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ADMINISTRATIVE - INTERNAL USE ONLY

7 August 1974

MEMORANDUM FOR THE RECORD

On 6 August 1974, Mr. John A. McCone called from Los Angeles to ask if I could arrange for him to meet with General Andrew Goodpaster at SHAPE headquarters on 5 September 1974. Mr. McCone wants to confer with General Goodpaster about disarmament and arms control matters in preparation for a meeting of the General Advisory Commission on Disarmament on 27-28 September. McCone said that he had written Mr. Colby suggesting that the DCI briefing be up to snuff.

McCone asked how President Nixon's disclosures of 5 August affected Helms' testimony. McCone said that he had had many queries to the effect that the President's disclosures confirmed the suspicion that the Agency was involved after all. McCone said that he argued the contrary point, but would be grateful if we could furnish him a background paper [redacted]

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/s/

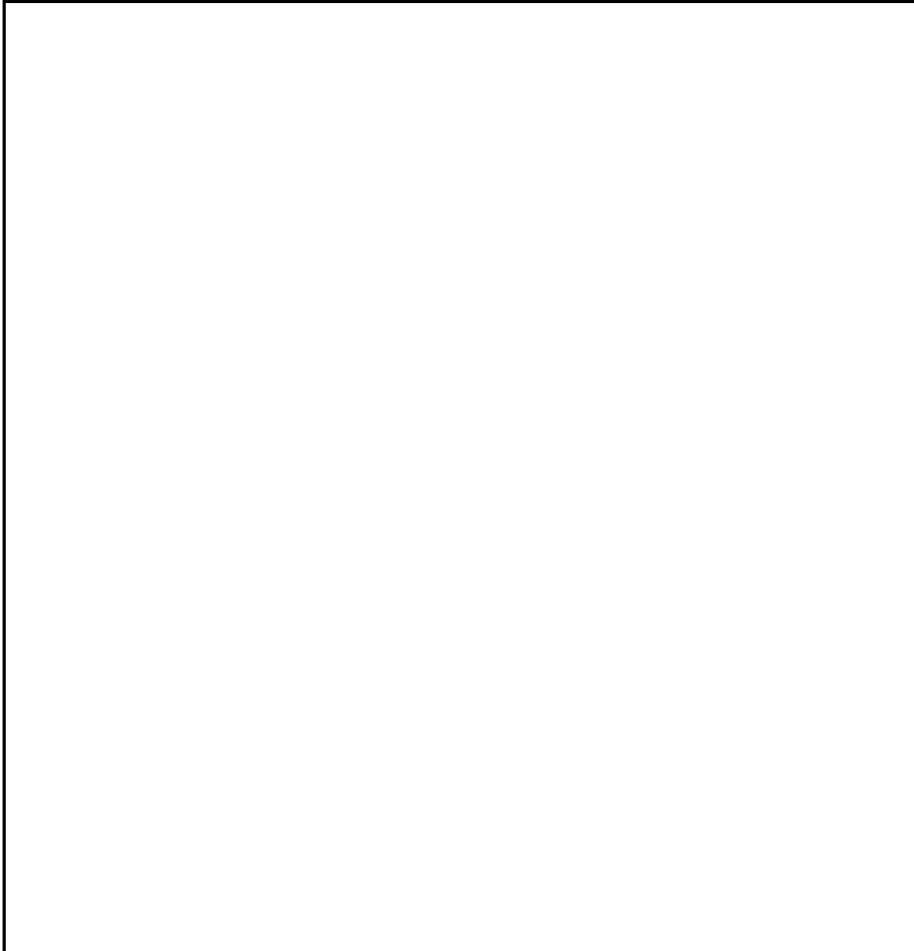
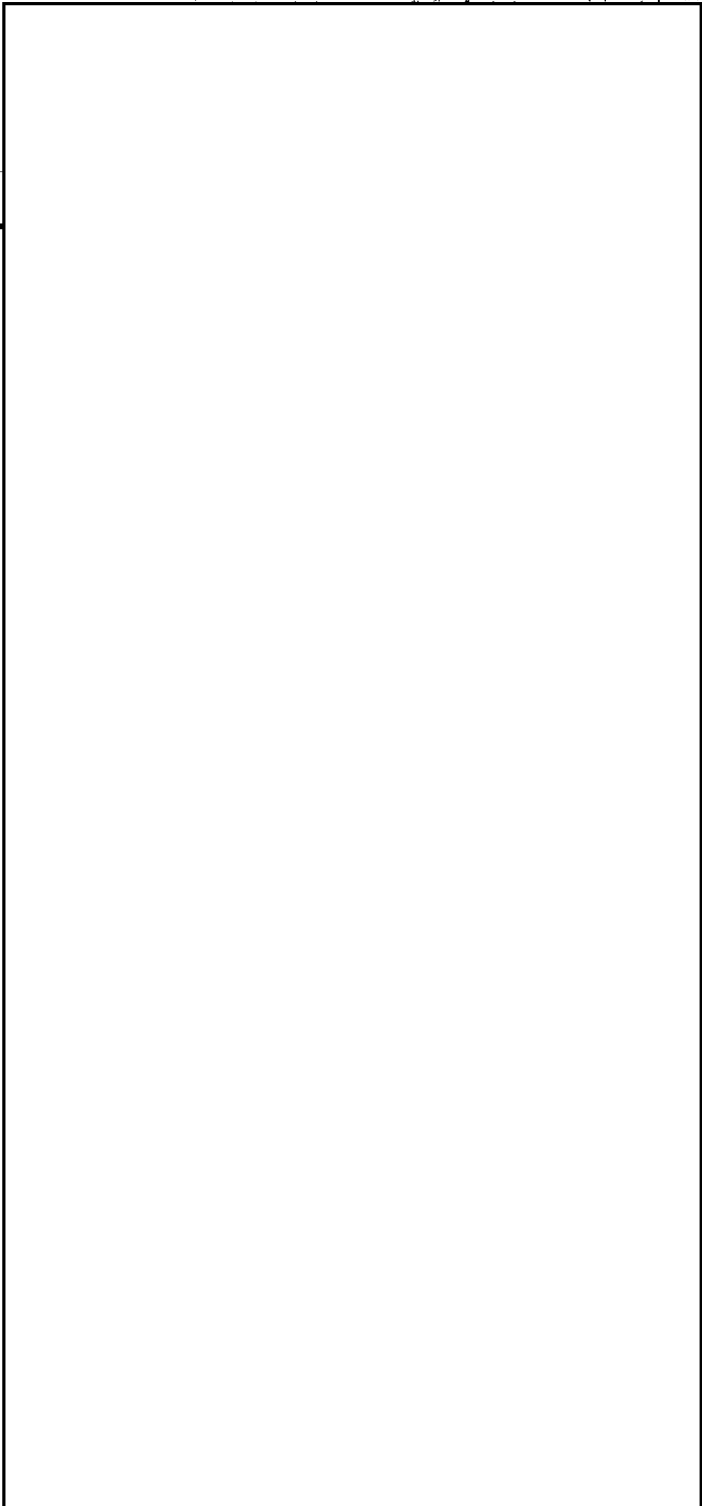
WALTER ELDER
Chief, CIA History Staff

