

~~SECRET~~

*Features of the recent Soviet
psywar drive against U.S. intel-
ligence.*

TARGET: CIA

[REDACTED]

It is part of the job of opposing intelligence services to fight each other, and one means of carrying on this running battle is arranging publicity to discredit the adversary in the enemy country, among its allies and neutrals, and at home. Integrating the opposing service at home serves to enhance the people's vigilance against the enemy and their support for the defending service (and more broadly as a convenient outlet for the instinct to portray the enemy as evil), exposing it among its allies and neutrals will make its work in and its operations abroad more difficult, and discrediting it with its own people tends to undercut its freedom of action and its very life. Much the same picture of it can be painted for all these purposes if there are slight shifts in the lighting for different audiences: people in the opposing nation should see it together with the ineffectiveness of their service, but not tell them the people at home, the adversary's allies should especially be made aware of his treachery and spying on them.

It is not surprising, therefore, that Soviet propagandists and other psywar operators long since fixed on U.S. intelligence as one of their preferred targets. The main features of the bugaboo they wish to make its public image have been described in an earlier article.¹ During the past two or three years, however, and especially since the capture of U-2 pilot Powers and the failure of the Cuban invasion, the Soviet campaign has been intensified, has been focused more narrowly on CIA and a personal symbol of U.S. intelligence, Allen Dulles, and has scored some telling blows. It has had the advantage of being able to use the Western press while the Bloc press remains impervious to Western influence. The major Bloc

¹Leslie D. Weir's "Soviet Publicists' Talk about U.S. Intelligence" in *Studies* IV 3, p. A19 ff.

Approved for Release
Date 27 APR 1992

~~SECRET~~

~~SECRET~~

Target: CIA

salves have come in six openly published books or articles and three series of covert mailings since 1959.

The six publications include, in addition to three "white" propaganda productions issued in East Berlin and Moscow, three from ostensibly non-Communist sources—one by British member of parliament Bob Edwards and Kenneth Duane, *A Study of a Master Spy (Allen Dulles)*,² one published in New York, Robert E. Light and Carl B. Marzani's *Cuba vs. the CIA*,³ and Fred J. Cook's *The CIA*, published as a special issue of *The Nation*.⁴ What distinguishes these latter three from the recent welter of more or less honest and spontaneous scapegoating of the CIA and marks them as deliberate components of the Soviet psywar campaign is the similarity of their arguments to those of the Blue books and in particular their coordination in building up a distorted structure upon certain document fragments that could have been furnished, directly or indirectly, only by the Soviets.

The Hohenlohe Papers

Back in 1943 the Soviet Information Bureau published a booklet entitled *Falsifiers of History* portraying the USSR as the heroic vanquisher of fascism and the Western allies as conspiring only to turn Hitler against the East. As one of many examples of this Western duplicity it cited documents captured by the Soviet troops at the time of the defeat of Hitler Germany which . . . tell of negotiations which took place between representatives of the Governments of the U.S.A. and Germany in Switzerland in February 1943."

In these negotiations the U.S.A. was represented by a special delegate of the United States Government, Allen Dulles (brother of John Foster Dulles), who figured under the pseudonym "Burr" and had "direct instructions and authority from the White House." His partner on the German side was Prince M. Hohenlohe, a man closely connected with the ruling circles of Hitler Germany.

² Leicester Printers Ltd., Church Gate, Leicester, England. Published by Housmans Publishers & Booksellers and the Chemical Workers' Union, 5 Caledonian Road, Kings Cross, N1. Introduction dated January 1961.

³ Marzani and Munsell, 1961. Marzani is the only one of the five authors known to be a Communist.

⁴ Vol. 192, No. 25, 24 June 1961.

who acted as Hitler's representative under the assumed name of "Pauls". The document containing a summary of these negotiations belonged to the German Security Service (SD).

It is evident from this document, the conversation touched on important questions relating to Austria, Czechoslovakia, Poland, Rumania, and Hungary and, which is especially important, to the conclusion of peace with Germany.

In the course of the conversation A. Dulles (Bull) states that "In the future, a situation will never again be permitted to arise where nations like the German would be compelled to resort to desperate experiments and heroism as a result of injustice and want. The German state must continue to exist as a factor of order and rehabilitation. The partition of Germany or the separation of Austria is out of the question".

Concerning Poland, Dulles (Bull) stated:

"... by extending Poland to the East and preserving Rumania and a strong Hungary the establishment of a cordon sanitaire against Bolshevism and Pan Slavism must be supported".

The record of the conversation further says that:

"Mr. Bull more or less agrees to the political and intellectual organization of Europe on the basis of large territories on the assumption that a federated Greater Germany would be the U. S. A., with the addition Danubian Confederation will constitute the best guarantee of order and rehabilitation in Central and Eastern Europe".

Dulles (Bull) also stated that he fully recognized the claim of German industry to the leading role in Europe.

It must be noted that this sourling was effected by the British and Americans without the knowledge or consent of the ally, the Soviet Union, and that nothing was communicated to the Soviet Government concerning the result of it, even by way of post factum information.

This might warrant the assumption that the Governments of the U. S. A. and Great Britain had in this instance made an attempt to inaugurate negotiations with Hitler for a separate peace.

Clearly, such behaviour on the part of the Governments of Britain and the U. S. A. can only be regarded as an infringement of the most elementary duties and obligations of allies.

These documents, fragments of the supposed Heberle report to the Sicherheitsdienst, are the seed which Bob Edwards, Carl Matzani, and Fred Cook will cooperate in bringing

~~SECRET~~

Target: CIA

ing to full flower in 1951. The Western writers will also reproduce the reasons adduced by *Falsifiers of History* for the U.S. Government's and Allen Dulles' solicitude about the future of Germany:

The role played by the American monopolies, headed by the du Pont, Morgan, Rockefeller, Lamont and other industrial baronial families, in financing German heavy industry and establishing the closest ties between American and German industry is well known. . . . The Schroeder bank . . . furnishes a typical example of the close interlocking of American and German, as well as British, capital. Allen Dulles, director of the J. Henry Schroeder Banking Corporation in New York, which represented the Schroeder interests in London, Cologne, and Hamburg, played a leading role in the affairs of this bank. An outstanding role in the New York branch of the Schroeder bank was played by the law firm of Sullivan and Cromwell, headed by John Foster Dulles . . . and closely connected with the Rockefeller world oil trust Standard Oil, as well as with the Chase National, the biggest bank in America, which made enormous investments in German industry.

