter-agents last year, and one of them, until recently a CBS reporter in Europe, is wrapping packages in Florida department store.

The Cold War Climate

Several of the journalists and C.I.A. officials interviewed made the point that during the height of the Cold War it was acceptable to cooperate with the agency in ways that both the C.I.A. and the journalistic community now deem inappropriate.

"The thing to do was to cooperate," said one retired intelligence officer. "I guess that looks strange in 1977. But cooperation didn't look strange then."

Earlier this month, the C.I.A. made public a new executive order proscribing, except with the explicit approval of the Director of Central Intelligence, any paid or unpaid operational relationships with reporters for general circulation American news organizations.

The agency's long-standing relationship with American journalists was first called to public attention in 1973, when William E. Colby, then the Director of Central Intelligence, provided reporters in Washington with some of the details on a background basis.

reported that among citizens of other countries have made news gathering more difficult.

A poll by The Times of its own foreign correspondents produced several reminders that in some parts of the world American journalists, like those of most other countries, have always been suspected of serving as intelligence operatives on the side.

But one correspondent cabled from India that "a rather new practice among some of us is to avoid public contacts with known C.I.A. people." Such contacts, he wrote, "might only confirm suspicions."

In all, the three-month investigation by The Times found that at least 22 American news organizations had employed, though sometimes only on a casual basis, American journalists who were also working for the C.I.A. In a few instances the organizations were aware of the C.I.A. connection, but most of them have been

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TIME
19 December 1977

EXCERPT:

The FBI Story on J.F.K.'s Death

On the Cuban Connection. When CIA attempts to kill Castro became known in 1975, the news touched off speculation that Cubans had engineered Kennedy's murder in retaliation. The files reveal that this possibility had occurred to Hoover and caused him to anguish in private over his public declarations that Oswald had acted alone. But the Director seemed reassured when two letters linking Oswald to a Cuban agent turned out to have been hoaxes. Both letters—one addressed to Oswald but mailed after the assassination, the other sent to the Attorney General—indicated that a Pedro or Peter Charles of Havana had paid Oswald \$7,000 to carry out an unidentified mission that involved "accurate shooting." The FBI discovered that both letters had been written on the same typewriter. Nonetheless, Hoover and other Bureau officials continued to worry about Ruby's own Cuban background. Ruby had visited Havana in both the pre- and post-Castro periods, and there were persistent rumors that he had run guns to Cuba in the late 1950s. An Akron woman gave testimony—later discounted—that after Oswald was slain she heard two Cuban men say: "We have to do away with Ruby because he fouled things up." However, the FBI never turned up proof of any links between Castro's government and either Oswald or Ruby.

On the CIA. So intense and bitter was the feuding between the FBI and the CIA that some bureau officials even toyed with the theory that the CIA was responsible for Kennedy's murder. An FBI memorandum stated that the ammunition Oswald used was obtainable only from the U.S. Marine Corps and that perhaps the CIA had managed to get it to Oswald. Subsequent investigation disclosed that the ammunition was readily available from several U.S. mail order houses.

After CIA Director John McCone made a statement critical of the FBI, a top Hoover aide, D.J. Brennan Jr., wrote his superiors that McCone "has attacked the bureau in a vicious and underhanded manner characterized with sheer dishon-

esty." The memo added: "Over the years, we have had numerous conflicts with all CIA directors." In retaliation, Brennan continued, the FBI should inform McCone it knew he had dispensed false information to Congressman Ford—that Oswald had received \$6,500 in Mexico to slay Kennedy—and that McCone had leaked the same story to Columnist Drew Pearson. The none-too-subtle bit of blackmail was intended to instill in McCone "a profound respect for our capabilities to be informed." The FBI brass endorsed the proposal enthusiastically: eight sets of initials, including Hoover's "H," festoon the Brennan memo.

ARTICLE APPEARED
ON PAGE A-1

Assassination Sparked Bitter FBI Quarrels

By Jeremiah O'Leary
and James R. Dickenson

Washington Star Staff Writers

The FBI became embroiled in bitter controversies with the CIA, the Dallas police and the State Department from the beginning of the investigation into the murders of President John F. Kennedy and of his assassin, Lee Harvey Oswald, FBI files now available to the press reveal.

The late FBI Director J. Edgar Hoover and several of his top aides became involved in disputes that today appear, with the passage of 14 years, to have been primarily used to evade blame for the security breakdown that led to Kennedy's death. The siege mentality of the FBI as it was in 1963 is implied by the tone and content of some of the 40,000 documents made public yesterday.

Specifically, FBI officials:

- Accused CIA Director John McCone of attacking "the bureau in a vicious and underhanded manner characterized with sheer dishonesty" and suggested "there is a way of putting a stop to all this."
- Charged that Dallas Police Chief Jesse Curry had made false statements about the FBI and that if he did not correct them the FBI in Washington would label the statements as lies.

Decided U.S. Ambassador to Mexico Thomas Mann "may be one of those pseudo-investigators" and called him a Sherlock Holmes be-

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of his power in 1963 and was in personal charge of the FBI's investigation of the Kennedy and Oswald deaths.

There also was a considerable contact between the FBI and The Washington Post in the days immediately after the assassination of Kennedy. Assistant to the Director Cartha D. DeLoach was negotiating with the Post to get the newspaper to kill an editorial it was planning to advocate the formation of a presidential commission to investigate the assassination.

THE DELOACH MEMO does not say how the FBI knew the Post was planning such an editorial but made it clear that Hoover opposed a commission because he personally was supervising investigation at the request of President Lyndon B. Johnson.

The Post's managing editor promised DeLoach the editorial would be eliminated but the editor, J. Russell Wiggins, said only that he was inclined to go along with the FBI request without making a commitment.

Johnson, however, decided to create what became the Warren Commission despite Hoover's objections.

The CIA-FBI collision had its origin over Oswald's trip to Mexico City, and what he did there, a few weeks before the Dallas slayings. Mexico City is one of the few world capitals where the FBI and CIA overlap on intelligence matters and both maintain well-manned offices.

D.J. Brennan Jr., an aide to the late Assistant Director William C. Sullivan, wrote his boss on Dec. 19, 1963, that the best way to protect FBI interests with the CIA was "a firm and forthright confrontation." He wrote in a memo to Sullivan that McCone had "allegedly informed Congressman Jerry Ford that the CIA had uncovered a plot in Mexico City indicating that Lee Harvey Oswald had received \$6,500 to assassinate President Kennedy."

He wrote that McCone had also made that statement to columnist Drew Pearson, but that the statements were false and "McCone should have known they were false since his agency was fully informed that the story concerning the receipt of the money in Mexico was completely discredited."

BRENNAN SUGGESTED that the FBI liaison agent, Sam Papich, confront McCone and said he believed McCone would "know where he stands and have a profound respect for our capabilities to be informed."

It is generally conceded that Oswald went to Mexico City, tried unsuccessfully to get into the Cuban and Soviet embassies to seek help in going back to the Marxist world. The facts in dispute in the first frantic days after Kennedy's death were over a report given both the CIA and FBI in Mexico City that Oswald had met with Cuban agents at an open air nightclub there and accepted

TIME

14 NOVEMBER 1977

The Nation

Helms Makes a Deal

Ex-CIA chief's conviction shows shift in attitudes about spying

One of the touchiest problems inherited by the Carter Administration was the case of former CIA Director Richard M. Helms. It brought into play questions of national security, loyalty, perjury and, in some ways, the future of the intelligence agency and its directors. Last week the case was settled in a manner that did not completely satisfy anybody but seemed a thoroughly reasonable compromise.

Helms' difficulties date back to 1973, when the Senate Foreign Relations Committee was weighing his nomination as U.S. Ambassador to Iran. Twice the committee quizzed him in closed sessions about covert U.S. efforts to prevent Sal-

bargaining with Helms and his attorney, the celebrated Edward Bennett Williams. Helms' lawyer maintained that if his client went to trial on more serious charges, an adequate defense would require that national secrets be divulged. This was an ironic shift: throughout his long career Helms had taken many risks—even putting his life on the line when he had been a covert agent—to protect the nation's secrets.

Bell took the threat seriously. He told Williams that if Helms would plead *nolo contendere* (no contest)—in reality an admission of guilt—to the misdemeanors, the Justice Department would support



After a scolding and a suspended sentence, Lawyer Williams and Helms leave court seeking the line between a public accounting and an operational imperative.

vador Allende Gossens from becoming President of Chile in 1970. Twice Helms in effect lied.

Jimmy Carter's Justice Department could have chosen not to prosecute the now retired ambassador at all or, at the opposite extreme, to charge him with two felony counts of perjury, each carrying a maximum five-year prison sentence and a \$2,000 fine. The department took a middle course, charging the 64-year-old Helms with two misdemeanor counts of failing to answer senatorial questions "fully, completely and accurately." The penalty on each count is 30 days to a year in jail and a fine of \$100 to \$1,000.

Helms' insistence that his accumulated federal pension rights be protected, and would recommend that he not be imprisoned. This bargain was intended to ensure that no national secrets would be endangered at a trial. At the same time, it would demonstrate that the Carter Administration is in accord with Congress that even CIA chiefs are accountable to both the public and the law.

After Helms agreed to cop the plea and all details were worked out, the Justice Department whisked him into the federal courtroom of Judge Benjamin R. Parker in Washington without notice. Assistant Attorney General Benjamin R. Civiletti presented a three-page "state-

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Civiletti told the judge the misdemeanor or no-contest plea was "fair and just." Bringing Helms to trial, he said, "would involve tremendous costs to the United States and might jeopardize national secrets." Helms, moreover, had "performed outstanding services to the United States Government" during "a most distinguished career."

On his lawyer's advice, Helms made a personal plea to Judge Parker. During his Senate testimony, he said, "I found myself in a position of conflict. I had sworn my oath to preserve certain secrets ... I didn't want to lie. I didn't want to mislead the committee. I was simply trying to find my way through a very difficult situation in which I found myself." Helms said he nonetheless agreed with the charges against him, although he understood "there is to be no jail sentence and I will be able to continue to get my pension from the U.S. Government."

Parker thereupon jolted Helms, Williams and Civiletti by declining to wrap up the deal right then and there. When Williams demurred, Parker asked: "You had hoped that I would sentence him today?" Replied Williams: "Both the Government and I had hoped that you would do that." The judge was not to be hurried. "Well, Mr. Williams, I am like a ship without a rudder. I am a fish out of the sea. I do not have any report or anything to aid me in sentencing."

Four days later, Parker's courtroom was jammed with reporters and spectators as he made his decision. The judge came on like a tiger, scolding Helms. "You now stand before this court in disgrace and shame ... There are those employed in the intelligence-security community who feel that they have a license to operate freely outside the dictates of the law ... No one, whatever his position, is above the law." Then Parker turned pussycat. He meekly accepted the prearranged deal, fining Helms \$2,000 and suspending a two-year sentence. Outside the court, Helms declared: "I don't feel disgraced at all." Civiletti said: "He is going to wear this conviction like a badge of honor. He'll wear it like a banner."

The plea bargain came under imme-

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THE C AND THE BY CARL BEI

In 1953, Joseph Alsop, then one of America's best-known journalists, went to the Philippines to cover an election. He did not go to do so by his syndicate. He did not go to do so by his newspapers that printed his column. He went to do so because Alsop is one of more than 400 American journalists who in the years have secretly carried out assignments for the CIA, according to documents on file at CIA headquarters. Some assignments with the Agency were tacit; some were explicit. There was a great overlap. Journalists provided a full range of clandestine services, from gathering to serving as go-betweens with spies in Cuba to carrying their notebooks with the CIA. Editors shared the secrets. Pulitzer Prize winners, distinguished reporters who

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Stemmed from the work of Joseph Alsop. The columnists performed a variety of undercover tasks for the

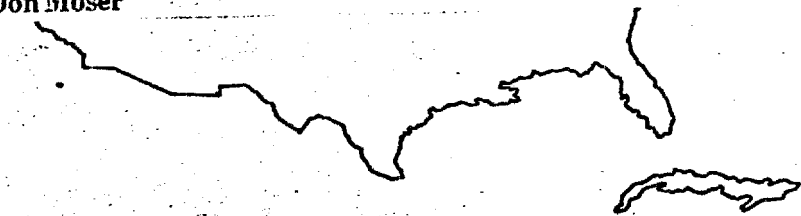
week magazine, the Mutual Broadcasting System, the Miami Herald and the old Saturday Evening Post and New York Herald-Tribune.