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Whodunnit Covering The CIA

t by Bartlett's own admission, his Sept. was based on the IIT report—in places t of paraphrase. He wrote about several occurring in Chile that he could not

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probably do and that Chilean politics should be left to the Chileans." He did not inform his readers that he had a document in his possession that indicated that Chilean politics were being left to the Central Intelligence Agency and IIT.

"I was only interested in the political analysis," Bartlett explained in an interview. "I didn't take seriously the Washington stuff—the description of machinations within the U.S. government. [The IIT report] had not been in Washington; they had been in

...a., except under tightly controlled res. No media outlet in the country has ed a full-time correspondent to the . very few report on its activities, even on basis. Except in those cases where tie to leak some information, almost all nel avoid any contact whatsoever with In fact, agency policy decrees that must inform their superiors immediately versations with reporters.

... when Allen Dulles headed the CIA and Cold War anti-communism was still rampant, two disasters hit the CIA that newspapers learned of in advance but refused to share fully with their readers. First came the shooting down of the U-2 spy plane over the Soviet Union in 1960. Chalmers Roberts, long the *Washington Post's* diplomatic correspondent, confirms in his book *First Rough Draft* (Praeger) that he and "some other newsmen" knew about the U-2 flights in the late 1950s and "remained silent." Roberts explains: "Retrospectively, it seems a close question as to whether this was the right decision, but I think it

G.O.P.'s Big Bankrollers of 1972

By HERBERT E. ALEXANDER

At many turns in the unfolding tale of Watergate, the role and propriety of campaign contributions from big business have come under scrutiny.

The extent to which the business community did, in fact, bankroll the Republican effort in 1972 has caused concern to a number of election reformers. Of particular concern are allegations of large contributions from major defense contractors. This is unquestionably a legitimate question, but one that has frequently generated more heat than light.

A study recently completed by the Citizens' Research Foundation, a nonpartisan organization, helps put the 1972 role of large contributors from America's boardrooms into perspective.

The results, an extensive compilation which goes well beyond anything prepared to date by groups such as Common Cause or any of the Federal agencies concerned, do not exactly exonerate big business of the charge of partiality. But neither do the statistics suggest a picture as distorted as that presented by some of the reform groups.