But first the East German and Soviet propagandists revive and nurture the story. In 1959 it reappears, already pulling forth new shreds, in a chapter contributed to a German-language historical study* by one Josef Hoditz. Hoditz has a traditional partisan bias in the Dulles-Hohenlohe connection on both sides. He does not name the other Schroeder bank agents, but says that Mr. Dulles had a subordinate named Robert Taylor (cover name Mr. Roberts), an expert in European economies, who also dealt with the Nazi "economic" . . . He says further that the Hohenlohe reports were accompanied by a cover letter over the signature of SS Hauptsturmfuhrer Ahrens forwarding them from one Sicherheitsdienst office to another.

Hoditz weaves into his account references to the Schroeder bank, I.G. Farben, Vereinigten Stahlwerke, etc., as links between the U.S. representative and the Nazis. He says that Mr. Dulles told Hohenlohe it was errors in Nazi foreign policy

* *Die Hintergruende des Muenchener Abkommens von 1921*, volume 2 of a series said to be prepared by a "Commission of Historians of East Germany and Czechoslovakia." Edited by Drs. Karl Obergmann of Berlin and Josef Polsenstky of Prague, published by Ruetten and Loening, Berlin. Hoditz's contribution is headed "Die Fortsetzung der Politik von Muenchen durch die Westmaechte im Zweiten Weltkrieg."

~~SECRET~~

Target: CIA

~~SECRET~~

that had forced Great Britain and the United States to enter the war, and he continues with a new interpretive account:

The basis from which Dulles began the negotiation was that the next war would be conducted between the USA and her allies on one side and the Soviet Union on the other. The entire post-war order of Europe should be subordinated to this conception of the development of the world. From this position Dulles criticized fascist Germany's internal and external politics of recent times. . . . Because of a psychological error—which was mentioned many times—the German government caused the Anglo-Saxon powers to enter a state of preparedness for war, caused Great Britain to introduce general conscription, and caused the U. S. to turn away from her isolationist policies. . . .

From the beginning Roosevelt's special representative recognized the historical significance of Adolf Hitler. . . . Dulles declared that in principle he did not reject national socialism and its basic ideas and actions. For example, he indicated that the last Goebbels speech was a masterpiece and that he had read it with great satisfaction. . . . The guiding principle for the new order in Europe after the war must be the realization that the next war will be between the USA and the USSR. . . . Germany should not come out of the war weakened nor should people like the Germans be forced to desperate measures to avert the饥荒 and misery. Moreover, the German state must continue to exist as a factor of order and restoration. There could be no question of the division of Germany or the separation of Austria. A strong, federalized Germany with a neighboring Danube confederation could guarantee order and rejuvenation in Middle and Eastern Europe. Through the expansion of Poland towards the East, through the creation of a strong Hungary and a strong Rumania, a cordon sanitaire would be erected.

Dulles and Taylor ascribed only a limited importance to the Czechoslovakian question. Both of them visualized that some day a solution to this question within the framework of the Reich would be acceptable. . . .

Dulles. . . informed himself exhaustively on the question of whether there existed among the German bourgeoisie and German workers anarchistic or other nihilistic tendencies which would strive for a sovietization of Germany. . . . For Dulles there was no thought which was more unacceptable than that the Germans might enter discussions of any sort with the Soviet Union after the military catastrophe of 1943. Nothing disturbed him more than the possibility of the postwar expansion of the influence of the USSR in Europe or in the Middle East. Max Hohenlohe emphasized that Mr. Dulles, unlike the British, did not want under any conditions to see the Russians reach the Dardanelles or the oil areas of Rumania and the Middle East.

~~SECRET~~

33

~~SECRET~~

Target: CIA

Dulles and Taylor never missed an opportunity to emphasize that the discussion with Herr Hohenlohe and the other negotiators was a pleasure, for they had heard enough from the old bankrupt politicians, immigrants, and prejudiced Jews.

This elaboration, buried in the midst of other ponderous historical "scholarship," cannot be counted a major salvo in the anti-CIA campaign. But also in 1959 there was published in East Berlin a cheap, sensational paper-back with a female spy on its cover entitled *Allen's Gangsters in Action*, by Julius Mader,* and containing, among other denigrations of the CIA, a further distorted version of the Hohenlohe episode as embellished by Hodic. Mader prints a facsimile of the purported cover letter signed by SS Hauptsturmfuehrer Ahrens forwarding the Hohenlohe report to Sicherheitsdienst office VI D.7.

Mader changes the identity of Mr. Dulles' "subordinate" and carries the solution of "the Czechoslovakian problem" to its logical conclusion:

Both of the American gentlemen (at the conference with the SS deputy, in addition to Dulles, was present Mr. Meyer Taylor, a leading manager of the U.S. Steel Corporation, J.M.'s old man) for example, that one day and finally a solution to the Czechoslovakian problem within the German Reich situation in central Europe is acceptable. The German state, in other words, the Hohenlohe version thereof, J.M. must remain as a factor of order and stabilization: there could be no question of a division of Germany or a separation of Austria.

Mader treats the intrinsic influence of banking and big business, especially oil, as follows:

After 1926 we find him (Allen Dulles) a partner in the law office of Sullivan and Cromwell established by his brother in 1911, which is situated in Wall Street, New York, and which, significantly,

* Julius Mader, *Allen's Gangster in Aktion*, Berlin, Kongress Verlag, 1959.

*The Mader and Hodic versions had actually been anticipated, with journalistic promptness, by the Czech party daily, *Rude Prava*, which in October 1958 carried a similar account, illustrated with a facsimile of the Ahrens letter and a photograph of nine lines of Hohenlohe report text.

Target: CIA

~~SECRET~~

represents the interests of the Standard Oil Company, among others, on a contractual basis. Then followed years during which he exercised the following functions: director of the American Bank Note Co., member of the board of directors and of the research section of "Council on Foreign Relations" in New York. Together with his brother John Foster, five years his senior, Allen Dulles hastily snatched up several million dollars and already belonged to the "top drawer" of "better" American society. The basis for his millions was sweat, but not his can.

The next year, 1960, saw the publication of an even more elaborate version of the Hohenlohe story in the *New Times of Moscow*.² This eight-page article repeats all the main themes of the earlier versions and is the most complete of all, including a facsimile of the Ahrens letter and a photograph of five lines said to be from a Hohenlohe report.³ But there remained the task of winning credence for this material in the West by arranging for its publication from an ostensibly non-Communist source.

The British M. P. Bob Edwards and his co-author Kenneth Durre met this requirement. In January 1961 Edwards writes:

Now let us analyze the facts and figures that took place in Saxony. For this purpose we shall cite, at our disposal, authentic documents comprising a report of the late W. H. Mr. Durre and his assistant, together with the correspondence of Baron Maximilian Leon Hohenlohe and Dr. Friedrich Ahrens. The documents were written in April and belong to the files of the Department VI (Amt III) VI of the SS Reich Security Office.