By far the most valuable of these associations, according to CIA

THE TIME OF THE ANGEL

The U-2, Cuba, and the CIA

by Don Moser



In the still of the October night, the slender, birdlike plane lifted into the sky from its base in California, climbed sharply on a column of flame, and headed east through the darkness. Pilot Richard Heyser, in the cramped, tiny cockpit, had good reason to be apprehensive, but he had little time to worry. He was totally occupied with the intricacies of navigation and with the exacting task of keeping his sleek aircraft aloft; for this plane was so specialized, so refined, that in the rarefied atmosphere that was its element it hung in the sky only tentatively, as if suspended from a wisp of spider's silk. As the plane climbed above fifty thousand feet it entered a critical altitude level called the "chimney." Once in the chimney, if the pilot flew a shade too slow, the plane would go into a stall and a spin from which it would never recover. If he flew a shade too fast, the fragile craft would come apart in mid-air.

For several hours the aircraft arrowed across the continent, gradually climbing higher and higher into the chimney. Periodically the pilot adjusted his airspeed, for as the plane climbed, the razor's edge between stall and disintegration grew ever finer, sharper. Dawn came, then sunrise. Now the Gulf of Mexico shimmered below.

The island came into view, tropical green rimmed by bright sand beaches. The pilot flew south of the island to a predetermined point in space, then turned back north. Pursuit might come at any time now, quick death slanting upward like an arrow.

There was a switch on a panel at his right hand. He had already thrown it from "off" to "stand by." Now as the plane passed high over the island's shore the pilot looked into his drift sight, a periscopelike device that peered through the belly of the plane. Then his hand moved once again to the switch on the panel. . .

During a period of thirteen days in October, 1962, the United States and the Soviet Union stood at the brink of war. In a confrontation over Russia's placing nuclear-tipped strategic missiles in Cuba, American aircraft, naval vessels, and assault troops went on alert and prepared for battle, while in Cuba Soviet technicians rushed to complete the installation of missiles that could reach almost any point in the United States. During the two-week crisis, President Kennedy estimated that the chance of armed conflict was "between one in three and one in two." That potentially catastrophic war did not occur. Kennedy took a

threatening stance and Khrushchev ultimately dismantled and returned

As the missile crisis unfolded with certainty, beyond any doubt, were indeed being installed on the shores. Kennedy was contemplating a blockade—in

contemplate the even graver risk of launching an air strike against Cuba, an act that might well have brought Soviet retaliation. How could Kennedy have been so sure?

The answer lies in a secret airplane flight and in the technology that made it possible—a technology of spying developed under the aegis of the Central Intelligence Agency. This technology wrapped American spies in a new cloak, ending the Mata Hari era and ushering in an age of optics and electronics. The technology also gave the U.S. an enormous intelligence-gathering advantage over the Soviet Union at the height of the Cold War. At times, as in the missile crisis, this intelligence allowed the U.S. to anticipate threatening moves by Russia. Equally important, the intelligence also dispelled groundless fears about Russian military superiority. Given the touchy temperament of the times, had the U.S. not possessed such intelligence, events might have taken an even more frightening turn.

The development of sophisticated intelligence-gathering tools began in the early 1950's, a time when the climate for such development was very favorable. For one thing, the President of the United States was a former general of the Army who had a professional soldier's familiarity with photographic intelligence. During World War II, aerial reconnaissance had been carried out by ordinary bombers and fighters stripped down and equipped with cameras instead of guns. These unarmed planes were highly vulnerable and extremely unpopular with their pilots, whose motto could be paraphrased as: "Get your pictures and get your tail out of there." The recon planes had to fly at low altitudes in turbulent air; since the cameras had no gyrostabilizing mechanisms to cushion them against shock, the quality of the photographs was generally poor, and even the quantity of information was limited by the film, which had a thick, space-consuming emulsion. CIA-RDP91-00901R000600090010-5 : CIA-RDP91-00901R000600090010-5
Roberts, Robert J. (1977). "The U-2, Cuba, and the CIA." *American Heritage*, 29(10), 11-28. Postwar analysis revealed that some 80 per cent of all useful military intelligence

U.S. Narcotics Bureau Is Linked to

By JO THOMAS

Special to The New York Times

WASHINGTON, Sept. 21—Dr. Sidney Gottlieb, who supervised the Central Intelligence Agency's tests of drugs on unsuspecting human subjects, told a Senate subcommittee today that the old Federal Bureau of Narcotics had cooperated in the tests.

Dr. Gottlieb's testimony before the Senate Subcommittee on Health and Scientific Research was the first to link the narcotics bureau, since supplanted by the Drug Enforcement Administration, directly to drug testing. He said the bureau had wanted to find out whether secretly administered drugs could make potential narcotics informers talk.

Former officials of the Bureau of Narcotics have denied knowing anything about drug tests on unwitting subjects, even though their agency shared undercover apartments with the C.I.A. and even though one of their officials, the late George H. White, using the code name Morgan Hall, ran the tests for the agency.

Drug Agency Chief Shocked

"I was shocked and appalled such activity did take place," Peter Bensinger, the drug agency administrator, told the subcommittee later. "I can see no circumstances in which such activity could be justified."

Dr. Gottlieb, who said that a health problem made it difficult for him to testify in the crowded hearing room, testified in closed session, and his voice was broadcast to reporters waiting outside.

Testifying under a grant of immunity from prosecution, Dr. Gottlieb said that from 20 to 50 persons had been made the unwitting subjects of C.I.A. drug experiments from 1952 to 1965 in houses and apartments leased by the agency in San Francisco and New York City.

Questioning the numbers, Senator Edward M. Kennedy, Democrat of Massachusetts, the subcommittee chairman, observed that more than 200 payments had been made in San Francisco alone by Morgan Hall, or Mr. White. He said that 32 of these checks bore the notation "Stormy," a code name for LSD developed by Mr. White, but that other checks seemed to have gone to the same people.

Speculation on Use

"The disbursements could have been for the administration of drugs," Dr. Gottlieb conceded, "but I'm not persuaded that they were."

Risk Called Reasonable

Dr. Gottlieb told the subcommittee that there was "no advance knowledge or protection" of the people who were unknowingly given drugs, which he identified as LSD and Mescaline.

"Harsh as it may seem in retrospect," he said, "it was felt that in an issue where national survival might be concerned, such a procedure and such a risk was a reasonable one to take."

Dr. Gottlieb testified that the agency had been concerned about "well-docu-

couriers so that documents could be stolen from them.

Even after the death in 1953 of Frank Olson, an Army scientist who developed a psychotic reaction and committed suicide after unwittingly drinking a glass of liqueur containing LSD, Dr. Gottlieb said that no additional safeguards were provided. He explained that physicians advising the agency had been unable to find any "absolute" connection between the LSD and the suicide.

Senate investigators had hoped that Dr. Gottlieb could describe the manner in which the drug tests were conducted, but he told the subcommittee today that, although he had visited the apartments maintained by the intelligence agency, he had never witnessed a test.

Acted on Own Initiative

Dr. Gottlieb destroyed the documents describing these experiments in 1972. He testified today that his action had had "nothing to do with covering up illegal activities," but was done, in part, because "this material was sensitive and capable of being misunderstood."

Dr. Gottlieb said he had destroyed the files on his own initiative and not, as was previously reported, under orders from Richard Helms, then Director of Central Intelligence. Mr. Helms testified under oath in 1975 that he never ordered the destruction of the drug records.

A document that came to light in today's hearing indicated that Dr. Gottlieb's deputy had attempted to stop the destruction of these files. Asked about this, Dr. Gottlieb replied, "I can't recall."

Dr. Gottlieb said that at the time he considered his work to be "extremely unpleasant, extremely difficult, extremely sensitive, but above all, to be extremely urgent and important."

He said he believed that hostile countries were still attempting to administer drugs covertly, and that "the final chapter hasn't been written."

To illustrate this point, he said he had been asked in "approximately 1971" to determine whether members of the staff of President Nixon, including his physi-

ity of their successful and effective use either against us or by us, was very low."

He said the drug experiments continued, however, even after it was clear that they were not very valuable, and he said he would "freely admit to bureaucratic inertia" in failing to discontinue them.

Dr. Gottlieb said the leadership of the intelligence agency reviewed the drug testing programs "at least once a year," and added: "I specifically remember briefing the directors of the Central Intelligence Agency." These, he said, were Allen W. Dulles, John A. McCone and Mr. Helms.

Adm. Stansfield Turner, the current Director of Central Intelligence, assured members of the Senate subcommittee today that no unwitting drug testing has been sponsored by the agency since 1964. "This is history," he said.

"I don't know how many times we've been told these programs have been turned off only to have them spring up again," Senator Kennedy told him.

The Senator and other subcommittee members questioned Admiral Turner about his Aug. 3 testimony in which he said the agency did not test drugs on human subjects in Project Ogan, which was coordinated with the Department of the Army before it was terminated in 1973.

Committee members referred to a Sept. 20 memorandum for the Secretary of Defense which described C.I.A. sponsorship of tests of an incapacitating drug that the agency thought could be applied through the skin with adhesive tape. Although most of the tests were performed on animals, the memorandum noted, two military volunteers were tested in June 1973 at Edgewood Arsenal research laboratories.

Adm. Turner told the subcommittee he believed that test had been sponsored by the Department of the Army. Deanne C. Iemer, general counsel for the Department of Defense, told members of the subcommittee she believed the test had been sponsored by the intelligence agency.

WASHINGTON WEEKLY

28 JULY 1977

ARTICLE APPEARED
ON PAGE 6

SAN FRANCISCO..

**YOUR FRIENDLY
NEIGHBORHOOD**

SPOOK: Remember when the CIA operated in a trenchcoated cloud of anonymity? Well, the organization is now so far out of the secrecy closet that Charles "Chuck" Carlson, the CIA chief here, is not only a member of the Downtown Kiwanis Club, he's its President-elect.

Related Caenecdot: Shortly after John McCone had been named head of the CIA by John F. Kennedy, he came into Alexis' restaurant on Nob Hill and was told there'd be a 30-minute wait. When a local friend complained to the bartender, "That's a disgrace — why, Mr. McCone is the new head of the CIA!" the barman shrugged: "Mr. Alexis is not too fond of labor unions."

22 MAY 1977

U.S. Aides Face 143 Suits on Spying

WASHINGTON, May 21 (AP)—Improper Government spying and harassment are the basis for more than \$1 billion in damage claims from individuals who have filed 143 civil suits asserting that their rights were violated, the General Accounting Office reports.

The office, an investigative arm of Congress, conducted the study for the House Government Operations Committee's Subcommittee on Government Information and Individual Rights.

The report provides the most complete list so far of lawsuits growing out of the Watergate era and disclosures of improper and sometimes illegal spying and harassment by the Federal Bureau of Investigation and the Central Intelligence Agency.

Some of the cases, such as the Socialist Workers Party's \$40 million suit against the bureau and other Government agencies, have been widely publicized but others are less well known.

Role of Justice Dept.

The Justice Department represents present and former Government officials sued for actions they took in the course of their jobs. But when those actions are the subject of a Federal criminal investigation, the department pays a private lawyer to represent the official in the civil case. If the official is charged with a crime in that case, the department will not represent him or pay for his own lawyer in the civil suit.

The G.A.O. report said that, as of Sept. 21, 1976, the department had paid \$440,000, at a rate up to \$75 an hour, to private lawyers in cases arising from the harassment and spying campaigns. This includes fees to two law firms representing four bureau agents sued by the Socialist Workers.

The Government is paying private lawyers for the following other officials:

¶John A. McCone, Richard Helms, James R. Schlesinger and William E. Colby, all former Directors of Central In-

telligence, and several other former agency officials named defendants in a suit brought by Grove Press Inc. The case involves the agency's Operation CHAOS to gather information on political dissenters.