The Citizens' Research Foundation has analyzed political contributions to the 1972 campaign, in amounts of \$500 or more, that were made by officers and directors of the 25 largest contractors for each of these: the Defense Department, the Atomic Energy Commission and the National Aeronautics and Space Agency. For comparison, such contributions from the 25 largest industrial companies on Fortune magazine's 500 list were also studied as a control (known).

The composite list totaled only 72 companies (instead of 100) because of duplications. The General Electric Company, for example, appeared on all four "top 25" lists. Other companies were on two or three. The total number of officers and directors of the 72 companies was 2,180.

The study showed about 30 per cent (642 persons) of these members of the top echelons of American business to be large contributors—\$500 or more. Their total contributions approached \$3.2-million. This represents a far higher proportion of givers than in the electorate at large. National surveys estimate that, in a Presidential year, perhaps 10 per cent of adults make financial contributions.

Support for Republican candidates dominated. Of the total of \$3,193,000 recorded in the study, \$2,746,000—86 per cent—went to G.O.P. candidates or committees. The Democrats got \$398,000, while \$49,000 went elsewhere—to minor parties and political action groups. The study puts new focus on what some critics tend to see as a sort of bloc contribution from the boardroom in return for Government contract favoritism.

(Not included, incidentally, is actual corporation giving—the category of money that was found to have been illegally contributed from corporate treasuries. Only three of the 72 companies were among those named as having made illegal contribu-

tions. For example, the Gulf Oil Corporation's gift of \$100,000 to the Committee to Re-elect the President was subsequently returned. Other illegal Gulf money went to the campaigns of Representative Wilbur D. Mills (\$15,000) and Senator Henry M. Jackson (\$10,000). Gulf's totals for this study's purposes were \$14,900 to the Republicans and \$10,625 to the Democrats—all from officers and directors of the company and all perfectly legal, so far as is known.)

The Citizens' Research Foundation broke down the contributions from three groups—officers of a company, those who are both officers and directors and those from outside the company who are directors. It is from this last group that the bulk of campaign contribution was made to both parties.

Some 66 per cent of the total amounts contributed in 1972 came from the outside directors. Many of these men (no women) come from the financial or legal world. In most cases, because of position and wealth, they serve on a number of boards. They are far more likely to be tapped in major fund drives.

Forty-three per cent of these outsiders, for example, were contributors, compared with 23 per cent of the insiders, who are more likely to be solely concerned with their company's well-being. However, it is difficult to attribute the motives of the contributing outsiders to any particular company.

A case in point would be John A. McCone, director of the Central Intelligence Agency during the Kennedy and Johnson Administrations. Mr. McCone was included in the study because of his directorships on the boards of the Standard Oil Company of California and the International Telephone and Telegraph Corporation and his gift of \$14,000 to the Nixon campaign. However, Mr. McCone is also on the boards of the Pacific Mutual Life Insurance Company and the United California Bank, companies not included in this study. Therefore his interests are diverse and cannot be confined to any one company.

Interesting variations emerge among the three different groups of Government contractors that were studied. The percentage of large contributors was highest in the group of Pentagon contractors—37 per cent of their officers and directors made large gifts in 1972.

At the A.E.C. and NASA contractors, the comparable figure was lower, about 30 per cent. The level was highest of all among officers and directors of companies on the Fortune 500 list, where the impact of Government contracts could be more diffuse.

Put another way, the level of large contributions, particularly to the Republican party, from individuals tied to defense-contract companies is, from this evidence, below what it is for the top-level business community as a whole.

A point worth emphasizing about the preponderance of Republican contributions from the corporation's officials in 1972—\$1 to the G.O.P. for every \$1 to the Democrats—is that these were not exclusively gifts

to a Presidential race (in which the imbalance could be explained by businessmen's skittishness over George McGovern's economic proposals). The gifts also included money for races in the Senate and House, where the Democrats have been in control a long time. That control, and its accompanying power over millions of dollars in Federal contracts, apparently had little impact on the natural Republican proclivity of these businessmen. These totals also included money for state races in 10 states, where control at the state level might have economic implications.

The Democratic money tended to be spread far more thinly than the Republican contributions, partly because of the greater demands from the various Presidential primary candidates.

An example of the kind of financial edge Mr. Nixon had is provided by a look at the giving patterns of the top management of the 25 largest Pentagon contractors. Richard M. Nixon got 86.4 per cent of all Republican large gifts from this source; Senator McGovern got only 3.4 per cent of the far smaller Democratic total. An analysis of large gifts to Presidential contenders shows that money from the officers and directors of the big defense contractors was divided like this:

Nixon	\$1,609,646
McGovern	7,450
Lindsay	78,000
Muskie	12,125
Jackson	2,827
Humphrey	2,700
Sanford	1,000
Mills	500

The analysis discloses that, in the case of seven companies on the composite list, there were no large political contributions of any kind by their officers or directors. Five of these companies were big A.E.C. contractors, and two were on the NASA list. These companies were the Reynolds Electrical Engineering Corporation, Holmes & Narver, Inc., United Nuclear Corporation, Teledyne Isotopes, Inc., Lucius Pitkin, Inc. (A.E.C. contractors) and Grumman Aerospace Corporation and Federal Electric Corporation (NASA).