Edwards does not tell how he came into possession of the "three authentic documents," nor does he print any facsimiles. But his account is detailed, spinning out all the main themes of the preceding versions and like them twisting investigative conversations that may have taken place between Mr. Dulles and German sources including Hohenlohe into official negotiations with Nazi "emissaries."

² "Documents on Allen Dulles's Secret Negotiations with the Nazis in 1943," *New Times*, published by Trad. Moscow, No. 27, July 1960. Prepared for the press by L. Berymenzky and A. Leonov.

³ From a different page than the nine lines reproduced by *Rude Petro*.

~~SECRET~~

~~SECRET~~

Target: CIA

Mr. Dulles' representation of big business interests, however, is handled with greater restraint for the British audience.

He had little difficulty in obtaining a post in the highly respectable legal firm of Sullivan and Cromwell. This firm, with which old John Foster still had dealings, was one of the largest in Wall Street. Among the mighty concerns to which it gave legal advice were the Rockefellers themselves. Its ties with the Morgans were no less firmly established.

But Edwards is careful to mention the matter of oil. Besides repeating the passage from the earlier accounts in which Mr. Dulles "on no account wished to see the Russians at the Dardanelles or in the oil areas of Rumania or Asia Minor," he points out that

By 1926 he had been placed in charge of Near East affairs at the State Department. This was an extremely busy post for in the twenties the Near East was regarded with considerable interest by the United States. The Near East meant oil.

The British had long been the chief oil source for the 1925 exports purchased later in 1961 in the United States. In Cuba Vs. The CIA, Light Marzani attributes

A British Member of Parliament, Mr. Robert Gordon Lindsay, found and published in 1961 a copy of the "Secret History of Foreign Oil" which was first published in London in 1943.

Note that the documents are now called "Secret History" and that Holobolko, who according to the Agency literature was Sicherheitsdienst agent No. 144 7967, has become "a high SS official." There is no discussion of how Edwards acquired his mysterious documents.

Light Marzani devotes two pages to quotations and summaries from Edwards, stressing the theme of Mr. Dulles' anti-Semitism introduced in Hodie's reference to "perfidious Jews" and making the now familiar references to big business and oil interests.

Dulles became head of the Division for Near East Affairs. Near East means oil and during this period the battle between American and British oil companies took place with Rockefeller family getting 25 per cent of the shares of Iraq Petroleum Co. Mellon's group of the Gulf Oil Corporation getting priority rights on the Bahrain Islands.

~~SECRET~~

Target: CIA

SECRET

In 1929 Dulles resigned from the State Department for a post in the powerful legal firm of Sullivan and Cromwell which had ties and dealings with Rockefeller and Morgan among other American corporations. Dulles' knowledge of oil shed him in good stead as evidenced quickly by the affair of the so-called "Barco Concession" in the oil fields of Colombia (which) Colombian President Dr. Miguel Abadía Méndez denounced. The Morgan-Mellon group chose two experts on the art of putting pressure, both former State Department officials—Allen Dulles and Francis Loomis.

The culmination in this transformation from a 1948 tadpole hatched by the Soviet Information Bureau to a 1951 bullfrog croaking in a supposedly American pond appears in Fred J. Cook's *The CIA*. Except for a few changes in emphasis for the benefit of American readers, Cook follows the Edwards text, even to the chapter headings almost to the point of plagiarism. A sample of his treatment:

The Near East, then as now, was a sensitive area, and for much the same reason. British interests had had a hand to pick on the rich provinces of the center. It started in Egypt and had led to the great American revolt, and in a series of companies as first and Standard Oil were in later to be the U. S. interests during which Dulles served the key Near Eastern interests, were as it so happened, the very years during which the American interest in the Near East shifted at the time the Middle East Company and the very year in which the U. S. interest in the Near East shifted to the U. S. interest in the Near East. Both of these events occurred in the year 1929. In the year 1929, the year after Dulles left the State Department to join the New York law firm of Sullivan and Cromwell.

Just as Allen Dulles was quitting the State Department, Dr. Miguel Abadía Méndez was elected President of Colombia. He threatened to repudiate the Barco Concession. Warned American oil barons turned naturally to their legal brains. One such brain was Francis B. Loomis, a former State Department official, another, Allen W. Dulles.

Dulles and his older brother, John Foster, were partners in the firm of Sullivan and Cromwell; they represented the same clients and the same interests. Most important among their varied interests, and claiming a major share of their attention, were some of Germany's greatest international cartels. Outside Germany the Schroeder financial empire stretched long and powerful tentacles. In England, it had J. H. Schroeder Ltd. In the United States, the Schroeder Trust Company and the J. Henry Schroeder Corporation. Allen Dulles sat on the board of directors of both.

SECRET

~~SECRET~~

Target: CIA

The Allen Dulles of 1915, of 1942-45, of 1947-49, seems the same man, with the same strong alliances to top-level Germans regardless of their ideology.

Cook makes a final important contribution to the development of the Hohenlohe fabrication. Whereas Edwards keeps very quiet about how he obtained his documents, Cook says he got them "from absolutely reliable sources in Bonn." Moreover, he attributes this claim to Edwards. (He says that Edwards acquired a number of documents, including the three dealing with Mr. Dulles and the SS, whereas Edwards claims a total of three.) The whole composite structure thus ostensibly rests now on an authentic Western original source.*

Now that the Cook piece has appeared in *The Nation*, the Communist propagandists are all set for their regular West to East replay.† The Bombay weekly *Blitz*, whose editor specializes in attacks on the United States and CIA, printed the following in its 15 July 1961 issue:

Blitz readers have heard of the cloak and dagger of the CIA, the notorious American agency of espionage, subversion and terrorism. Now they will read a terrible and terrifying exposure of this secret agency and its internal workings by Fred J. Cook, whose exposure has shown how several important American political events during the last three years

And the next day, 16 July, *Isis* too carried an article by V. Matveyev headed "The Nether Regions of Allen Dulles" and subtitled "Department for Overthrowing Governments and Impaling Puppet Regimes. Dollars Are Buying Diplomats and Provocateurs" which consisted of excerpts and paraphrases from the Cook article.

Portrait of a Monster

In tracing the development of the Hohenlohe legend to establish the direct line of descent that runs from the Soviet Information Bureau to Edwards, Marzani, and Cook, we have

* On the cover of Edwards' book the title is superimposed upon the image of a 1940 French intelligence report that includes the phrase *Source Bonne* ("Source Good"). If pressed, Cook might argue that he mistook *Bonne* for *Bonn*.