¶The former intelligence directors, former Attorney General John N. Mitchell and former postal officials in a class-action suit filed in California by a citizen accusing the Central Intelligence Agency of opening his mail. ¶Several military officers named defendants in a \$1.6 million suit brought by the Berlin Democratic Club, alleging that the Army illegally spied on the club in West Germany.

¶Former Secretary of State Henry A. Kissinger, defendant in a suit filed by one of his former aides, Morton Halperin, whose home telephone was tapped when Mr. Kissinger and President Nixon were trying to find who was giving information to the news media. The court ruled last December that former Attorney General Mitchell, Mr. Nixon and H.R. Haldeman, former chief of staff for Mr. Nixon, must pay damages, but found that Mr. Kissinger and other defendants were not liable.

In addition, the department has arranged for private attorneys to defend Mr. Mitchell in a suit brought by Jane Fonda, the actress. But the G.A.O. report said that the Government had not had to pay any legal fees in the case as of February.

There Are Now 60 Cases

When Officials Are Sued, Who Should Defend Them?

By ANTHONY MARRO

WASHINGTON—John N. Mitchell, the former Attorney General, and 60 other present or former public officials are now being sued in civil courts by thousands of private citizens who believe they were subjected to improper surveillance by their Government, and their cases may soon become the subject of a major Congressional debate.

Whether the Government should defend its servants, how the defense should proceed and who—the Government or the defendants—should pay any damages that might be awarded, are all matters a Senate-House conference committee may be considering next month. Three weeks ago, the House refused the Justice Department \$4.8 million it said it needed for outside legal fees. Last week, a Senate committee voted to restore it, but on one condition: The Attorney General cannot proceed with any new defenses by private counsel without first getting the approval of the Congressional judiciary committees.

In the past, Government policy has been that it will defend officials for actions taken within what it calls the outer parameters of their official duties, so long as it believes the actions were legal. (It will not, however, defend officials in Federal Criminal cases or in civil suits arising from actions for which the officials have been indicted or are under criminal investigation.)

The civil division of the Department of Justice has been charged with determining which of the officials were acting "properly." Already the department has paid nearly \$800,000 to private attorneys to defend 45 present and former officials in 10 suits. The supplemental appropriation was requested to pay legal bills in the fiscal year that begins Oct. 1. Irving Jaffe, second-in-command at the civil division, has refused to make public how the public's money has been spent so far, on the ground that the disclosure might be a violation of the lawyer-client relationship.

An Intelligence Who's Who

The list of defendants in the growing number of suits reads like a Who's Who of the intelligence establishment of the Nixon and Johnson Administrations. It includes former Central Intelligence directors William E. Colby, James R. Schlesinger, John A. McCone and Richard Helms, who like Mr. Mitchell has still other legal problems. Mr. Helms is the target of a Federal charge of possible perjury.

Because some of the litigation involves class action suits there are scores, even thousands, of plaintiffs. They include the well-known, such as Jane Fonda, the actress, who is charging that the Federal Bureau of Investigation improperly inspected her bank records, buglarized her car and conducted extensive surveillance to try to destroy her credibility as an antiwar activist, to the relatively anonymous, such as Rodney Driver, a mathematics professor at the University of Rhode Island, who is charging that the Central Intelligence Agency improperly opened his mail. The damages that have been claimed come to millions, and conceivably millions could be awarded.

In the most publicized of the civil suits so far, brought by Morton H. Halperin, once a member of Henry A. Kissinger's National Security Council staff, a Federal judge has ordered Mr. Mitchell, former President Nixon and his chief of staff, H. R. Haldeman, to pay an as yet undetermined amount. Mr. Halperin's home telephone had been tapped for 21 months at White House orders. What Mr. Halperin is asking for is \$100 a day from each of three men for each day the wiretap was in place and for each member of his family.

According to Jack D. Novik, an American Civil Liberties Union attorney who is representing some of the plaintiffs, at least three factors have contributed to the recent increase in suits: disclosures by the Congressional intelligence committees of the extent of Government spying; the passage of the Freedom of Information Act, which gave citizens greater access to Government files; and a 1971 United States Supreme Court decision that made it easier to sue Federal officials.

The High Court held that, even though there was no law specifically permitting citizens to sue Federal officials, such suits could be brought directly under the Constitution if there was a legitimate issue of violation of constitutional rights. "This meant we could bring these cases directly under the Fourth Amendment," Mr. Novik said, "and this made it much easier to sue."

The standard argument for defending public officials at the public expense has been that to leave them to fend for themselves would mean that the Federal bureaucracy would be too timid to act at all. But the Government does not defend all officials at all times: In Mr. Mitchell's case, for example, it has been paying legal expenses in three of the 26 suits in which he has been named.

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21 February 1977

INTELLIGENCE

Advice from the Old Boys

Judging from the initial reaction, Jimmy Carter should score with his second choice for director of the Central Intelligence Agency. Heavy opposition forced the President's first nominee, Theodore Sorensen, to withdraw. But Carter's second choice, Annapolis classmate ('46) Admiral Stansfield Turner, has aroused no opposition and seems certain of confirmation.

Turner would be inheriting an embattled agency, one that must learn to cope with greater congressional scrutiny

constructive. Members of Congress are totally informed on the budget, and that's the way it should be."

McCone feels that the director must "establish precisely how the President wants to be informed and how he wants to exercise sanctions over CIA operations. Once that is established, the director must not deviate from the rules that are laid down. He must do exactly the same with the appropriate groups in the Senate and House. He has to establish a rapport so that they will have confidence they are being told the whole story and told in advance. Then it would no longer be necessary for other committees to be informed, and they would respect the fact that matters of a confidential nature must be kept confidential." If CIA secrets are shared by too many people on the Hill, says McCone, "you might as well clear them with the *New York Times*, the *Washington Post* and *TIME* magazine."

—Or, in the view of the most radical critics, done away with altogether—leaving the agency to handle only normal intelligence gathering and assessment. McCone dislikes the idea. "I would be afraid that in order to make its mission more totally rewarding, an independent operations side would create undertakings quite beyond necessity. It wouldn't have a hell of a lot to do, so it would think up a whole lot of dirty tricks. The Bay of Pigs was very highly compartmentalized, so much so that CIA analysts had no access to it before it was undertaken. If the analysts had been brought in, they would have immediately seen the flaws in the undertaking and advised against it."

Bush thinks that the problem of covert operations is somewhat exaggerated. "They should be used sparingly, adopted procedurally and reported in timely fashion. That is the way it's working now. They are not going to be a major dilemma for Turner in any way."

GOING PUBLIC. "The idea of intelligence in the sunshine, that people should know everything about intelligence is nutty," says Bush. But he acknowledges that a certain price has to be paid for living in a free society. The Soviet KGB has a much easier time operating in the U.S. than the CIA does in Russia. "But I don't think you can do anything about it. To inhibit the dissemination of information would stir up a fire storm—and deservedly so."



and with increased demands from press and public for information about it. How should he deal with these problems? *TIME* asked five former CIA directors what advice they might have for the new man. Three responded—John McCone, 75, William Colby, 53, and George Bush, 52. Richard Helms, 63, thought it was inadvisable to speak for the record. James Schlesinger, 48, was too absorbed with energy problems as part of the new Carter Administration.

The three who did comment were cautionary but essentially upbeat. "There are enormous problems," says Bush. "Problems of judgment, problems of management. But I don't see any insurmountable ones that a prudent person can't handle."

RELATIONS WITH THE PRESIDENT AND CONGRESS. The director, says Bush, must have "direct access to the President. Turner apparently already has his ear and that's good. He should have a regular appointment with Carter. He'll have to get up to the Hill a lot. I made 51 formal appearances in less than a year. Congressional oversight has proliferated, and most of the time Congressmen realize that oversight now is very different from the past. It's less

INTELLIGENCE GATHERING. "The nub of intelligence is an intellectual process of coming to the best possible judgment," says Colby. "You can tell what's good quality by reading it and testing it. Get different people to evaluate it. Get some outside critics. You want to involve a lot of people, not just professionals. A director should get a whole mix of opinions, maybe from a whole bunch of different panels—experts of every political coloration."

intelligence must be kept free of influence from the military and other policymakers



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DIPLOMACY:

Man Without a Country

He has been a distinguished journalist and a U.S. ambassador, and he lives in a beautifully restored 1810 farmhouse outside New York City. But Edward Korry, 53, ambassador to Chile from 1967 to 1971, plans to leave the U.S.—for good. The reason: Congress and the press, in his view, have intentionally distorted the story of Chilean President Salvador Allende's downfall in 1973. "I love this country too much to live in it," he says. "It's too much pain and torment for me to listen to Walter Cronkite say 'That's the way it is,' when I know that's the way it wasn't."

Most Americans, Korry complains, believe that Allende, who died during a coup, was overthrown because the Nixon Administration "destabilized" his regime. To Korry, that is a "monstrous simplification" that paints Chilean history solely in terms of CIA "bully boys kicking around small and innocent social democrats." Korry does not question that Nixon plotted against Allende, but he says that the Kennedy and Johnson Administrations—in league with U.S. corporations—first established the precedent of massive U.S. interference in Chilean politics. Korry also charges that Allende was corrupt. And he insists that Sen. Frank Church's Senate Select Committee on Intelligence played down earlier U.S. involvement in Chile in order to protect the reputation of U.S. business and the memory of JFK and LBJ.

Korry's charges are hotly disputed. But partly as a result of his badgering the Justice Department, a Federal grand jury now is looking into allegations that officials of the CIA and the International Telephone and Telegraph Corp. (ITT) coordinated and fabricated their testimony on Chile before another Church committee in 1973. Among the many claims that Korry has made during his one-man crusade, these stand out:

- He maintains that President Kennedy "transgressed the constitutional separation of church from state" by funneling "millions" of dollars to Catholic organizations working in Chile to help thwart Allende and elect Eduardo Frei, a Christian Democrat, President of the country in 1964.

- He asserts that some corporate members of the Council of the Americas—a U.S. businessmen's group formed by David Rockefeller at the urging of President Kennedy—cooperated with the CIA in covert political action in Chile.

- He says that Richard Nixon halted U.S. support of Frei partly because the Chilean leader had been Kennedy's protégé. Encouraged by several multinational corporations, Nixon supported the Chilean right wing instead. But Korry says Nixon spent only \$425,000 to undermine Allende in the 1970 campaign compared



Edward Korry, Allende during coup: "That's the way it wasn't"

- He claims that once Allende was in office, multinational corporations paid his government large bribes to prevent expropriation or to obtain favorable prices for nationalized property. Korry says that one mining firm gave Allende himself as much as \$500,000.

- He suggests that the Soviet Union helped destroy Allende. With inflation running at an annual rate of 300 per cent in early 1973, Korry says, Soviet leader Leonid Brezhnev informed Chile and the U.S. that the Kremlin would not bail out Allende with economic aid. Instead, Brezhnev urged Allende to make peace with Nixon.

Korry has more than his share of detractors. An official of the Council of the Americas insists that "we have never been, nor will ever be, involved in covert or political action in any country." A staff member of the Church committee on intelligence says there was no effort to whitewash the record of American multinationals or the Kennedy and Johnson administrations. "Our major contribution was the exact opposite of what Korry is saying," he declares. "We made it clear that every Administration was involved in intelligence abuses."

Probe: Nonetheless, the accusations made by Korry and others that multinational corporations cooperated with the CIA to subvert Allende are being examined by a Federal grand jury for possible perjury charges. Reportedly, the key subjects of the probe are former CIA director Richard Helms, who retired last week as U.S. ambassador to Iran, and two ITT officials: Harold Geneen, the chairman of the firm, and board member John McCone, a former head of the CIA. In 1975, a Church committee was told that ITT gave \$350,000 in 1970 to a conservative candidate after consulting the CIA. Geneen had denied



contributions in Chile during that election. Last spring, however, Geneen said that the payment had apparently been made, although he insisted that he had not known about it at the time he testified.