At the opposite end of the scale were 15 companies where large gifts were made exclusively to Republican causes. On this list are some familiar names of American business—names such as Boeing, Sperry Rand, Union Carbide, Dow, Goodyear, International Harvester and Eastman Kodak. And, finally, one contractor had officers and directors who contributed only to the Democrats. It is the Rural Co-operative Power Association, from the A.E.C. list.

On April 7, 1972, a new, tougher campaign financing law went into effect, requiring disclosure of the names of contributors. The new law has since loomed large in the tangled web of the financing of the 1972 Presidential race.

Adoption of the disclosure law has made it difficult to plot with precision any increase in large contributions from major Government contractors in 1972 over the 1968 elections. The Citizens' Research Foundation did an identical study in 1968 of large contributors from business. The composite list then totaled 70 companies,

A Sad Double Standard

By Tom Wicker

Two items from The New York Times:

March 8, 1974: "Secretary of State Kissinger told a Senate committee today that he would recommend a veto of the Nixon Administration's own trade bill if Congress refused to grant trade concessions to the Soviet Union because of its restrictions on the free emigration of Jews and others."

Feb. 28, 1974: "[A high United States official] pointed out that the Central Intelligence Agency had rejected an offer by the International Telephone and Telegraph Corporation of \$1 million in September, 1970, to be spent in Chile to defeat the Socialist candidate for the presidency, Salvador Allende Gossens. The offer was made to Richard M. Helms, who was then the Director of Central Intelligence,

IN THE NATION

"The Chilean story is . . . in sad contrast to Mr. Kissinger's position on Soviet emigration policies."

by the agency's former director, John A. McCone, who had become an I.T.T. board member."

There is no particular connection between these two items—except that there is now an intensive effort in Congress to deny most-favored-nation trading status to the Soviet Union if it continues to restrict the emigration of Jews; and that there was in 1970, and throughout his presidency, an intense effort by I.T.T. and others to prevent or destroy Mr. Allende's Government in Chile. But the Nixon Administration that Mr. Kissinger represented throughout the period did not threaten or disapprove the latter effort; quite the contrary.

The C.I.A. did turn down the I.T.T. money (although nothing seems to have been done about the scandalous attempt by a former C.I.A. director to bribe the agency, with private money, to undertake interference in the internal politics of another country). But the Nixon Administration, represented

that Government's ability to get foreign credit and cut off foreign aid to it, continuing only to supply arms and training to the Chilean military.

Thus, it was troops trained by the United States and armed with American weapons who overthrew the Allende Government last fall and—as now seems certain—murdered Mr. Allende.

There are numerous evidences that the officers who ordered the bloody coup and the later execution of what appears to have been thousands of Chileans were encouraged in their planning by American supporters, both official and unofficial. Nor did the Nixon Administration and its embassy officials in Santiago distinguish themselves in saving the lives of refugees, including some Americans.

The Chilean story is only gradually coming to light, but what is known is in sad contrast to Mr. Kissinger's position on Soviet emigration policies. He said he regards détente as of such overriding importance that the United States must not endanger it by trying to influence internal Soviet policies.

On the other hand, in pursuit of what it conceived to be the national interest, the Nixon Administration appears to have been a considerable influence in the opposition to, and overthrow of, the Allende Government. Before that, of course, various American Governments had had a hand in numerous interventions (for example, the overthrow of Guatemala's elected left-wing Government in the nineteen-fifties).

This reflects a double standard if ever there was one. It is a double standard in the sense that American interests (as perceived by the Administration in power) may require intervention in one country's internal affairs but forbid it in another. It is an even more deplorable double standard in that it seems to permit intervention for certain selfish political or economic purposes but not for the purpose of upholding human rights.

This is not necessarily to argue that Mr. Kissinger is altogether wrong on the Soviet emigration question; there is in fact much to support his position. Anyway, to take a stand for human rights in the Soviet Union might seem a bit ludicrous, since the Administration has such strong ties to Greece, the Chilean junta, Spain, Portugal, South Vietnam, South Korea, the Philippines and other strong-arm governments.

The members of Congress who are demanding Soviet concessions on emigration, moreover, have their own double standard; they are not so vocal about Chilean refugees, of whom only a handful have been admitted to this country, or about human rights in the

numerous other repressive governments to which they annually vote military and other forms of aid. The Jewish emigration question, after all, is of interest to many of them only for obvious domestic political reasons.