† For examples of this standard procedure see Alma Fryxell's *Paywar by Forgery* in *Studies* V 1, p. 25 ff.

seen illustrated some of the themes used in the recent campaign of defamation against CIA. One might summarize:

Allen Dulles is pro German, friendly to fascism, and anti-Semitic. He owes primary allegiance to rich and powerful private commercial interests, and his CIA is the servant of big business.

Allusions to the ties between big business and US intelligence, like other government functions, are of course common in the Blue press and radio commentaries. At the time of Gomulka's coup in Poland, for example, it was said that Allen Dulles had a special reason for being interested in Poland. In private life he had been a lawyer for the "Harriman group," which at one time owned extensive natural resources and industrial enterprises in Upper Silesia. "This indicates what is behind the alleged anxiety of the two Dulles for Polish independence." (*Neues Deutschland*, 23 October 1956) Similarly, in reviewing "The Fruits of American Espionage":

The United Fruit Company grabbed the lion's share of the US victory in Guatemala. The Dulles brothers are principal shareholders in this company. (*V. Chomsky*, in *Life*, 10 Feb. 22 March 1957)

But in 1960 the Communist propaganda machine especially vehemently in charging that US intelligence was being perverted to the service of US business.

The close and long association of Allen Dulles with the Eisenhower family, the Roosevelt family, and the family of Eisenhower. It cannot be said that Dulles has not been profitable to his patrons. On the contrary, he is trying in every way to profit in the international situation so that his masters may continue to make profits out of the armaments race. (*The Soviet International Affairs*, 17 May 1960)

On 29 May 1960 the Peking NCNA named China as CIA's first major target because "this happened to be where Standard Oil suffered its greatest losses from revolution." And charging that CIA mobilized shock forces in 1953 to overthrow Iranian Premier Mossadegh, it suggested the reader "note that the Anglo-Iranian Oil Company, which Dulles was encouraging, was a client of Sullivan and Crumwell."

~~SECRET~~

Target CIA

TASS reported this the final Soviet version of the Hohenlohe story on 10 August 1953

V. Chernov has contributed to the New Times magazine an article describing certain secrets of the office headed by Allen Dulles. He points out that the Central Intelligence Office, whose activities reflect the will of the financial and industrial rulers of the United States, now represents the direct tool of the American monopolies in their violent alliance for world domination.

And on 25 August 1950 Neues Deutschland referred to

CIA, the espionage organization of Allen Dulles, the man who represents the interests of the big American monopoly association, the Rockefeller trust.

A frightening conclusion often drawn or inferred from these charges forms another theme of the campaign, and indeed its dominant note. It is that

The U.S. intelligence service poses a direct menace to world peace. This theme can be illustrated in other contexts by somewhat parallel quotations from Fred Cook and from the third major white propaganda salvo, a Soviet pamphlet called *Caught in the Act. Facts about U.S. Espionage and Subversion Against the U.S.S.R.*

From Caught in the Act:

The aggressive, provocative nature of U.S. intelligence work, for the conspiracy and timely exposure of its misdeeds, is a constant threat to the cause of peace.

It is quite obvious that spy flights like the one of the two Soviet state frontiers at a time when an air battle was in progress, or by a spy plane into Soviet airspace may happen at any moment, are a threat to peace and a source of international tension.

The unmasking and stopping of the U.S. intelligence service's criminal provocations against the peace-loving peoples is a prime condition for guaranteeing durable peace.

From Cook:

Destructive as such incidents are to America's image, they do not menace the peace of the world like the more grandiose CIA endeavors that led directly to the crises of Quemoy and Matsu.

The Burmese crisis that all but turned friend into foe, the recent crises on Quemoy and Matsu, vividly illustrate the manner in which the secret and malignant activities of CIA create fear and

* Published by the Soviet Information Bureau, Moscow, 1953

~~SECRET~~

foreign policy all their own. They illustrate the way the CIA tail wags the American dog and how such wagging can quite easily plunge the whole animal—and all his brethren—into the most horrible of history's wars.

Our people do not understand that, even as our Presidents speak the actions of CIA frequently invest their words with every appearance of the most arrant hypocrisy. The Presidents speak peace, but the CIA overthrows regimes, plots internal sabotage and revolution, foists opium growers on a friendly nation, directs military invasions, backs right-wing militarists. These are not the actions of a democratic, peace-loving nation devoted to the high ideals we profess. These are the actions of the Comintern in right-wing robes.

The last two quotations from Cock lead us into the first of some other thematic characteristics with which the Soviet psywar artists clothe their bogey-man. There are four of them:

CIA interferes with and even creates State Department and U.S. foreign policy. It tries unilaterally and secretly to overthrow legal governments.

CIA is perfidious and unprincipled. It spies on America's friends as well as its foes.

CIA dominates and manipulates supposedly independent organizations, governmental as well as private. It recruits fringe groups and turns them into spy nets.

Despite the fact that it costs the U.S. taxpayers fantastic sums, CIA is incompetent.

We shall look at each of these in turn.

Cloaked Policy Maker

The theme that CIA warps national foreign policy or makes its own policy is illustrated in the following passages from Bloc propaganda, including the major vehicles cited in the foregoing.

The job of the Office of National Estimates is to be the greatest falsifier in the world, so that U.S. policy can be warped. "Allen's Gangsters"

Allen Dulles's separate policy . . . departs in many important details from official American policy. Systematically the Secret Service delivers incomplete or even false information to the government, only to exploit the actual lag of the U.S. by releasing to the public . . . reports . . . designed to further his aspirations for power. (Budapest Posti, *Idiap*, 12 April 1953)

~~SECRET~~

Target: CIA

This highly powerful organization headed by Allen Dulles is the most influential of all American espionage organizations today. This is no trifling matter in view of the fact that by now various intelligence organizations have all but assumed top-level political control. (Budapest *Magyar Nemzet*, 2 June 1960)

In our minds Mr. Allen Dulles has always been associated with Mr. John Foster Dulles, and not only because they have lived their fascinating lives almost side by side. Our anxiety is based on the fact that such a combination of two similarly minded brothers in two such posts (intelligence and diplomacy) automatically places a question mark against Mr. Allen Dulles's noble intention of having nothing to do with policy and supplying only hard facts. . . . Some people assert that Allen Dulles not only worked in close contact with John Foster but eventually began to conduct his own foreign policy. On January 28, 1960, the *Evening Star* stated that the CIA was "beginning to make policies at home and abroad," and on June 6 the *Detroit Times* remarked that to a certain extent the CIA was conducting "its own foreign policy" (Edwards/Dunn)

The world has evidence that the decision to send the American Sixth Fleet into Lebanon waters and land U.S. marines on Lebanon territory also came from Mr. Dulles. It has been described how in the early hours of the morning of July 14, 1958, he literally got everyone out of bed and forced them to authorize the intervention. (ibid.)