Korry believes that the real story of American involvement in Chile—as he sees it—will eventually be told. In the meantime, he claims that the Church committee's "flatly dishonest" handling of its Chilean investigation has made it impossible for him to find a job in the fields of public service or journalism. Recently, he and his wife sold their house in Briarcliff Manor, N.Y., for more than \$100,000, and the couple plan to move to a small village somewhere in France or Italy. There Korry plans to trade occasionally in commodities, and live on the money from the sale of his house. "I will also write," he says. "It's people who believe in history who interest me now."

C.I.A.-I.T.T. CONSPIRACY CHARGED AT HEARING

Grand Jury Is Told They Fabricated Statements to Senate on Chile

By SEYMOUR M. HERSH

A Federal grand jury is hearing allegations that high officials of the Central Intelligence Agency and the International Telephone and Telegraph Corporation were involved in a conspiracy to fabricate and coordinate the statements they made to a 1973 Senate inquiry into I.T.T.'s role in Chile, Justice Department sources said yesterday.

The sources, who have first-hand knowledge of the investigation, said that the grand jury was concentrating on the activities of Richard Helms, the former Director of Central Intelligence who recently resigned as Ambassador to Iran, and two I.T.T. officials, Harold S. Geneen, the corporation's president, and John A. McCone, a member of its board of directors who also served as C.I.A. chief, from 1961 to 1965.

Mr. Helms was depicted by one high level source as the current "primary target" of the jury, which is meeting in Washington and is not expected to complete its investigation before the Carter administration assumes office next month. A grand jury investigation is preliminary to any indictment and does not necessarily result in one.

Mr. Helms could not be reached yesterday. His attorney, Edward Bennett Williams of Washington, said he would have no comment.

At the offices of Mr. Geneen and Mr. McCone, both were said to be out of the country.

An employee in Mr. McCone's Los Angeles business office acknowledged, however, that the former C.I.A. chief had testified last month before the grand jury in connection with his Senate testimony.

Edward T. Gerrity, a senior I.T.T. vice president for corporate relations, said that the concern had agreed with the Government prosecutors in the case "not to say anything if they won't say anything."

Officials said that the renewed Justice Department investigation has received specific statements and allegations about

meetings at which participants from I.T.T. and the C.I.A. allegedly discussed and agreed upon testimony to be presented to the multinational corporations subcommittee of the Senate Foreign Relations Committee.

Exchanges Denied

That subcommittee, chaired by Senator Frank Church, Democrat of Idaho, held public hearings in March and April at which officials from the C.I.A. and from I.T.T. repeatedly testified that there had been no exchanges of intelligence information or other covert contacts between the two about Chile.

Asked whether such testimony had been prearranged, one key Government official said: "We have statements about it, but there's a lot to be corroborated."

"I think it's there," he said of the Government's pending conspiracy case.

In related testimony, Justice Department officials said, Mr. Geneen repeatedly told the Senate committee that I.T.T. had not made any direct contributions to any politician or political party before Chile's 1970 presidential elections.

Contribution Indicated

The Senate Intelligence Committee reported late last year that it had learned that I.T.T., after receiving direct advice from the C.I.A. on how to proceed, forwarded \$350,000 in cash to a leading conservative candidate before the election. The Intelligence Committee has turned over its records to the Justice Department, sources said.

Mr. Geneen subsequently told a stock holder's meeting in May that \$350,000 "may have been sent to Chile" in 1970. He added that what he termed "this later

information" was not consistent with my previous knowledge.

Mr. McCone, asked a general question about corporate political contributions during his testimony, declared: "I think multinational corporations, operating throughout the world, must be very very careful not to involve themselves in the local politics of the host country, and that is the policy of I.T.T."

At the time of the multinational corporations subcommittee hearings in 1973, it was not publicly known that the C.I.A. had initiated a major secret operation of its own against the government of Chilean President, Salvador Allende Gossens, spending more than \$3 million to prep up Mr. Allende's opponents. Mr. Allende, a Marxist, whose election in 1970 was bitterly opposed by the United States Government and American corporations, died during a coup d'état in September 1973.

Mr. Helms, who will leave his ambassadorial post at the end of the year, has been under intensive Justice Department investigation for two years because of his previous Senate testimony denying that the C.I.A. had conducted domestic intelligence and also denying that the agency had financially supported the opponents of Mr. Allende.

Prosecution in those inquiries was not sought, in part because Mr. Helms sought to "correct" some of his earlier testimony, thus blurring the record, Justice Department officials said at the time.

The revitalized grand jury investigation was spurred, all sources agreed, by the decision of Harold V. Hendrix, former Miami newspaperman and I.T.T. political operative, to cooperate with Government prosecutors in return for being permitted to plead guilty to a misdemeanor charge

continued

The U.S. and the Fall of Allende**Ex-ITT Man Telling All on '73 Chile Coup**

By Jeremlah O'Leary

Washington Star Staff Writer

When Hal Hendrix was a small boy, he swallowed a pin that left him permanently hoarse. But the 54-year-old former publicist for the International Telephone & Telegraph Corp. has voice enough left that his testimony before a Washington grand jury may blow the lid off the whole ITT-Chile-CIA episode.

The grand jury here is taking secret testimony on the role of the U.S. government and the giant multinational conglomerate in events leading to the overthrow in 1973 of the Marxist government of President Salvador Al-

lende in Chile. Sources close to the investigation said the grand jury is engaged in "intensive scrutiny" of the whole ITT-Chile affair.

Department of Justice officials declined to say who is in jeopardy from the testimony already received from Hendrix and from the record of hearings held by the Senate multinational corporations subcommittee. But several sources confirmed that Hendrix agreed to testify fully on his activities in Chile for ITT in 1970 in a deal by which he pleaded guilty to a misdemeanor in U.S. District Court in Miami last month. Officials said Hendrix got a suspended jail sentence.

"His (Hendrix's) situation is clear," an official declared. "He coped a plea and escaped further prosecution. In return, he became a government witness."

THOSE WHOSE testimony before the Senate subcommittee may now be disputed in the grand jury's deliberations include:

- Harold S. Geneen, chairman of ITT.
- John A. McCone, former director of the CIA and later an ITT director.
- Edward Gerrity, an ITT vice president for corporate relations.

- William B. Broe, former CIA chief for Latin America.

- Robert Berrellez, a former Associated Press newsman, now employed by ITT.

Others whose testimony is being studied by the grand jury include Charles A. Meyer, former assistant secretary of state for inter-American affairs, now an executive of Sears Roebuck; Jack Neal, a former U.S. diplomat and later an ITT representative; former CIA Director Richard Helms; former Ambassador to Chile Edward Korry; and a former ITT vice president in charge of Washington operations, William R. Merriam.

Hendrix and McCone already have testified before the grand jury, sources said. Geneen has not yet made an appearance.

David Phillips, former chief of Western Hemisphere operations for the CIA, said he testified before the ITT-Chile grand jury last week, but he declined to discuss his testimony. Phillips briefly headed a Chile task force in Washington during the 1970 election and retired more than a year ago to organize an association of retired intelligence officers.

Justice Department officials refused to discuss the grand jury's operations but indicated it is far too early to be thinking of possible indictments because of the volume of testimony to be studied and the number of witnesses to be heard.

BUT SOURCES CLOSE to the

investigation said Hendrix's little-noticed guilty plea to the misdemeanor charge of failing to "answer accurately and fully" the questions of the Senate subcommittee was the key to the situation.

"We knew some of them were lying," said one informed source, "and it was only a question of deciding which domino would go down first."

Another official source said, "We knew Hendrix and Berrellez weren't telling the truth when they testified that their information about a cable from Washington to the U.S. Embassy in Santiago, giving the 'green light' to stop Allende, was picked up as bar gossip in the Carillon Hotel. We knew they got it from the CIA station chief in Santiago and relayed it to their ITT superiors."

The source said Hendrix, a former Pulitzer Prize-winning journalist, was warned he might go to jail for perjury unless he cooperated with the Justice Department investigation. By pleading guilty to the misdemeanor information, the source said, Hendrix was removed from jeopardy — but the price was the testimony he gave over a two-day span to the grand jury here.

Sen. Frank Church, D-Idaho, chairman of the multinationals subcommittee, declared after the March 1973 hearings that it was obvious "someone is lying" and sent the entire transcript of the hearings to the Justice Department for action.

ITT's ROLE IN Chilean affairs came to light when Geneen acknowledged that he "might" have offered \$1 million to Broe in 1970 for CIA support of an anti-Allende candidate in

continued

Ex-CIA, ITT Officials Called In Perjury Probe on Chile

Associated Press

Former officials of the Central Intelligence Agency and International Telephone & Telegraph Corp. have been called before a federal grand jury investigating possible perjury in congressional testimony about U.S. efforts to defeat Chilean Marxist Salvador Allende.

Among the witnesses to appear before the grand jury in recent weeks are former CIA Director John A. McCone; David A. Phillips, former head of the agency's Western Hemisphere division; and Harold V. Hendrix, former director of public relations for ITT in Latin America.

PHILLIPS AND Hendrix confirmed in telephone interviews yesterday that they had appeared before the grand jury. McCone could not be reached, but an associate confirmed his appearance.

One source said that as far as he knew McCone, who is a member of ITT's board of directors, was not a target of the grand jury probe.

However, a second source with knowledge of McCone's testimony, said "I can't say he's not a target."

Phillips is not believed to be a target of the investigation since he was not a witness before the congressional committees which first investigated the events in Chile.

HENDRIX HAS received a one-month suspended sentence and been fined \$100 for withholding information about ITT's activities and CIA relationships in Chile, from the Senate Subcommittee on Multinational Corporations.

It had been reported previously that the Justice Department was scrutinizing apparent conflicts between the sworn congressional testimony of ITT Chairman Harold Geenen and former CIA Director Richard Helms, among others, and subsequent revelations about the role of the CIA and ITT in attempting to block the 1970 election of Allende as president of Chile.

Edward Bennett Williams, who has represented Helms in previous dealings with the Justice Department, said he was not aware of the grand jury's existence. A spokesman for ITT had no immediate comment.

NEWS

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DEC 19 1976

Jury probes CIA-Chile connection

By JOE TRENTO

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WASHINGTON, D.C. — A federal grand jury is actively investigating whether former CIA directors Richard M. Helms and John McCone lied under oath to two Senate committees concerning the agency's and ITT's role in Chile.

International Telephone and Telegraph's chief executive, Harold S. Geneen, and other high officials of the multinational corporation are also under scrutiny for possible perjury and fraud charges.

The alleged fraud is in the \$94-million insurance settlement the United States paid ITT in 1974 for its telephone holdings seized by the Chilean government.

One State Department source says the case could "rock the

international financial and intelligence communities."

According to a Department of Justice source, the "break" in the investigation came within the last month when a key ITT official, Harold V. Hendrix, agreed to talk about the corporation's relations with the CIA in Chile. In return he was charged with a misdemeanor of "withholding information from Congress" instead of more serious perjury charges, the source said.

Hendrix was put on three months' nonreporting probation and fined \$100 by a U.S. District Court judge in Miami on Nov. 30.

A high official in the Department of Justice said that Hendrix was allowed to "cop a plea in order to get information from him regarding other individuals in the grand jury investigation."

Hendrix is former public rela-

tions director for ITT in Latin America and, before that, a Pulitzer Prize-winning reporter who spent most of his career in Latin America. He was privy to ITT's "most sensitive" actions, according to Department of Justice sources.

Involved in the probe is testimony by Helms, McCone, Geneen, Hendrix and other ITT and CIA officials before the Senate Foreign Relations Subcommittee on Multinational Corporations in 1973 and the Senate Select Committee on Intelligence last year. Both committees were headed by Sen. Frank Church, D-Idaho.

McCone, the nation's spymaster for Presidents Kennedy and Johnson from 1961 to 1965, is a member of ITT's board of directors. Helms, his CIA successor who served from 1966 to 1973, resigned as ambassador to Iran on Nov. 4.

The refusal of the intelligence committee this year to release testimony by Edward M. Korry, ambassador to Chile from 1967 to 1971, spurred Korry to demand a Justice Department investigation. In April, Korry urged Atty. Gen. Edward H. Levi to initiate "criminal proceedings against those in government and multinationals who committed perjury, fraud and obstruction of justice."