Under the auspices of the Fund for New Priorities, some of the same members of Congress did take part the other day in public hearings on the situation in Chile. That would be an excellent place for them to show a more general concern for human rights—as well as for the established American double standard toward those rights.

28 FEB 1974

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200 CIA Agents in Gray Flannel

By Martin Schram
Newsday Washington Bureau Chief

Washington—The Central Intelligence Agency has about 200 agents planted in U.S. companies overseas who are engaged in covert activities, it has been authoritatively learned.

The agents are assigned to those posts with the full knowledge and permission of the companies. The CIA reimburses the companies for the agents' salaries and administrative expenses.

The practice is useful to the CIA, which is known to believe that stationing agents abroad in other U.S. government agencies is often not sufficient cover. The practice also benefits the companies because they receive some information about latest developments and trends.

The names of all the companies and areas could not be learned, but it has been confirmed that two CIA agents were working abroad under the cover of Robert R. Mullen & Co., the public-relations firm that employed former CIA man E. Howard Hunt when he went to work at the White House and helped plan the Watergate burglary.

The Mullen firm confirmed that its one-man offices in Amsterdam and Singapore were staffed by CIA agents. Both offices were closed after Hunt's relationship to the firm was publicized. Mullen's Singapore office was closed in September, 1972, the Amsterdam Amsterdam office in June, 1973.

Sen. Frank Church (D-Idaho), chairman of the Senate foreign relations subcommittee on multinational corporations, after being informed of the practice, said, "The subcommittee will make an immediate inquiry into this with the CIA."

It has long been believed that the CIA had close ties with U.S. companies abroad, but the involvement has never been confirmed to this extent.

In 1970, the International Telephone and Telegraph Corp. offered the CIA up to \$1,000,000 to help block the election in Chile of the late Salvador Allende, a Marxist. The offer was made by John A. McCone, former director of the CIA who had since become a board member and consultant at ITT. The CIA has said that it rejected the offer and that it had no role in the military coup last year in which Allende was killed and his government toppled.

Because the offer was made by a former CIA director, there has been speculation that the agency might have made a practice of performing tasks for private companies abroad. It is the CIA position that the practice does

not exist and has not existed for at least a decade. The CIA says there is no evidence that such a practice ever existed, but that it has not been positively ruled out in the agency's earlier years. The CIA maintains that it uses only funds appropriated by Congress.

The nature of CIA relationships with individuals and U.S. companies breaks down into three categories:

- The CIA maintains a domestic collection division with offices in many cities listed in telephone books under the name of the Central Intelligence Agency. When the agency learns that someone has information concerning a foreign country, it often asks the person if he is willing to come in and pass along the information.

- The CIA has a kind of operational collaboration, involving persons who work for U.S. companies but occasionally exchange information with CIA officials on a cooperative basis. (A similar relationship exists between a number of journalists and the CIA.)

- A couple of hundred CIA agents live abroad and are on the payrolls of U.S. companies while actually gathering intelligence. (Some journalists have also been in this category, although the CIA position is that it is stopping the practice of having journalists on its payroll.)

"The fact that the Mullen agency served as a cover for two CIA agents abroad was first reported by CBS network correspondent Dan Rather and has been confirmed in detail by Newsday. Years ago, the CIA approached Mullen, now chairman of the board, saying that it had an emergency and wanted to station an agent in Europe as an employe of the public relations firm. In what the Mullen firm considers a patriotic gesture, it agreed to have the agent work in a one-man office in Amsterdam. The firm contends that it had a legitimate need for a public-relations office in Europe for example, because the firm has done the public relations for the Mormon church for years, it handled a European tour by the Mormon Tabernacle Choir.

In 1970, the CIA contacted the Mullen firm with another emergency, this time in Singapore. The firm acknowledges that it had no legitimate need for a Singapore operation, but that it nevertheless agreed and opened a one-man office there. The CIA reimbursed the firm for all administrative expenses, including the agent's "company car."

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EX-HEAD OF CIA SKEPTICAL

Hunt Spying Story Doubtoted

By Martha Angle

Star-News Staff Writer

Former CIA Director

✓ John A. McCone has expressed surprise and skepticism at reports that E. ✓ Howard Hunt Jr. directed a ✓ spying operation on Sen. ✓ Barry Goldwater in 1964 on orders from his CIA superiors.

Doubts about the report were also voiced by Rep. ✓ Lucien N. Nedzi D-Mich., chairman of a CIA oversight committee in Congress which last summer conducted exhaustive hearings into the agency's possible relationship with political spying in the Watergate case.

Agency officials conducted a quick check of their files yesterday, Nedzi said, and came up with "nothing to substantiate this kind of statement." Nedzi said the CIA has promised a complete search of its files on Hunt and a further report to him as soon as possible.