We cannot see that the CIA's "own foreign policy" has done America a lot of good. Mr. Dulles was not original. He was taken up by brother John's political doctrine that he simply practiced in his own peculiar way. Even today, for instance, sharp-tongued Drew Pearson claims that America has two Secretaries of State. One is known as Allen Dulles. Pearson adds that the CIA has harmed U.S. foreign policy on more than one occasion. We think Pearson is right. (ibid.)

On June 29, 1959, the *New York Times* printed . . . a report of the replies given by retired officers of the Foreign Service to a Foreign Relations Committee inquiry on American foreign policy. One high-ranking diplomat wrote, "Every senior officer of the Foreign Service has heard something of CIA's subversive efforts in foreign countries and probably most of them have some authentic information about CIA operations of this nature in some particular case. Unfortunately, most of these activities appear to have been blundering affairs and most, if not all of them, seem to have resulted to the disadvantage of the United States and sometimes in terrible failure." The truth of these remarks is now obvious not only to former Foreign Service officials but to the whole world. The West is a laughing stock in the eyes of the East. (ibid.)

It is our profound conviction that in the next few years great political struggles will take place in our country to take American foreign policy out of the hands of the CIA, the Pentagon, the armaments corporations and the political diehards. . . . Despite Dulles' protestations to the contrary, the CIA under his direction has consistently edged into foreign policy and has acted again and again as if it were a government superimposed on a government. (Light Marzano)

It is characteristic that the Senate Sub Committee [on National Policy Machinery] qualified the U.S. secret service as an instrument of national policy, emphasizing thereby that the task of the secret service was not only to collect intelligence but also to take a direct hand in the conduct of state policy. (Caught in the Act)

It is significant that as the CIA became the headquarters of United States espionage and subversion, it acquired great influence in shaping United States foreign policy under the Eisenhower Administration. . . . Thus, the well-informed West German journalist Joachim Joesten, in his book about the CIA, . . . wrote that the United States Central Intelligence Agency has in the past decade left a peculiar imprint on the entire American foreign policy. The Central Intelligence Agency, its aims and methods, predominate in Washington today over all other offices, principles and traditions. (ibid.)

The United States intelligence establishment is provided with enormous funds, is vested with great powers, and has, as a result, become a body which often exerts decisive influence on the entire state policy of the United States. (ibid.)

In a basic sense, CIA made foreign policy and this was the New Republic, for example, was the natural end result of a broad usurpation of power which took place, almost unnoticed, during those anomalous years when one Dulles ran the State Department and another the agency (emphasis added—L & M). . . . Since the death of Foster Dulles this usurpation has grown increasingly visible, and Cuba turned a searing spotlight on the phenomenon of a government which has come to have, in effect, two State Departments. . . . Perhaps the most important consequence of the failure of the Cuban invasion is that for the first time the American people have had a glimpse of the sinister influence of the CIA in foreign policy. (Light Marzano)

Time and again, CIA has meddled actively in the internal affairs of foreign governments. And it is in this field that some of its most vaunted successes raise grave questions about the drift and intent of our foreign policy. . . . It is certainly questionable enough to have American foreign policy tugged and hauled all over the map by the super-secret activities of CIA cloak and dagger boys, operating free of any effective restraint or control. (CWS)

* Reviewed in Studies II 4, p. 82 ff.

~~SECRET~~

Target: CIA

The Hungarian Revolt of 1956 The CIA's role in promoting and encouraging this abortive and tragic uprising, which we were not prepared to support after we had instigated it, remains shrouded in top level, cloak and dagger secrecy. It seems well established, however, that arms were smuggled into both Poland and Hungary, either by the CIA or its Gehlen collaborators . . . More important than the unresolved issue of arms smuggling . . . is still another unresolved matter—the responsibility of CIA in whipping up the Hungarian rebels to fanatic self-sacrifice in a hopeless cause (ibid.)

One of the three series of covert mailings supporting the anti-CIA campaign was also devoted to this theme. It was a forgery based on a Senate Foreign Relations Committee pamphlet which made public the views of selected retired Foreign Service officers about U.S. foreign policy, views which Edwards Dunne quote from the *New York Times* in one of the passages reproduced above. The pertinent section of the original pamphlet read as follows:

It is recommended that members of the Committee on Foreign Relations read Harry Howe Ransom, *Central Intelligence and National Security*, Harvard University Press, 1953. This is as authoritative a book on the CIA as is available. The author is an enthusiastic supporter of CIA but in spite of himself, he presents a frightening picture of an organization twice as big as the Department of State spending trillions of dollars under little or no supervision and he questions its compatibility with the American democratic system. He speaks of "undercover political intrigue" and "backstage political action" and states that little reliable information exists as to the extent to which CIA has aided foreign relations. It is true that there is little accurate information available, but every senior officer of the Department of State and every senior officer of the Foreign Service has heard something of CIA's subversive efforts in foreign countries and probably most of them have some authentic information about CIA operations of this nature in some particular case. Unfortunately, most of these activities seem to have resulted to the disadvantage of the United States and sometimes in terrible failure.

Ransom says: "Perceptive students of public affairs visiting or working overseas often get the impression that CIA agents and the intelligence operatives of other Government agencies, are operating in uncoordinated fashion in every dark alley, behind every bush, and often in each other's hair." Most diplomatic and consular officers abroad can vouch for the accuracy of this statement. The situation is exacerbated by the fact that in most diplomatic

"Reviewed in Studies II 4, p. 79 ff.

~~SECRET~~

Target: CIA

~~SECRET~~

and consular establishments abroad espionage agents of the CIA are stationed masquerading as diplomatic and consular officers

Ransom says again: "... certainly the scope of CIA operations is to a large extent self determined ... certainly the Congress has no voice as to how and where CIA is to function, other than prohibiting it to engage in domestic security activities ... The existence of a massive institution possessed of secret information and operating invisibly at home and abroad is a focus of power unchecked by the normal processes of democratic government."

It is recommended: (a) That if the subversive activities of CIA in foreign countries are to be continued at all they be carried out very, very rarely, be subjected to greater control than at present, and be carried out more secretly and skillfully than at present (b) That the espionage activities of CIA be no longer carried out from the protection of embassies, legations and consulates. And (c) That Congress exercise greater control over the activities of CIA."