As a result of information supplied by Korry and Hendrix, the Justice Department and the grand jury in Washington are looking into allegations that:

■ ITT may have delivered at least \$350,000 to the conservative opponents of Chile's Marxist President-Elect Salvador Allende

See GRAND—Page 10, Col. 1

in an effort to block his inauguration in November 1970.

McCone, Geneen and other ITT officials denied in March 1973 testimony before the Subcommittee on Multinational Corporations that this transaction had occurred.

■ ITT may have had a covert political relationship with the CIA going back to the administration of President Kennedy, a relationship that began through the Council for Latin America, a multinational business group organized at Kennedy's request by banker David Rockefeller. Atty. Gen. Robert F. Kennedy, as overseer of all covert intelligence activities, brought members of this group into CIA activities, past and present State Department officials said.

McCone and Geneen denied any such relationship in their 1973 testimony; Helms denied it in 1975 before the select committee.

■ ITT may have bribed at least two high officials in the Allende government to urge Allende to expropriate U.S. copper interests but "leave ITT alone," claiming ITT could gain favors for the Allende government through the Nixon White House.

■ ITT may have violated its insurance contracts with the U.S. government by engaging in illegal activity — the bribing of Chilean officials — and by withholding important information from the federal agency that runs the insurance program.

■ ■ ■

Hendrix, reached at his Coral Gables, Fla., home, confirmed he had "cooperated fully with the Justice Department and tried to answer all their questions." Hendrix refused to be more specific but did say that he had been in leagues at ITT since the investigation began."

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THE WASHINGTON STAR
19 December 1976

Testimony On Chile Probed

Associated Press

Former CIA directors Richard Helms and John McCone are under investigation by a federal grand jury for their testimony under oath before two Senate committees concerning activities in Chile, according to the Wilmington, Del., Sunday News-Journal.

In a copyrighted story, the newspaper said the grand jury is investigating possible perjury and fraud charges concerning the role of the CIA and International Telephone and Telegraph in Chile.

The Rise and Fall of Richard Helms

By Thomas Power

RICHARD MCGARRAH HELMS BELIEVED IN secrets. Of course, everyone in the American intelligence community believes in secrets in theory, but Helms really believed in secrets the way Lyman Kirkpatrick believed in secrets. At one point years ago they were rivals in the Central Intelligence Agency. But they had certain things in common and one of them was a belief in secrets. They did not like covert action operations—subsidizing politicians in Brazil, parachuting into Burma, preparing poisoned handkerchiefs for inconvenient Arab colonels, all that sleight of hand and derring-do of World War II vintage which certain veterans of the Office of Strategic Services (OSS) brought into the CIA—because covert action operations had a built-in uncertainty factor. They tended to go wrong, and even when they succeeded they tended to get out. Too many people knew about them. You couldn't keep them secret; not just confidential for the life of the administration, like so many secrets in Washington, but secret, in Lyman Kirkpatrick's phrase, "from inception to eternity."

As Director of Central Intelligence (DCI) from June 1966 until February 1973, Helms was as close to anonymous as a senior government official can be. In political memoirs of the period Helms is often in the index, but when you check the text he is only a walk-on, one of those names in sentences which begin, "Also at the meeting were . . ." If it were not for a little . . . bad luck . . . Helms would be as faintly remembered now as Rear Admiral Roscoe Hillenkoetter or General Hoyt Vandenberg, two early DCIs.

No one tells stories about Richard Helms. He had allies within the CIA, of course, and friends, and there are men who still admire his professional skill in running a traditional intelligence service, and there are even more who learned to respect his bureaucratic talents. He lost some battles within the CIA but he won all the wars and no one who worked with him ever doubted for long that Helms was a formidable opponent when it came to office politics. But Helms did not win people, as Allen Dulles, Frank Wisner, Bissell, Tracey Barnes and Thomas Karamessines all did. His fires were banked; he kept his own counsel and his distance, and even the men who knew his best find themselves hard pressed when they are asked what Richard Helms was like . . .

The only genuine anecdote who did not like him, and come up with it. Before Helms would read an intelligence report overnight. The names of and the like were replaced by the Director's convenience the page providing the true name of the Chief of Station (COS) name for the COS said, "F Helms allowed himself

man who told me the story, because the chief in charge of the office had misspelled the name of a man who had once been something of a Helms rival, an important CIA official, Ray-Cline, with a C. Helms paused, and said, "Poor Ray. How soon they forget, how soon they forget."

A man has been stepping very lightly indeed, who does not leave deeper tracks than that.

Helms' personal background was atypical of the CIA in two ways. He went to school in Europe (Le Rosey in Switzerland, a posh social institution where Mohammed Riza Pahlavi, later shah of Iran, also went) and he had no money of his own. The practical importance of this fact was that Helms, unlike many early CIA people, needed his job. He could not afford to resign if he got mad and he knew it. In all other respects—race, politics and social background—Helms was typical of the Eastern, old family, old money, WASP patricians who ran the great financial institutions, the Wall Street law firms, the Foreign Service and the CIA.

At Williams College, where he was graduated in 1935, Helms was one of those young men, assured beyond their years, who are voted most popular and most likely to succeed. He was Phi Beta Kappa, which meant he knew how to write papers and take exams with effect, but he had none of the intellectual fire and passion which make teachers value students. Helms' roommate was the son of Hugh Baillie, president of United Press at the time, and after leaving Williams, Helms paid his own way to Europe and went to work for UP in Berlin under Fred Oechsner, a UP journalist who later joined the State Department.

Helms left Europe and joined the business staff of the *Indianapolis Times*. In 1942 he

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SUNDAY NEWS JOURNAL (WILLMINGTON, DEL.) 28 NOVEMBER 1976

FK began Chile bribes envoy says

By JOE TRENTO

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Under direct orders from Presidents Kennedy, Johnson, and Nixon, the United States government, in partnership with multinational corporations and at times the Catholic Church, spent millions of dollars bribing Chilean officials and political parties. These allegations and others by Edward M. Korry, U.S. ambassador to Chile from 1967 to 1971, are being examined by the Justice Department for possible perjury and fraud by high U.S. and corporate officials who appeared before the Senate Select Committee on Intelligence.

Korry's charges were confirmed in part by former top-ranking diplomatic officials and in State Department cables, Central Intelligence Agency documents and other government files examined by the Sunday News Journal.

In a series of interviews at his Briarcliff Manor, N.Y., home, Korry said he had told the Justice Department and had testified in secret before the intelligence committee that:

Under direct orders of the late Robert F. Kennedy, "tens of millions of dollars in CIA and Agency for International Development funds were funneled into Jesuit-led Catholic groups in order to fight 'layicism (sic), Protestantism and Communism,' and to assist in the election of President Kennedy-supported candidates in Chile."

Under orders from President John F. Kennedy, "tens of millions of dollars of 1960 Chilean earthquake relief funds were diverted into the Jesuit-led Catholic groups for domestic political activity in Chile."

The CIA had high Chilean ministers on its payroll during the administration of Eduardo Frei, the Christian Democratic president of Chile from 1964 to 1970.

Ralph Dungan, Korry's predecessor as ambassador to Chile, offered Frei technical assistance and CIA funds in building his political party along Kennedy-like grassroots lines and to restructure the Chilean executive government.

U.S. interference in Chilean politics went so far that Dungan suggested Frei name a Christian Democrat with close CIA ties as his successor.

President Kennedy recruited David Rockefeller, chairman of Chase Manhattan Bank, to start the Business Group for Latin America and this group of key multinational companies worked

hand in hand with covert action programs in Chile during the Kennedy, Johnson and Nixon presidencies.

The government of Salvador Allende accepted bribes from such companies as International Telephone and Telegraph, General Tire, Cerro Copper and Anglo-Lautaro Nitrate Mines to prevent expropriation by the Chilean government. The Marxist Allende, elected in 1970, died an apparent suicide after his overthrow in 1973.

ITT "defrauded the U.S. government out of \$89 million by collecting insurance after paying bribes to Allende officials, in direct violation of the Overseas Private Investment Organization insurance policy ITT collected from the U.S. government."

Even today the military junta running Chile has upper-echelon civilians accepting bribes from multinationals on a continuing basis.

The Senate Select Committee on Intelligence "covered up these crimes and lied to the American people in order to protect the memories of Presidents Kennedy and Johnson."

The Sunday News Journal attempted to reach all institutions, corporations and individuals involved in Korry's allegations. In some cases comment was refused, outright denials of the allegations were issued or Korry's charges were in part or wholly confirmed.

"It was only after the committee refused me the opportunity to tell what I knew that I began cooperating with the Department of Justice," Korry explained.

He said he had unsuccessfully tried to make the public aware that American intervention in Chilean affairs did not start with the Nixon Administration. He has given a long deposition to the Justice Department whose

envoy says

charges are "of an apparent criminal nature," according to Alfred L. Hantman, chief of general crimes in the Justice Department's criminal division.

Korry contends that "a deal" was made within the Senate committee between Chairman Frank Church, D-Idaho, and Vice Chairman John Tower, R-Texas. Under the alleged deal, Korry says, Church and the liberals on the committee agreed to give only a superficial look at the CIA, multinational corporations and the Kennedy assassination if Tower and the conservatives did not push for a full probe into the illegal actions of Presidents Kennedy and Johnson.

Church flatly denies this. "There was no deal or understanding between myself and Sen. Tower or anyone else to withhold information involving Presidents Kennedy, Johnson or Nixon." Church told the Sunday News Journal. "In fact, the covert action report treats extensively the intervention during the administrations of all three presidents."

Korry disagrees that an effort was made to get all the facts.

He points out the Church committee issued its report on the Kennedy assassination on Nov. 14, 1975, and on Chile on Dec. 4, 1975. Korry says that although both reports named him repeatedly, he was "barred" from testifying despite six months of "repeated pleas."

He finally was one of three public witnesses called the day the Chile report was issued and then allowed to testify for 10 to 12 minutes at the end of the session and only on his knowledge about what happened during the Nixon years.

After he wrote the committee that he intended to go to the Justice Department, Korry was called to testify in secret. On Feb. 24, 1976, Korry testified for 6 1/2 hours before staff members, but Korry ambassadors' requests the testimony be made public have been

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House Unit Will Get Memo Telling Of Oswald's Plan to Kill Kennedy

By NICHOLAS M. HORROCK
Special to The New York Times

WASHINGTON, Nov. 13 — A 1964 memorandum saying that Lee Harvey Oswald told Cuban officials he was going to kill President Kennedy more than a month before the assassination is part of a packet of new material found in Government files that will be turned over to a special Congressional investigating committee, reliable Government sources said today.

Edward H. Levi, the attorney general, has imposed a curtain of extraordinary secrecy over the search of Department of Justice and Federal Bureau of Investigation files in connection with the assassination inquiry.

The file search was begun at the request of the House Select Committee on Assassinations formed earlier this year to re-investigate the deaths of President Kennedy and of the Rev. Dr. Martin Luther King, Jr., the civil rights leader.

First Meeting To Be Held Monday

The committee will hold its first formal meeting on Monday. Its chief counsel, Richard A. Sprague, is expected to recommend that a staff of 170 lawyers and trained homicide detectives conduct the two investigations.

The committee was formed after a subcommittee of the Senate Select Committee on Intelligence reported earlier this year that it had discovered evidence that raised serious questions about whether the commission, headed by the late Chief Justice Earl Warren, that investigated Mr. Kennedy's death received full and complete information from the Federal Bureau of Investigation or the Central Intelligence Agency.

The newly discovered memorandum was prepared in 1964, well after Mr. Kennedy was killed. It was prepared for J. Edgar Hoover, then the director of the F.B.I. One usually reliable source said it was prepared to be "sent" to the Warren Commission. Another source, however,

said it may not have been intended as a formal memorandum to the commission but rather as "some other kind of informal contact."

In substance the memorandum states that the F.B.I. Director had learned from a reliable informant that Lee Harvey Oswald had told Cuban officials more than a month before Mr. Kennedy's assassination that he planned to kill the American President.