McCone, who headed the Central Intelligence Agency from November 1961 to April 1965, said in a telephone interview yesterday that he had "never heard of any such thing either directly or indirectly."

ACCORDING to informed sources, Hunt, who is now serving a prison term for his role in the Watergate

break-in and bugging, has told Republican investigators for the special Senate Watergate committee that he sent two operatives to Goldwater's Washington headquarters during the 1964 presidential campaign to "see what was going on."

He did so on orders from his CIA superiors, one of whom — according to at least one published report — was stationed at the White House, Hunt allegedly told committee investigators.

Senate sources said Hunt told them his operatives brought back advance campaign schedules, news releases and "any other information they could obtain."

Goldwater said yesterday he was informed by unidentified persons "either just before or just after the end of the campaign that both the FBI and the CIA had me under surveillance."

McCone, now a senior executive in Los Angeles for the International Telephone and Telegraph Corp., insisted that the CIA had "absolutely no involvement whatsoever" in domestic politics during his tenure as director.

He expressed strong doubt that President Johnson or anyone on his White House staff could have ordered the alleged CIA spying on Goldwater.

NEDZI said that yesterday's quick search of files did produce evidence that Hunt was on medical leave from the agency during the latter part of 1964 — both before and after the election campaign.

The files apparently show Hunt was hospitalized from Oct. 12 to Oct. 16, and that he was granted leave until Dec. 8. CIA officials assured Nedzi that the Hunt file contains materials, such as xrays and medical reports, to substantiate that the leave of absence really was for a medical purpose.

Nedzi's subcommittee compiled some 270 pages of testimony from Hunt during a nine-hour period of interrogation last June, at a time when Hunt was still under threat of a 35-year prison sentence, and, Nedzi recalls, "appeared to desire to reveal everything."

The testimony, which has not been released and is still classified, makes no reference to any political espionage activity in 1964, Nedzi said, even though Hunt volunteered page after page of narrative reminiscence about his past career.

Hunt was not, however, asked specifically about any domestic spying in the 1964 campaign, Nedzi said.

15 OCT 1973

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THE MULTINATIONALISTS ASSEMBLY

A New Ruling Class for the World

STEVE WEISSMAN

San Francisco

"We are all favored with ringside seats at the battle of the 20th century, the outcome of which will have greater influence on the lives of our children, and their children, than all the military conflicts of this century put together.

"I refer to the growing confrontation between the forces of globalism led by multinational enterprise and the fortresses of nationalism which have been strengthened, at least partially, as a response to the growing impact of the multinational corporation."

So declared Charles W. Robinson, the young president of Marcona Corporation, an international mining and transportation firm, at the fifth quadrennial International Industrial Conference (IIC), which met during the week of September 17 to 21 in San Francisco. Mr. Robinson's prose was overblown, but the sentiments he expressed were standard fare.

Sponsored by the Conference Board and the Stanford Research Institute (SRI) and held in the luxury hotels of Nob Hill and the board rooms of the nearby financial district, the IIC attracted more than 650 senior executives from the biggest banks and industrial firms in seventy countries, along with a rich sprinkling of government and international agency officials. David Rockefeller and Henry Ford, California industrialists David Packard and John McCone, Wall Street investment bankers George Ball and Peter Peterson led the list of American entrepreneurs; similar stars brightened the roster of foreign participants.

"We are, in fact, the architects and operators of the so-called 'establishment' in our respective homelands," IIC chairman Edgar Kaiser told them, and his welcome embraced a member of the Eastern "establishment," as well—Dr. Jermin M. Gvishiani, deputy chairman of the State Committee for Science and Technology of the USSR Council of Ministers and son-in-law of Premier Aleksei Kosygin.

The week produced a mix of loose talk, high society and big business. Much like a flock of Midwestern sociology professors, the graying executives sat long, sleepy hours hearing panel loads of chosen colleagues read aloud already distributed papers on everything from the control of population growth in China to the control of gasoline prices in the United States. They also exchanged practical pointers in smaller, less formal round tables, from which the press was excluded.

"The business types really love the round tables," a conference board official told me. "They are basically lonely men. They generally have to guard every word. They can't admit they don't know an answer. . . . In the round tables they can let their hair down."

In the evenings the participants "and their ladies" supped in formal splendor in the chic restaurants and elegant homes of America's most cosmopolitan town.

Wealth overflowed: the wife of Sony president Akio Morita was relieved of \$37,000 worth of jewelry by one unconventional entrepreneur, and the honest thieves in the local tourist traps did almost as well.

"The meeting offers an exchange of views, information about problems, and a place to meet people who might later become business partners," explained Kaiser in an interview with Ralph Craib of the *San Francisco Chronicle*. "At the very first meeting, I met men from India and learned about their aluminum problems. . . . Today, we have a \$60 million aluminum and cement operation in India."