Beginning on 12 September 1960, the following forgery inspired by this document was mailed in thermofax copies to various foreign embassies in Washington and to employees of the Department of State and newspaper correspondents

Honest workers of the Department of State and Foreign Service are deeply concerned over the tendency on the part of the Central Intelligence Agency to take over foreign policy functions from the State Department

Our Department has already lost to CIA a great deal of its influence and control over U.S. foreign policy

The CIA has burgeoned into an organization twice as big as the State Department spending tremendous sums under little or no supervision

In most of our diplomatic and consular establishments abroad hundreds of espionage agents of the CIA are stationed masquerading as diplomatic or consular officers.

It is true that there is little accurate information ... but every ... officer of the Department of State and every ... officer of the Foreign Service has heard something of CIA's subversive efforts in foreign countries and probably most of them have some authentic information about CIA operations ... In some particular case unfortunately, most of these activities seem to have been blundering affairs and most, if not all of them, seem to have resulted to the disadvantage of the United States and sometimes in terrible failure.

"Study of United States Foreign Policy - Summary of Views of Retired Foreign Service Officers, prepared for the Committee on Foreign Relations, United States Senate, printed by the GPO on 15 June 1960.

~~SECRET~~

~~SECRET~~

Target: CIA

This is what we propose:

- (a) That the espionage activities . . . be no longer carried out from the protection of U.S. embassies, legations and consulates
- (b) That if the subversive activities of CIA in foreign countries are to be continued at all, they be carried out very, very rarely, be subjected to greater control than at present, and be carried out more skillfully and secretly than at present.
- (c) That Congress exercise greater control over the activities of CIA.

FOREIGN SERVICE EMPLOYEES AND OTHER AMERICANS
UNITED FOR SEPARATION OF FOREIGN POLICY
AND ESPIONAGE

About two-thirds of the letter was copied verbatim from the Senate document, but note the characteristic Communist phrase "Honest workers" in the part not copied. Note also the striking similarity in name between the ostensible sponsor and the genuine organization "Protestants and Other Americans United for the Separation of Church and State," a kind of plagiarism the Bloc psywar operators often use in creating a phantom organization. There are other indications of the origin of the document—that another recent Bloc forgery was similarly based upon materials released by the Senate Foreign Relations Committee,* that it is a standard Communist tactic to surface forgeries through mailings to private individuals and newspaper correspondents, that it is frequent Bloc practice to use photocopies or thermofax in order to hamper technical analysis, and that the State Department stationery, complete with seal, here used was used also in a later series of mailings, as we shall see. Moreover, the envelopes used were made of low-grade paper normally exported from the United States, and the typewriter that made the master copy of the letter and addressed all the envelopes is a Remington Rand containing a style of type designed for Estonian writing and is probably the same machine that

* See pages 29 and 42 of *Hearing before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary Testimony of Richard Helms, Assistant Director, Central Intelligence Agency, June 2, 1961*, U.S. Government Printing Office, Washington, D.C.

Target: CIA

~~SECRET~~

typed a diplomatic note sent to Mr. Herter during his tenure as Secretary of State by the diplomatic representatives of Estonia, Latvia, and Lithuania in Washington.

A sub-theme of the portrayal of CIA as undercover policy maker, one prominent in the Foreign Service Employees forgery, is that CIA meddles in foreign affairs by seeking clandestinely to overthrow legal governments. This facet is given particular attention in the following passages from the psywar salvo:

In early 1959, the Cambodian government forestalled a coup d'etat headed by the traitors Sam Sani and Dap Chhlean. . . . The records of the plot trial published in the *Revue Cambodienne* on October 1, 1959, disclosed that the Americans had a direct part in the matter. (Caught in the Act)

CIA agents played a big role in the overthrow of the Mossadeq government in Iran. . . . Shortly before the overthrow, the centre was visited by Allen Dulles, allegedly on his vacation. . . . According to the American press, the CIA spent some nineteen million dollars to bribe the officers who were to perpetrate the plot. (ibid.)

The records convincingly proved that the American secret service in collaboration with the Baghdad Part members was preparing a plot against the Syrian Republic. The conspirators sought to overthrow the legitimate Syrian government and to put dummies in power in the country. (ibid.)

Of late the U.S. Intelligence has been frantically trying to organize espionage and subversion against the neutrals. . . . trying through plots to overthrow the lawfully elected governments of these countries and replace them with puppets that will date with the USA. (ibid.)

It has been published and never denied that the CIA has subverted government after government, not stopping at the use of military force. The CIA role in overthrowing the Mossadeq government in Iran and the Arbenz government in Guatemala has been underlined in innumerable publications. A *Saturday Evening Post* article over four years ago declared that CIA agents had worked with Naguib and Nasser in the overthrow of King Farouk in 1952 and the responsible British *New Statesman* (May 12, 1951) flatly asserted that the CIA "disposed of Patrice Lumumba." There are persistent reports in France that CIA agents were involved in the generals' abortive revolt in Algeria. There are strong grounds for believing the CIA supported Chiang Kai-shek's defeated troops which retreated to Burma and set up bases there for hit-and-run

"This 'proof' was itself a forgery. See *Testimony of Richard Helms*, op. cit., p. 18.

~~SECRET~~

~~SECRET~~

Target: CIA

raids on China. This led to serious friction between the US and Burma. (Light Marzani)

Consider the case of Chiang's Burmese opium growers. In 1951, following the collapse of Chiang's regime on the mainland, several thousands of his followers fled across the Yunnan border into Northern Burma. American policy makers decided to arm and equip these Nationalist troops for a reinvasion of Yunnan Province. From Formosa, CIA allegedly masterminded the operation. Arms, munitions, supplies were airlifted into Burma, but despite this support, there is little evidence that Chiang's gallant warriors ever wreaked much damage on the Chinese Reds. Instead, the Nationalists discovered they could achieve the finer life more easily by growing opium, and a great number of them settled down in Northern Burma and proceeded to do just that.

The Burmese, a most unreasonable people, were not happy with this ideal, CIA created situation. For some inexplicable reason, they seemed to resent the presence of this foreign army on their soil; and when Chiang's fighters, showing no regard for Burmese sovereignty, practically took over the state of Kengtung and established their own government, the Burmese actually filed a vigorous protest with the United States. As Charles Edmondson wrote in *The Nation* (Nov. 1, 1957), the American Ambassador in Burma hadn't been let in on the secret of what the CIA and the Chinese Nationalists were up to. The Ambassador, William J. Sebald, therefore denied in perfect good faith that America had anything to do with supporting Chiang's guerrillas in Burma. Burmese Prime Minister U Nu wrote a letter and to the effect that he suspended all U.S. Forest Guard activities and aimed to sever relations entirely. Eventually, our own Ambassador reported that our protest would start our own program, and American propaganda about Southeast Asia sported a couple of very unlikely tales about (CIA).