Evidence of Cuban Backing

The informant, according to the memorandum, said that he had learned of Mr. Oswald's plan from Fidel Castro, the Cuban Premier. If this were true, it would be the strongest evidence yet found that Mr. Oswald had had Cuban backing in his assassination attempt.

A senior F.B.I. official said privately that there was "no implication whatsoever" from the newly discovered memorandum that Mr. Hoover knew about the assassination before it happened. The memorandum refers to information obtained by the F.B.I. during the investigation in 1964.

David W. Belin, a member of the Warren Commission staff and later director of the staff that investigated the Central Intelligence Agency for the Ford Administration, said that "to his knowledge" the Warren Commission had never received a document from the F.B.I. with so explicit a piece of information based upon a "reliable informant."

Source in Cuban Government

John A. McCone, who was director of the C.I.A. during the Kennedy Administration, has been quoted in news accounts as saying that he never knew of such information.

The C.I.A. had developed a source within the top levels of the Cuban Government in 1961 whom it had dubbed AM-LASH and who had been in frequent close contact with Premier Castro.

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13 November 1976

Oswald Reportedly Told Cubans of Plan to Kill JFK

By John M. Goshko

Washington Post Staff Writer

The Justice Department has discovered a 1964 memorandum by the late FBI Director J. Edgar Hoover saying that Lee Harvey Oswald reportedly told Cuban officials in advance of President Kennedy's assassination that he intended to kill the President.

Informed sources said yesterday that Hoover, in the memo, attributed this information to a highly reliable informant who claimed to have been told it personally by Cuban Prime Minister Fidel Castro.

Castro, according to the memo, reportedly said he had been advised by officials of the Cuban embassy in Mexico City that they had met with Oswald before the Nov. 22, 1963, assassination of Kennedy in Dallas and that Oswald informed them of his intentions.



LEE HARVEY OSWALD

Hoover memo found

The assertions reported in the Hoover memo go further than any information currently on the record concerning alleged statements made by Oswald in a previously disclosed visit to the

Cuban embassy in Mexico City prior to the murder of Kennedy.

There has been persistent surmise about a possible involvement of the Castro government in the murder of Kennedy, possibly as a counter stroke against CIA efforts to assassinate the Cuban leader.

There has also been speculation that the assassination may have been the work of Cuban-exile terrorists. However, all of these reports have been fourth- or fifth-hand accounts originating with informants of doubtful reliability.

The Hoover memo was described by the sources as having been addressed to the Warren Commission, appointed by former President Johnson to investigate the assassination. But former commission staffers said yesterday that they had no recollection of ever having

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WASHINGTON POST
9 SEPTEMBER 1976

Jack Anderson and Les Whitten CIA Withheld Data in JFK Probe

After President John F. Kennedy was struck down on Nov. 22, 1963, the Central Intelligence Agency received evidence suggesting that Cuban Premier Fidel Castro arranged the assassination in retaliation for attempts on his life.

Yet sources privy to the secret discussions at the highest levels of the CIA during those hectic days now tell us that the CIA deliberately withheld the evidence from the Warren Commission investigating Kennedy's death.

Our sources cite two reasons for holding back this evidence. One was a resolve to cover up the secret that the CIA had enlisted Mafia mobsters to kill Castro.

There also was a legitimate concern that the Castro revelations might inflame the American people, whose grief could have turned into a terrible wrath that might have precipitated some rash action.

Only a few key people knew about the CIA plot to assassinate Castro. One was Attorney General Robert F. Kennedy, who was his brother's personal watchdog over the CIA. It has now been established that Robert Kennedy was briefed on May 7, 1962, about the attempt to use underworld killers to knock off Castro.

Two days later, Robert Kennedy cautioned the CIA not to go ahead with the assassination without consulting him. Since Robert Kennedy rode herd on the CIA, it must be assumed that he was kept advised of subsequent assassination attempts. However, there is no documentary evidence of this.

Records now available show that Robert Kennedy informed FBI chief J. Edgar Hoover of the plot on May 10,

1962. Yet neither Kennedy nor Hoover later divulged this important information to the Warren Commission.

Of course, various CIA officials also knew about the assassination scheme. Not the least of them was the late CIA chief Allen W. Dulles, who approved the original plan. He later served on the Warren Commission, yet he sat silently throughout the investigation without mentioning the Cuban angle.

Within hours of President Kennedy's death, the U.S. embassy cabled information from Mexico City suggesting that the Cubans may have been behind the assassination. Our sources say that the CIA developed similar information in Washington.

The first person to reach Robert Kennedy's side after the shooting was CIA Director John A. McCone, who remained alone with the Attorney General at his McLean, Va., home for nearly three hours.

McCone swore to us that Castro's name was never mentioned during the three hours. But CIA records show that the next day McCone not only mentioned Castro to the new President, Lyndon B. Johnson, but briefed him on the information from Mexico City.

Yet no one brought the Cuban connection to the attention of the Warren Commission. We were the first to get word of the anti-Castro plot to Chief Justice Earl Warren, the commission chairman, four years later.

We are now free to reveal our role in the drama. Two of our confidential sources, CIA agent William Harvey and mobster John Rosselli, are dead. A third source, attorney Edward P. Mor-

gan, has waived the confidentiality we had promised him.

Morgan told us in January, 1967, about the CIA-Mafia assassination plot against Castro. He raised the possibility that the plot could have backfired against President Kennedy. There were suspicious circumstances, he pointed out, indicating that Castro may have learned of the attempts on his life and may have retaliated against Kennedy.

Morgan refused to identify his sources because it would have violated the attorney-client privilege. But he was an attorney of such stature that we didn't doubt his word. He had been chief inspector of the FBI. He had directed the historic congressional investigation of the Pearl Harbor bombing. Later, he ran the investigation into the excesses of the late Sen. Joseph McCarthy.

We got Morgan's permission, to write a cautious story. We confirmed the general outlines from a CIA source. Then on March 3, 1967, we wrote that Robert Kennedy "may have approved an assassination plot, which then possibly backfired against his late brother."

The next day, according to records now available, Kennedy's secretary called for a copy of the May 7, 1962, memo, which summarized the briefing he had received on the assassination plot.

On March 7, 1967, we reported more details. "A reported CIA plan in 1963 to assassinate Cuba's Fidel Castro," we wrote, "... may have resulted in a counterplot by Castro to assassinate President Kennedy."

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Approved For Release 2005/11/28 : CIA-RDP91-00901R000600090010-5

Jack Anderson

Assassination Questions

During the violent 1960s, assassins gunned down President John F. Kennedy, his brother Robert and the Rev. Martin Luther King Jr. Again in 1972, a gunman shot Alabama's Gov. George Wallace, putting him in a wheelchair for life.

The shootings have raised questions that cannot be dispelled. Millions of Americans simply aren't satisfied with the official verdicts.

Now Sen. Richard Schweiker (R-Pa.) has produced circumstantial evidence that President Kennedy may have been murdered in retaliation for attempts on Cuban Premier Fidel Castro's life. The senator has submitted his findings to the Senate Intelligence Committee for further investigation.

Coretta King, widow of the martyred civil rights leader, suspects that her husband also was the victim of a conspiracy. She has asked the Congressional Black Caucus to help reopen the investigation.

But in the backrooms of Congress, there is a strange reluctance to inquire too deeply into the Kennedy and King assassinations. From the day President Kennedy was struck down in Dallas, the federal authorities have seemed more intent upon reassuring the public than investigating the murder.

The late J. Edgar Hoover indicated that higher authorities wanted the FBI to "convince the public" that Lee Harvey Oswald, acting alone, killed Kennedy.

On Nov. 26, 1963, less than a week after the assassination, Hoover noted that the FBI's investigative report was supposed "to settle the dust, insofar as Oswald and his activities are concerned, both from the standpoint that he is the man who assassinated the President, and relative to Oswald himself and his activities and background."

The Warren Commission, headed by the late, respected Chief Justice Earl Warren, was appointed to review and assess the Kennedy assassination. As part of its investigation, the commission specifically requested information on political assassination attempts in other countries. Yet the Central Intelligence Agency, incredibly, failed to mention that its operatives had been trying to knock off Castro.

On Sept. 7, 1963, the angry Castro told Associated Press that he knew about the attempts and warned that two could play the same game. Later in the month, Oswald turned up in Mexico City where he visited both the Cuban and Soviet consulates. It is known that he spoke to a Soviet KGB agent.

A Mexican informant, named Sylva Duran, later informed the U.S. embassy that she saw Oswald inside the Cuban consulate on Sept. 28. She said she overheard the Cubans talk to Oswald about assassinating someone and saw them pass money to Oswald.

President Kennedy was murdered on Nov. 22. The next day, CIA chief John McCone informed the new President, Lyndon Johnson, about Oswald's activities in Mexico City. The astonishing account of the Mexican informant was subsequently reported to the President. It was a story, however, that she repudiated under questioning by Mexican police.

But years afterward, President Johnson told intimates he was convinced that the CIA's attempts on Castro's life had backfired and that Castro was behind the Kennedy assassination.

Nevertheless, no federal agency has bothered to review the evidence and reconsider the Warren Commission's verdict. Sen. Schweiker's investigation merely raised more questions. The senator told us it would take at least 50 investigators, with the power to subpoena witnesses and take sworn testimony, to pin down the facts.

He has passed the buck to the Senate Intelligence Committee, which has the jurisdiction. Chairman Daniel Inouye (D-Hawaii), assured us that he didn't intend to let Schweiker's report "gather dust." But he said the committee had other priorities that would occupy it for the rest of the year.

On the House side, two unheeded congressmen, Thomas Downing (D-Va.), and Henry Gonzales (D-Texas), are pressing for a full investigation of political assassinations. Downing wants to concentrate on the John F. Kennedy murder. Gonzales would widen the probe to include the other assassinations. And the Black Caucus will also insist upon investigating the shooting of Dr. King.

Downing and Gonzales must go past the powerful House Rules Committee before they can get authorization for a special investigation. Chairman Ray Madden (D-Ind.), told us the authorization won't get past his committee this year.

He could be overruled by House Speaker Carl Albert (D-Okla.), who privately favors an investigation. But Albert, who is retiring, isn't expected to take any action.

So like the Senate, the House will probably put off any investigation of

5 August 1976

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ON PAGE 3

CIA Sought to Emp Serum On Returni War Prisoners

By Austin Scott

Washington Post Staff Writer

Early in 1953 the Central Intelligence Agency wanted to inject truth serum into American prisoners of war returning from Korea, according to censored, previously secret CIA documents released yesterday.

But the Surgeon General's office "ruled out completely" the CIA's suggestion that sodium amythal and penothal, commonly called truth serums, be used on the returnees in their camp at Valley Forge, Pa., the documents said.

A CIA spokesman said there would be no immediate comment.

The inch-thick stack of 59 documents, released in response to a Freedom of Information Act request, shed more light on the CIA's proposed behavior modification experiments on both "witting and unwitting" subjects on "the whole country," said John D. Marks of the Center for National Security Studies, a non-profit group that filed the FOI request on June 30, 1975. The center was founded in 1974.

They show that in October 1953, the CIA discussed buying 10 kilograms of the hallucinogen LSD from a company whose name the agency censored from its internal memoranda.

"That's 100 million doses, enough to turn on the whole country," said non-profit group that filed the FOI request on June 30, 1975. The center was founded in 1974.

The documents do not indicate whether the CIA ever completed the purchase.

They do show that at various times during the three programs, code-named Bluebird, Artichoke and Mkultra, the agency also discussed ways of determining the shock effects of cocaine, insulin, ultrasonic disorientation, radiation, toxic mushrooms and aphrodisiacs.

In addition, they confirm for the first time that state prisoners at the California Medical Facility in Yacaville were subjects of CIA experiments. Anti-CIA groups have charged for years that prison inmates were given mind-changing drugs.

Bluebird, Artichoke and Mkultra were begun, the documents claim, in response to fears that the Soviet Un-

scale production of uncommon drugs known for their speech-producing effects."

A Feb. 10, 1951, document notes that the Soviet Union's abilities to gather intelligence "... other than by conventional psychological methods appear to have been developed to the extent that the United States will be unable to compete in this important field unless a well organized, coordinated program is established."