There were no votes, no resolutions, no public commitments at the conference—only a \$1 million marketplace of ideas and a unique opportunity to hear the public thoughts and chance conversations of a newly emerging international ruling class. The theme of this year's IIC was "Business Enterprise and the Public Interest," which translated into a spirited celebration of the multinational corporation—"that most efficient instrument for optimizing the benefits of our finite global resources"—and a defiant defense against its many critics.

Multinational business was "at bay," the multinational businessmen warned. Host countries like Chile were staging "a frontal attack," threatening expropriation and branding the multinationals as "dangerous agents of imperialism." Home countries like the United States were "nipping at their heels," threatening measures like the Burke-Hartke bill to restrict job-exporting trade and investment—"the most retrogressive piece of legislation since the Smoot-Hawley Tariff."

"We have even permitted, without effective contradiction, the concept to be floated that a businessman who talks to his elected representative is somehow evil, and that his voice should not be heard on matters of policy," complained Walter B. Wriston, chairman of the \$30 billion First National City Bank.

But the international industrialists would not be stopped by the newly protectionist officials of organized labor, "the canny bureaucrats," or "yesterday's liberals" with "their outworn doctrine of a controlled economy." For they—and not their critics—were the ever disturbing "agents of change."

"The development of the world corporation into a truly multinational organization has produced a group of managers of many nationalities whose perceptions of the needs and wants of the human race know no boundaries," Wriston explained.

"They really believe in one world. They understand with great clarity that the payrolls and jobs furnished by the world corporation exceed profits by a factor of twenty to one. They know that there can be no truly profitable markets where poverty is the rule of life. They are a group which recognizes no distinction because of color or sex, since they understand with the clarity born of experience that talent is the commodity in shortest supply in the world," Wall Street's biggest banker went on

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Chalmers M. Roberts

The U.S. Integrity Gap

The take-over in Chile by a military junta has demonstrated that the U.S. government in general and the Nixon administration in particular is suffering from a credibility gap. Allegations that the coup was engineered, or at least encouraged, by Washington through the Central Intelligence Agency are being made around the world. The administration, while conceding that it did have some advance tips that the take-over was coming, denies that it had any part in the affair and, specifically, that the President had heard the reports in time to do anything about them, even if he had wished to do so.

The CIA starts out with several strikes against it. After all it is well known that the agency did engineer a coup against the leftist government of Guatemala in 1954; that it had a hand in saving the Shah of Iran's throne in 1952; that it tried unsuccessfully to topple Sukarno's government in Indonesia; that it was central to the fiasco at the Bay of Pigs; that it has been involved in intrusions into Com-

"It is not very easy to accept the current CIA denials. Maybe they are true; but just maybe they are not."

munist China; and that it conducted for years a secret war in Laos. President Nixon himself recently referred to the Iranian affair without mentioning the CIA role. He finally conceded, last year, that two Americans long held by China were, in fact, CIA operatives. And so on.

As to Chile, the CIA says its hands are clean. But it is on the public record that John McCone, the former head of the CIA, carried a big chunk of money to the army on behalf of his new employer. It was used to buy phone and telegraph equipment for Salvador Allende's government to power. So it is not surprising that those who want to believe the CIA is involved in the coup. Allende's own death gave the CIA a clean bill of health. As for those who hope, or even believe,

that the CIA has learned some lessons or been reined in, it is not very easy to accept, on their face, the current CIA denials. Maybe they are true; but just maybe they are not.

But it isn't just a matter of the CIA; it's President Nixon himself. When you consider his record for dissembling, it makes you wonder about Chile.

During the 1960 Kennedy-Nixon campaign, candidate Kennedy proposed strengthening the anti-Castro forces. But candidate Nixon, who then was the Vice President, knew about the secret Bay of Pigs plan and, to protect the prospects of that invasion, he had to "go to the other extreme" and attack the Kennedy proposal as "dangerously irresponsible," as he himself has written. In short, he lied to cover the operation. More recently, as President, Mr. Nixon secretly authorized the undisclosed bombing of Cambodia while telling the public that the United States was not violating that country's neutrality. As to Laos, he admitted American involvement only when forced to do so by a Senate investigation. In time we shall probably hear of other similar cases now still hidden.

In short, Mr. Nixon's record of credibility hardly encourages one to accept protestations of innocence in Chile. It reminds me of Thurston the Magician who used to show you how empty his sleeves were; he then proceeded to pull from them an amazing assortment of cards, scarves and other paraphernalia of his trade.

In the case of the Bay of Pigs Mr. Nixon, writing in his "Six Crises," never questioned the propriety or legality of the operation against Castro. "The covert operation had to be protected at all costs," he wrote. There is nothing in the Nixon record to indicate that he has in any way altered that point of view. Indeed, the justification in the Watergate case for trying to head off an FBI investigation of the Mexican money transactions was essentially the same. In short, the end justifies the means whenever the end is a matter affecting "national security."