When, hard on the heels of Cuba, the French general in Algeria tried to overthrow Charles de Gaulle, we were confronted by all-but official charges in the French press that CIA once more had gotten on the militarists. M. Scovelto, at a luncheon in Washington last December 7, is said to have talked long and earnestly to CIA Deputy Director Richard Russell, Jr., on the proposition that de Gaulle's program in Algeria could lead only to a communist. CIA is said to have been impressed. General Challe, who led the revolt, is said to have had several meetings with CIA agents; he is reported to have been given the impression that he would have the support of the United States. (ibid.)

The rumor Light Marzani and Cook cite of the CIA instigation or backing of the Challe revolt was itself instigated and spread by Bloc propagandists¹⁴ as part of this campaign.

¹⁴ See *Testimony of Richard Helms*, pp. 2-5

Target: CIA

~~SECRET~~

to picture CIA as seeking to overthrow legal governments through clandestine operations and more broadly as making U.S. policy instead of serving it. Cook also treats at some length and in similar free-wheeling style the Guatemalan coup and the overthrow of Mossadegh, and then concludes as follows:

The answer seems clear and unequivocal to anyone who will study the record. It has been given in a number of places—in East Germany, in Poland, in Hungary, in the Middle East. Behind many of the eruptions that in recent years have shaken the peace of an uncertain world, close examination will reveal the fine, scheming hand of CIA. And it will reveal, too, that CIA time and again has stirred up the brush fires without any regard for the long-range consequences.

Treacherous Ally

The propaganda portrayal of CIA as perfidious and unprincipled, spying on friend and foe alike, is seen in the following passages:

The guiding principle of any coalition is an honorable attitude to one's allies, particularly in face of the enemy. Mr Dulles allowed himself to violate this principle both in regard to Russia, which is understandable, knowing Dulles, and in regard to Britain, which is monstrous and incomprehensible. (Edward Hunter)

Now no one dared to believe that the American claim to leadership of the capitalist camp, especially in the "free world" can be guaranteed through "treaty" agreements. What else would the party to make that assumption would ignore the law of the wolf, which dominates everywhere under capitalist circumstances. . . . Therefore the secret services of capitalist countries—except for a certain coordination against the socialist camp—work comparatively against each other, now as in the past. (Allen's Gangsters)

The Wall Street Journal wrote in an editorial on February 8, 1957: ". . . And if we are keeping a weather eye out only on countries we don't like, we are extremely naive. We had better watch also those who don't like us now and those who may not like us tomorrow." (Caught in the Act)

Active cooperation and joint action with its partners in espionage activities directed against the socialist countries by no means prevent the CIA from carrying on active intelligence work with regard to its own allies too. One is amazed by the cynicism with which the American secret service makes use of the opportunities and channels furnished by its allies for work against the Soviet Union, for activities against these countries themselves.

~~SECRET~~

~~SECRET~~ Target: CIA

It is, of course, up to the US allies themselves to decide whether or not to tolerate such an outrageous fact, for instance, as the deciphering of their state correspondence by the Americans. At any rate, according to the authoritative testimony of the former employees of the NSA, B. Mitchell and W. Martin, the fact remains that the Americans decipher the telegrams of more than 40 countries, their allies Turkey, Italy and France included, making use for this purpose of electronics, their own agents in the cipher departments of their allies, and the sale of American cipher machines to the latter. (ibid.)

In Britain alone there are 4000 American officials. Commanders of American bases must obviously practice a certain amount of counterespionage to protect their own security. But who can guarantee it is only counter-espionage? In Ransome's classical work on American Intelligence, the CIA is blamed for not assessing the influence of General de Gaulle's advent to power on France's position in NATO. The logical conclusion is that the CIA is employed to collect certain kinds of information in all countries of the Western world. We doubt whether this country (Great Britain) is an exception. (Edwards Dunne)

But this portrayal has also been reinforced by another series of incidents, this time of authentic classified US documents to Western newspapers. On 7 January 1961 *Le Monde Parisien* reported that two official US sources visited US Embassy officials in Paris to discuss their relations with Soviet spies, claiming to have information on the activities of the latter. A documentary proof that this was so. On 14 January 1961, two copies of two documents were mailed to the New York Times, Paris office, to the London *Daily Express*, and to *Der Spiegel* in Hamburg. They were a forged one-page secret document on official stationery headed "Department of State Instruction 1052 N- CA 974 June 10, 1960. Subject: Defector Program among Soviet and Soviet Orbit Officials" and a joint one but sixers "Department of the Army document dated 3 December 1956 and headed "Department of the Army Defector and Returnee Exploitation Program and Related Activities." They were accompanied by a cover letter signed "W.S." who claimed to be a US citizen unable to "sit idly by while responsible American officials engage in such despicable and dangerous plans of subversion."

Starting on 22 April 1961, W.S. sent from Paris a new cover letter and two new photocopy enclosures, both classified and

Target: CIA

authentic, to a wider range of newspapers. Additional recipients were the Copenhagen *Dagens Nyheter*, the Manchester *Guardian*, the Stockholm *Svenska Dagbladet*, and the Istanbul *Cumhuriyet*. WS explained that he was mailing the classified materials to newspapers because he was angered by the espionage conducted by "our intelligence services against our allies and friendly countries. These activities are not only unethical and dishonorable, but they undermine respect and confidence in America and endanger the solidarity of the free world." The enclosures were clippings from a USAF Daily Intelligence Report and a Department of the Army Headquarters Daily Intelligence Bulletin. The photographs of all four documents had been enlarged to precisely the size of the locally-purchased envelopes used for the mailings, a technique that had characterized some earlier Soviet forgery campaigns.

Starting on 9 June 1951, WS mailed the April enclosures from Rome to most of the original recipients and to other papers in Italy, France, Iran, Lebanon, and England. Only the *London Daily Express* had reported the January mailing to its readers and most of the papers had apparently read the April series. But now the *London Daily Herald* printed a story about these June mailings under the heading "Military Mail Starts U.S. Security Threats" and most of the other recipients followed suit, and a number of newspapers picked it up. *The Times* and *The Guardian* in London reported that the WS documents originated with CIA. Israel Epstein, former American turned Communist Chinese, on 16 June had in his possession in Geneva a copy of the WS story in *Combat* of that same date, not normally available there before the next day, and he spent that afternoon and evening calling it to the attention of Western journalists.