Bluebird was started in May, 1951, and was renamed Artichoke the following August.

An undated CIA document lists as one "directly related" activity experiments the Navy began at Bethesda in 1947 into "the isolation and synthesis of pure drugs for use in effecting psychological entry and control of the individual."

The documents include reports on Artichoke conferences. One, dated April 16, 1953, says:

"... All hands agreed that ... it was essential to find an area where large numbers of bodies would be used for research and experimentation."

The report describes a doctor, his name deleted, as saying that "in connection with the testing of drugs, he was quite certain a number of psychiatrists all over the United States would be willing to test new drugs, especially drugs that affect the mind ... All present agreed that the wider the testing the better the chances of success."

The report cites a discussion of Artichoke's effort to experiment on returning Korean POWs.

"All hands agreed that the 'hard core' group and those who had been successfully indoctrinated were excellent subjects for Artichoke work," it says, adding:

"But it was the general opinion of those present that owing to publicity and poor handling, the Artichoke techniques could not probably be brought to bear."

A report on a May 21, 1953, Artichoke conference noted:

"Mr. [name deleted] stated that extreme pressure of public opinion on the military services and on Congress had interfered with a well planned-out program in connection

with the POW situation if there had been some discussion as to possible use of sodium amythal and penothal. This had been ruled out completely by the Surgeon General's Office.

The use of at least one other drug was ruled out, the report said, because all the POWs were being held in one ward and there would be a "long and obvious period of buy-over."

"Mr. [name deleted] stated that there was little chance of using the Artichoke techniques on the returnees."

A report on a June 16, 1953, Artichoke conference noted that "arrangements had been made for the collection, cultivation, propagation and testing of certain poisonous and narcotic mushrooms of different species, both governmental and private."

It added that Mr. [name deleted] discussed the Valley Forge POW question and stated the method of Artichoke value had turned up a Valley Forge."

The purchase of LSD was discussed in a conference report dated Oct. 22, 1953. It referred to an "alleged offer of the [name deleted] Company" to sell 10 kilograms at a price estimated to be \$240,000 or less.

The conference agreed the drug should be purchased "if possible," the report said, but the documents do not reveal whether such a purchase was actually made.

One month later, in November, 1953, Dr. Frank Cronin, a civilian biochemist at Fort Detrick, Md., committed suicide in New York after drinking an after-dinner cocktail which the CIA, without his knowledge, had laced with LSD.

In a "Memorandum for the Record" dated Jan. 17, 1975, a CIA official whose name was deleted described the Mkultra program as "a group of projects most of which dealt with drug or counter-drug research and development."

Most of the research and development was contracted out to other government and private agencies, including academic and industrial institutions, the memorandum said.

It said the final phase of Mkultra testing involved application to unwitting subjects in normal situations commencing in 1955

28 MAY 1976

The FBI, CIA C of JFK Slaying

By Tad Szulc

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The FBI and the CIA engaged in a cover-up of highly relevant information when the Warren Commission was investigating President John F. Kennedy's assassination in 1963 and 1964.

President Lyndon Johnson and Atty. Gen. Robert F. Kennedy became party to the effort which consisted of withholding key facts from the Warren Commission.

The cover-up continues even now, 12 years later: The FBI still refuses to turn over to congressional investigators some of its most sensitive files on the circumstances of the killing in Dallas.

A delay of six months is expected before the new Senate Intelligence Oversight Committee decides whether to reopen the investigation into the assassination of President John F. Kennedy, Chairman Daniel K. Inouye, D-Hawaii, said yesterday.

Inouye, who spoke with reporters after the committee's first meeting yesterday, said the committee will concentrate first on drafting new charters for the CIA and other intelligence agencies.

Results of an investigation of the Kennedy assassination by the Senate Select Intelligence Committee, which spent 15 months studying the case, are expected to be made public within the next two weeks. Senators who have seen the report are predicting it will raise more questions than answers.

The 172-page report, drafted by a subcommittee, will focus on the performance of the CIA and FBI before and after the Nov. 22, 1963, slaying and will go into the possible motives of Lee Harvey Oswald.

The report is expected to detail both allegedly deliberate and accidental failures by the CIA and FBI to provide the Warren Commission with information.

The Warren Commission was never told that Robert Kennedy secretly formed a special intergovernmental

mental committee which included FBI and CIA representatives to look into the possibility that Cuban Premier Fidel Castro might organize attempts on the lives of high U.S. government officials.

THAT THIS committee existed has been kept secret although information about it reposes in FBI files.

The top-secret committee was created by Robert Kennedy presumably out of concern that Castro might retaliate against CIA attempts on his life, carried out directly by the agency's operatives and with help from the Mafia.

That anti-Castro assassination plots were afoot in the early 1960s was unknown at the time (they were disclosed last year by the Senate Select Committee on Intelligence Activities) and the Warren Commission was not told of them. Only Allen W. Dulles, who had been CIA director,

had knowledge of the anti-Castro plots.

In its ignorance the commission couldn't search more intensively into the possible motives of Lee Harvey Oswald in killing the President. The commission concluded that Oswald was the lone assassin in Dallas, but it acknowledged its inability to come up with the motive.

IT DOES NOT follow, of course, that the Warren Commission would surely have traced Oswald's motives had it known of the anti-Castro conspiracies and of the establishment of Robert Kennedy's secret group sometime before Dallas. There is no proof that Castro was behind Oswald.

But the cover-up made it impossible for the commission to seriously pursue a line of inquiry in this area even though there had been much discussion of the sig-

w or assistance to the commission — was confirmed in a memo on April 20, 1975, written by CIA Insp. Gen. Donald F. Chamberlain to CIA Deputy Director E.H. Knoche. It said:

"As far as we can tell from all of the materials at our disposition, no one discussed with the Warren Commission any alleged plan to assassinate Castro. There is also no evidence that anyone known to our records made a decision not to tell the Warren Commission anything about this topic or any other matter."

Chamberlain added that "we have no evidence in our material indicating Castro's knowledge or the possession of documentation of alleged assassination plots directed against him."

Two days later, on April 22, 1975, Raymond G. Rocca, then deputy chief of the CIA's counterintelligence staff, informed Knoche that "our records show at every point a marked intent to make as much available to the (Warren Commission) as was consistent with the se-

COMMENT

We Must Know Everything

In the normal course of events, one would hardly look to a publication called *TV Guide* for important commentary on an issue of crucial national concern. But when that publication is, as its advertising proclaims, "America's best-selling magazine"; when it devotes a significant portion of its limited editorial content to a ringing defense of the Central Intelligence Agency; when the author of that defense is a former director of the CIA whose views accurately reflect the attitudes of the American Establishment, attention must be paid.

John A. McCone, corporate executive, former Pentagon official, former chairman of the Atomic Energy Commission, served for four years in the Kennedy and Johnson Administrations as director of the CIA. His article in the January 10 issue of *TV Guide*, "Why We Need the CIA," constitutes a major propaganda exercise—an attempt to immunize Americans against the impact of the ugly revelations of recent months. Most of all, it is an effort to preserve the shroud of secrecy that has allowed the CIA to operate without public accountability or Congressional review. "Practical considerations," says McCone, "demand that the organization be kept out of public view and its work made known only to the few who need to know."

We—210 million Americans—are those few.

We need to know because horrible abuses against decency and democracy, against peace and justice, against every principle America is supposed to espouse, have been committed in our name and at our expense, at home and around the world.

"Our nation would hardly be safe," says McCone, without its "intelligence community." We now know, thanks to Congressional investigations conducted with minimal cooperation from the Executive branch and released over the President's fierce objections, that this "community":

¶Has overthrown, or has been instrumental in over-

throwing, governments in Latin America, Africa, Asia, and the Middle East.

¶Has plotted to assassinate foreign leaders, and has, perhaps, carried out some of its plots.

¶Has bribed foreign politicians, subsidized foreign political parties, and meddled in countless other ways in the internal political life of supposedly independent nations—all in the name of preserving "democracy."

¶Has financed, trained, and maintained secret mercenary armies, sending them into battle to defend "the free world."

¶Has allowed its agents to pose as American journalists (or hired journalists to serve as its agents), thus tampering with the flow of information to the American people.

¶Has monitored the private mail, cables, and telephone calls of American citizens here and abroad.

¶Has attempted to conceal these activities by offering perjured testimony to Congressional committees.

¶Has spent, for these and sundry other purposes, some \$10 billion a year of the taxpayers' money without any accounting to the American people or their elected representatives—without any knowledge, in fact, that such enormous sums were being spent.

None of this wretched catalog of crimes appears, of course, in John McCone's explanation of "Why We Need the CIA." He merely refers to "recent accusations of wrongdoing—some imagined, others grossly overstated, but still a few justified" which "have set up a clamor for closer supervision." To cope with this "noise," he proposes a few cosmetic changes—and these, we suspect, are likely to be the "reforms" that result from the recent disclosures.

Specifically, McCone suggests that "it might be advisable to identify the organization as an arm of the National Security Council," in order to make "more conspicuous" the "proximity" of the CIA to the White

House. Since McCone denies categorically that the CIA is "an unsupervised, free-wheeling body" and insists that it has been strictly accountable to the President—an assertion we are inclined to believe—this achievement of "proximity" would impose no new restraints on the intelligence apparatus.

McCone also proposes creation of a Congressional joint committee on intelligence, functioning in secrecy, whose "oversight . . . must be accepted as oversight by the Congress as a whole"—a counterpart, in other words, to the Joint Committee on Atomic Energy which has given free rein to the nuclear agencies and the nuclear power industry.

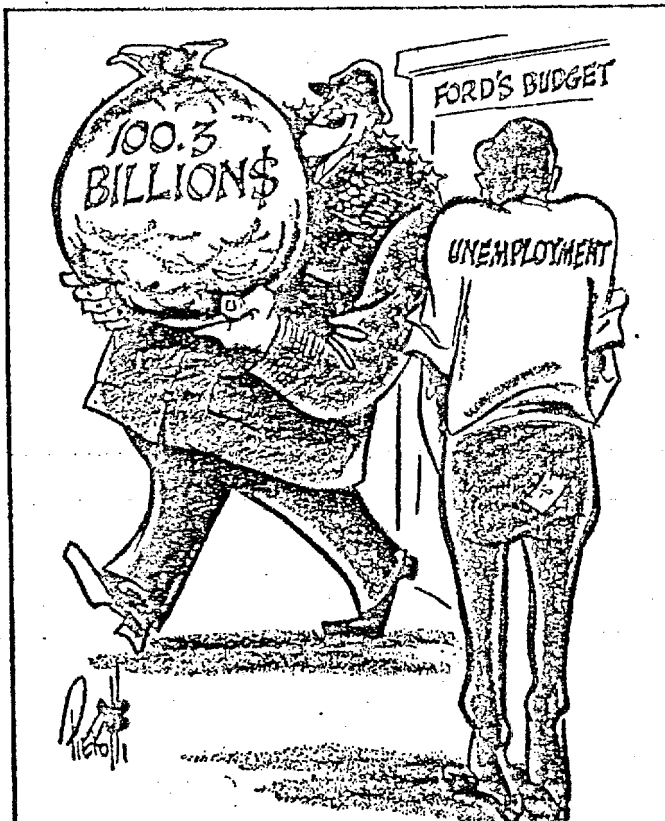
If such non-reforms—and they are receiving serious consideration in Congress—are the sole consequence of the months of investigation by House and Senate committees, the interests of the American people will have been betrayed, and the abuses that have come to light will persist and expand.

There is no great difficulty in formulating a program to bring the intelligence apparatus under effective control. The first principle is to draw a clear distinction between *intelligence gathering* (which will inevitably continue) and *covert operations*, which must be totally abandoned and outlawed. The second principle is to open the intelligence process to maximum public scrutiny—to disclose the sums spent, the means used, and the

information compiled. We will be telling our enemies—real, potential, or imagined—nothing that they do not already know. We will be telling our own people what they *must* know if they are to arrive at informed judgments about the politics pursued by their Government.

"The public should know how our Government operates," says *TV Guide* in an editorial accompanying McCone's essay, "but must we know *everything* about everything?"