President Nixon's aversion, to put it mildly, to the Allende regime was well known. His administration kept on supplying military aid while withholding economic help; international organizations were encouraged not to help Allende. The American ambassador had in fact been ordered to leave Chile prior to the takeover. Put it all together and the only conclusion one can

come to, given the record, is no clear conclusion — and a reasonable doubt about any official conclusion offered by the government.

Perhaps not directly related to Chile but part of the Nixon backdrop to his foreign policy methods is his penchant for surprises, for the quick switch, and for secrecy. Dollar devaluation, the change in China policy, the "Nixon shocks" to Japan, the mining of Haiphong harbor—even the switch to Phase I economic controls here at home—all testify to this style of doing business. Who can guess what he may have in mind for Latin America, where Henry Kissinger says he wants to institute new policies?

Integrity is perhaps the most precious asset that a government can have. The sad fact is that in the post-World War II decades successive administrations have eaten away at governmental integrity. One has only to recall President Roosevelt and the se-

"Mr. Nixon's record of credibility hardly encourages one to accept protestations of innocence in Chile."

cret Yalta agreements, President Eisenhower's handling of the U-2 affair, President Kennedy's initial covert operations in Indochina and the panoply of evasions by President Johnson as documented in the Pentagon Papers. By the time Mr. Nixon got into the White House, government integrity had indeed suffered.

Somewhere along the line Mr. Nixon became entranced with General Charles deGaulle's idea of the "mystique" of high office, of holding aloof from the public, of treating the public like school children in a "papa knows best" manner. He is not the first President to act this way; it seems to be a failing of those chief executives in particular who have been quickest to wrap themselves in the "national security" blanket. But as President, Mr. Nixon has carried it to hitherto unknown extremes.

Perhaps the United States had no direct role in the Chilean affair; there certainly was reason enough, in internal Chilean terms, for the take-over, without judging the right or wrong of it. But the administration's credibility is so low, who can believe its denials?

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20 AUG 1973

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Letters to the Editor

The Record on I.T.T. Activities in Chile

To the Editor:

This will refer to the Aug. 8 Op-Ed article by Charles Goldman in connection with I.T.T. and Chile. Mr. Goldman refers to the report of the Church Subcommittee on Multinational Corporations of the Senate Committee on Foreign Relations with respect to the activities of the I.T.T. in Chile. He notes that (a) the Subcommittee recognized the validity of I.T.T.'s desire to communicate its concern to the United States Government over the policies which an Allende Government might follow and, (b) the Subcommittee Report does not allege that anything illegal had been done by I.T.T. Mr. Goldman further states that "reasonable men may differ regarding the precise steps to be taken in dealing with such a complex problem, but the point remains that those steps were only overtures and that nothing in fact was ever done."

Mr. Goldman's selective references to the Subcommittee's Report may give a misleading impression of the Subcommittee's conclusions.

Nowhere in his article, for example, does Mr. Goldman specify the precise nature of the overtures that were made by I.T.T. executives to officials of the United States Government in connection with Chile in the summer

and fall of 1970. This is not surprising in light of the content of the overtures.

Thus, according to the testimony in the hearings held by the Subcommittee, (a) Mr. Geneen, in July 1970, met with William V. Broe, Chief of the C.I.A.'s Clandestine Services, Western Hemisphere Division in Washington, D. C., and offered to assemble an election fund for Jorge Alessandri Rodriguez, the conservative candidate for President and an opponent of Mr. Allende in the Presidential elections which were scheduled to be held Sept. 4, 1970. Mr. Broe rejected the offer; (b) John McCone, former Director of the C.I.A., and in 1970 a Director of I.T.T., testified that (i) Mr. Geneen told him in September 1970 that he, Mr. Geneen, was prepared to put up as much as a million dollars in support of any plan that was adopted by the United States Government for the purpose of bringing about a coalition of the opposition to Allende in the Chilean Congress so as to deprive Allende of the Presidency and, (ii) that he communicated Mr. Geneen's offer to Henry Kissinger and Richard Helms, then Director of the C.I.A.

Based in part upon this testimony, as well as other similar I.T.T. "overtures" which emerged in the course of the testimony, the Subcommittee concluded that "... what is not to be condoned is that the highest officials of the I.T.T. sought to engage the C.I.A. in a plan covertly to manipulate the outcome of the Chilean Presidential election. In so doing the company overstepped the line of acceptable corporate behavior." The Subcommittee unanimously proposed legislation which was reported by the Senate Foreign Relations Committee and passed by the Senate that would make it illegal for any United States citizen to provide or offer to provide funds for any United States Government agency for the purpose of intervening in or influencing an election for public office in a foreign country.

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