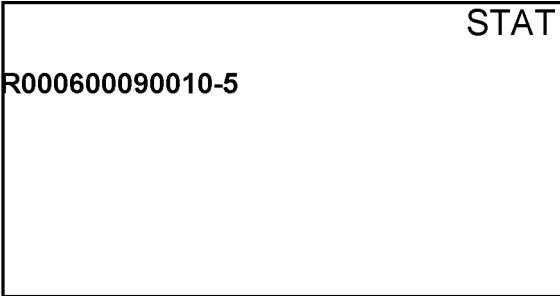
The unequivocal answer, if we are to govern ourselves in a democracy, is Yes.



Pierotti in the New York Post

'We Got Ours'

2



WHY WE NEED THE CIA

A former Director of the agency puts television coverage of its activities into historical perspective

By John A. McCone

[The Central Intelligence Agency has been much in the news lately, as television news has covered Congressional investigations of the agency's activities. To add to viewers' understanding of that coverage, we present this article by John A. McCone, who was Director of the CIA during the Kennedy and Johnson Administrations, 1961-65. Before that, he was one of the architects of the Department of Defense, and served as Deputy Secretary of Defense under James Forrestal.]

Any government, including even those which have the most elementary international association, must collect foreign intelligence. This pursuit of a special kind of information—and its refined product, which is knowledge—is an indispensable function.

Vigorous nations depend on their leaders to devise a strategy that will provide both for their security and for their economic and political well-being. History teaches us that leaders cannot meet this responsibility unless they

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learn the political, economic and military capabilities and intentions of other nations.

Today, great nations are armed as never before. And the leaders of great states must take heed of the risk involved. Furthermore, in their economic life, nations both large and small are interdependent, one with the other—more now than ever before in the past.

On the military side, the maneuvering of possible hostile forces, the deployment of mass-destruction weapons and—what could be of greater importance?—the hidden development of even more advanced weaponry, must all be discovered in good time and their possible effects measured. On the economic side, the task of intelligence services that provide information to safeguard the well-being of the state has lately been vastly amplified: a consortia has appeared that seeks to get economic advantage by imposing quotas and exorbitant prices on raw materials that heretofore have been in relatively free international flow.

Walter Lippmann once wrote, "Foreign policy is the shield of the Republic"; and Sherman Kent, the distinguished historian, has said, "Strategic intelligence is the thing that gets the shield to the proper place at the right time. It is also the thing that stands ready to guide the sword."

What these men are saying is merely that sound decisions designed to protect the security interests and the economic and political welfare of our country can only be made against a background of knowledge. Without the knowledge gained from foreign-intelligence gathering methods, and the appraisal of the significance of that knowledge developed through careful and studious analysis of the information, leaders can make no policy decisions with reasonable assurance that the action they plan is a correct one.

All vigorous nations, large and small, support a foreign-intelligence apparatus. Invariably, the organization is clandestine.

Even in open societies, practical considerations demand that the organization be kept out of public view and its work made known only to the few who need to know. Usually, the authority granted to this organization and the control over it are both embedded at the topmost echelon of power. When you make public disclosure of the intimate details of a foreign-intelligence service you paralyze an otherwise effective operation.

It is no surprise that the so-called superpowers—the United States and the Soviet Union—both maintain elaborate intelligence systems; but the intelligence efforts of other countries throughout the world, some 40 in all, are also significant. Among them all, the intelligence service of the United States is the only one (except West Germany's) that was initiated and authorized legislatively—in our case, by Congressional action after long and thoughtful consideration by both houses of the Congress and with its operations and budgets reviewed by Congressional committees.

We got into the foreign intelligence business fairly recently. Between the two World Wars, the United States maintained little in the way of an intelligence community. To be sure, the Army and the Navy maintained separate intelligence units of their own, specifically to meet their needs in times of war. The Department of State kept a watchful eye on world happenings, and ambassadors regularly reported their observations. But, we had no organization in existence to analyze the whole flow of information and to study the dangers to American security inherent in the pattern of action reported from abroad. Thus, an inquiry into our surprise at Pearl Harbor, conducted after World War II, disclosed that our various government agencies had in hand—days prior to the actual attack—all essential information concerning Japan's preparations for war, including the assembly and departure of the Japanese fleet. →

continued

The State, War and Navy Departments had each gathered the information, and each had used it for its own special interests, but—disastrously—no branch of government then had the duty to put the information *together* and alert the President of impending danger.

It was to correct this gaping deficiency in our government machinery that the Central Intelligence Agency was created under the National Security Act of 1947. To ensure that it would remain apart from partisan attachments and parochial interests, the CIA was developed essentially as a civilian organization.

It was then recognized that many departments of government must, in the interests of their departmental responsibilities and to broaden the base of all intelligence appraisals, continue their own intelligence efforts. I am speaking of the intelligence division of the State Department known as the Bureau of Intelligence and Research—a thoughtful organization that assesses information for the State Department; the Defense Intelligence Agency that supports the Secretary of Defense and the Joint Chiefs of Staff, coordinates the work of the three separate service intelligence units and manages the corps of military attaches; the intelligence units of the Army, Navy and Air Force maintained to serve their Chiefs of Service and to provide current technical intelligence information to field commanders; the intelligence units of the Treasury Department, and the Energy Research and Development Agency (formerly the Atomic Energy Commission), both of which contribute important specialized information on foreign developments; and, finally, the Federal Bureau of Investigation, which, in the course of its extensive domestic operations, is constantly unearthing information either originating abroad or having a significant foreign connection.

At the apex of this large, complex community is the Central Intelligence Agency. Its Director, as the President's

principal intelligence officer, is charged by Presidential directive with the responsibility for the general direction of the community as a whole. This function he carries out in his individual role and as chairman of the United States Intelligence Board, which is the senior body of the community, and is composed of the directors of several departmental intelligence organizations.

The Central Intelligence Agency's responsibilities, as established by law, range from the collection of overt and covert intelligence by its own considerable establishment to the correlation and assessment of intelligence findings from all sources. In addition, the CIA is charged with protecting intelligence sources and methods and with executing tasks assigned by the President or the National Security Council. Under this latter mandate fall such essential activities as counterintelligence, which means ferreting out, together with the FBI, the covert activities of others. Also, the mandate covers covert political action and covert paramilitary operations—the supporting or training and equipping of third-country nationals who espouse our principles of freedom and who are under attack by Communist forces directed from the center of Communist power.

Unevaluated intelligence—raw, as it is known in the trade—comes in many ways. Through the long sweep of history, human contact, both open and covert, has been the major source of intelligence. Conversations between heads of state, reports from ambassadors and military attaches, and articles in newspapers and other publications all contribute to the inventory of information. But the richest source is usually the secret agent, a well-trained professional, concealed under disarming cover, who usually moves in the highest and most informed circles.

The ethics of clandestine intelligence operations have long been debated and some would do away with them. The

continued

fact is that no international covenant forbids clandestine operations, and they go on as they have for centuries. At least 40 nations today support clandestine services—no great state can abandon them.

In the recent past, technology has enormously lengthened the reach and sharpened the penetration of intelligence. High-flying aircraft carrying sophisticated cameras, supplemented by orbital satellites equipped with even more advanced cameras, have been able to look down into fortress societies and record in startling detail what is actually developing.

A correspondingly wide range of electronic sensing and tracking devices makes it quite possible to accurately deduce the yield of nuclear devices, exploded either in the atmosphere or underground, at great distances; and to supply information on the characteristics and performance of military equipment that is being developed and tested beyond otherwise impenetrable frontiers. Indeed, in the event of a surprise attack, we would get our first warning of the blow being prepared from these intelligence-gathering systems.

Gathering the information is only the start of the intelligence process. The raw material, once obtained, must be drawn together, analyzed and correlated. And it must be evaluated before it becomes useful knowledge. An estimate of the developing situation emerges, and from this estimate a head of state, consulting with his advisers, can chart a course of action that will best meet the developing situation. Without the intelligence itself and the sophisticated estimate, the head of a government would be groping toward a decision.

All raw intelligence entering the community flows in one form or another to the CIA. From this processing comes a digest of what it all means and an estimate of what its consequences could be. The bits and pieces of informa-

tion from near and far are studied by men and women of the highest capabilities: political scientists, economists, historians, linguists, engineers, physicists and other experts.

Daily intelligence reports are sent to the President and his principal advisers. Finally, there appears a body of papers known as the National Intelligence Estimates, presenting a continuing analysis of military, political and economic situations that bear directly on our national security and well-being. All are the product of the analytical process and are prepared within the halls of the Central Intelligence Agency, with a substantial oversight by the United States Intelligence Board.

Preparing this body of literature in its various forms is, in my opinion, the most important activity of the agency. It is certainly the least publicized.

In the discharge of its duties, the United States Intelligence Board gathers weekly at CIA headquarters—and often more frequently—to review the national estimates prepared by the CIA analysts. This review is made before the estimates are passed to the President and to others by the Director. It is also within the Board's purview to advise the Director on how best to supply the intelligence needs of the Nation's policymakers, schedule the flights of the reconnaissance satellites and photographic planes, fix the tasks of the National Security Agency, advise the precautions that may be desirable for protecting the Nation's intelligence sources and methods, and maintaining a watch office to be constantly on the alert for surprise hostile developments.

In the tempest—abundantly reported by television and the press—that has been whirling over the heads of the intelligence community and particularly the CIA in recent months, the accusation is frequently sounded that our intelligence community is an unsupervised, free-wheeling body—a law unto itself. This simply is not true. The →

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President, himself, exercises control in a number of ways: through personal contact with his Director; through the Office of Budget and Management and a subcommittee of the National Security Council that oversees covert activities; and also through a civilian advisory board that meets frequently, reviews the community's operations and reports to the President. The House of Representatives and the Senate have special committees to oversee the community's activities and to review its budgets.

For all of this extensive oversight, recent accusations of wrongdoing—some imagined, others grossly overstated, but still a few justified—have set up a clamor for closer supervision of the intelligence operations and especially the clandestine activities.

In my opinion, the noise has been so great and the image of CIA has become so tarnished that changes must be made to extinguish, as much as possible, criticism, to restore confidence and to provide an on-going dynamic foreign intelligence service. But no changes will be useful unless the Congress, the press and electronic media, and the public can feel assured that the Nation's entire intelligence service, in playing its part to ensure the well-being of our Nation, will always confine its operations to acceptable moral and legal standards.

The remedies involve both legislative and executive action. As we seek change, we must take great care not to damage the effectiveness of the intelligence organization and we must accept the practical truth that a foreign intelligence operation, to be effective at all, must by its very nature remain "in privacy"—its activities must be cloaked in secrecy. In a free society, we find it difficult to accept this concept, but society must accept the "cloak."

The proximity of the Central Intelligence Agency and its Director to the President and the National Security Council should be made more con-

spicuous. Indeed, it might be advisable to identify the organization as an arm of the National Security Council and identify it that way by name. Its Director would then be the Nation's principal intelligence officer, with statutory authority over all of the activities now conducted by the CIA and with general supervision over the community as a whole. A subcommittee of NSC with high-level representation from State, Defense, Treasury and the White House itself, could provide a watchful eye over all intelligence activities, not merely certain covert operations as now is the case. The President's Civilian Advisory Board should continue to provide him with an informed viewpoint outside of the channels of government.

To strengthen Congressional oversight, I suggest we create a single joint committee on intelligence, with membership drawn from both houses and adequately staffed. Such a committee should function in the same manner as the Joint Committee on Atomic Energy has functioned for almost 30 years. The confidentiality of all that is provided to this committee that I propose must remain within the committee, as has been the case through the years with our nuclear affairs. In particular, oversight by such a joint committee must be accepted as oversight by the Congress as a whole.

In one way or another, risks of leaks and disclosures of sensitive operations must be lessened or eliminated under severe penalties, authorized by law.

Beyond this, anyone who has been seriously connected with the responsibilities of national security will hope that our prolonged and painful review of the roles and missions of the CIA, and the work of the intelligence community as a whole, will end up by preserving an organization that can serve our security needs and yet rest comfortably within American political philosophy. Our Nation would hardly be safe without such an establishment. (END)