Manipulator of Puppets

The Bloc campaign shows CIA dominating or manipulating supposedly independent private groups and government agencies. *Caught in the Act* pictures its hand in propaganda operations.

Official "white" propaganda is conducted by the USI Information Agency in direct contact with Intelligence Offices. Many USIA materials, whether radio broadcast or newspaper articles, are pro-

~~SECRET~~

~~SECRET~~

Target: CIA

pared from materials provided by the CIA. Hundreds of CIA employees are working abroad under the cover of USIA offices. The CIA regularly provides the RFE with broadcasting material. It is the sole supplier of personnel to the RFE and other such establishments. Of the RFE's 2000 employees there is not one who is not connected in one way or another with American intelligence.

In May 1961 TASS charged that CIA was using the Peace Corps for cover.¹⁰ Another facet of the manipulation theme is the charge that CIA abuses the emigration by forcing refugees to be spies.

Finally, the CIA sees a source of indispensable aid in the organizations and secret societies of emigrants. It has built them into nests for the support of espionage and stationed them in many countries (*Allen's Gangsters*).

It is this charge that was supported by the third series of covert mailings. The American Committee for Liberation employed one Alexander Melbardis in Munich from early 1956 until February 1960, when he was dismissed for insubordination. Photostats of working and administrative papers he had handled began to show up in the mails in late May 1960. A short note, typewritten in Russian with the signature *Grigory emigrator*, was sent to the I. G. Fakh in Frankfurt am Main. It read as follows:

To the Gentlemen of American Intelligence:

Our group wishes to appreciate you with all our heart and soul. We do not hate our hatred of the regime in the Soviet Union. It is one of those people who turn our lives into hell. We do not wish to further our sorrow. Our goal is to continue the struggle against your agents and provocateurs in our midst.

The characteristic technique of enlarging the photostatted materials to exactly the right size for the envelopes was used also in this mailing. The enclosures were Melbardis letters, receipts for AmComLib payments, a summary report by Melbardis of refugee gossip about possible Soviet agents, and the like.

In June 1960 other Melbardis papers were mailed to a number of Russian émigrés in Germany and France, together with a letter signed *Zemlyaki* ("Fellow Countrymen") which

¹⁰ See *Testimony of Richard Helms*, p. 42.

denounced American intelligence and the refugees who serve it. Later mailings of Melbardis papers continued to go to these and other émigré recipients, to date there have been twelve such mailings.

Costly Blunderer

The psychological warfare experts of the Soviet Bloc have shown a touching concern on the question of CIA's competence, a concern manifested in English-language materials designed to convince the US Government and public that CIA's exorbitant costliness is matched only by its appalling blundering:

In its efforts to collect espionage information about the Soviet Union, the American Intelligence is meeting with one failure after another . . . In the United States itself little value is put on the results of the CIA's activities . . . The post "efficiency" if not the complete fiasco of the U.S. Intelligence Service with respect to the Soviet Union can be proved by the fact that it failed in time to inform the American government of the Soviet scientific and technical achievements in rocketry. The American intelligence systematically misinforms the public and government of the country as to the real situation in the Soviet Union and the other neutral countries concerning which, as a rule, it is better informed than being. (*Caught in the Act*)

We are always skeptical when people praise us. . . . It is a well known fact that it was not Mr. Holmes who discovered himself by discovering the Venetians but that was done by Mr. Cambridge, Nottingham Smith, the British expert on aerial reconnaissance photography. (Edwards Dances)

How did the American Intelligence service fare in this wind-shaking event? The record indicates two fairly disapproving facts: (a) The CIA failed to supply America with authentic information on the fighting capacity of the Korean Communist forces (it was taken unawares, for example, by the presence of MIG 15 aircraft); (b) The CIA failed to give warning of Red China's entry into the war. (c) "On October 19, 1950," President Truman records in his memoirs, "the CIA delivered a memorandum to me which said that they had reports that the Chinese communists would move in far enough to safeguard the Suiho electric plant and other installations along the Yalu River which powered them with power." Actually the Chinese had begun crossing the Yalu four days earlier. (*ibid.*)

But if we really want to find examples of CIA blunders, we must take a look at its estimates regarding the Soviet Union. . . . The list begins with the appalling mistake in estimating the time re-

~~SECRET~~

Target: CIA

quired to make a Soviet atom bomb and ends in complete confusion over the Soviet rockets. (ibid.)

In the intervals he (Mr. Dulles) affords Mr. Khrushchev enormous pleasure. He sends out agents who afterwards hold press conferences in Moscow, Prague and East Berlin. He reassures Congressmen and Secretaries by telling them not to believe in Soviet claims, which in next to no time become irrefutable reality. He despatches aircraft to the East as gifts to Communist propaganda. And, finally, he forced a weak-willed President to announce that unsuccessful espionage is part of the official policy of the great American democracy, thus creating confusion throughout the Western world.

We have naturally always been tolerant of this man. But deeply convinced that even the Americans are not rich enough or powerful enough to allow themselves the luxury of keeping Mr. Dulles in such a responsible post any longer. He has done his duty, we shall not argue how well. And now he must definitely go, or all of us may perish in an atomic inferno. (ibid.)

Dulles himself has said: "You have to look to the man who is directing the organization and the result he achieved. If you haven't got someone who can be trusted, or who doesn't get results, you'd better throw him out and get someone else."

This is sound advice and will probably be profitable. It is difficult that Allen Dulles was in fact the principal founder of the CIA. (Flight Magazine)

But we must look deeper into the structure of the CIA. Looking aside the morality of spying and the propriety of lying, let us note the sheer massive mismanagement of this organization. The bureaucracy involved in the execution of this organization is enormous. It is an army of thousands of men, many of whom are paid in hundreds of thousands of dollars a year. The results of this organization, as the CIA has admitted, are so poor that it has failed so dramatically to present a true picture of our country within a small nation of 90 million from our shores, except that, for 30 years, all U.S. citizens must freely state: "Where were all these spies, saboteurs and spies which the CIA is supposed to have all over the world? Did they mislead Washington?" (ibid.)

The bad judgement implicit in ordering the U-2 flights at such a delicate time, the ridiculous CIA "cover story" that Powers was gathering weather data, the solemn promulgation of this fairy tale and the swift subsequent exposure of the United States before the world as an arrant liar—all of this wrecked the Summit, forced the United States to abandon the U-2 denial program and inflicted enormous worldwide damage on American prestige. (ibid.)

These initial blunders of intelligence in the Korean War were matters of relatively little moment compared to the fiasco that in the fall of 1950, literally cost the lives of thousands of American soldiers. . . . If U.S. forces pressed on into North Korea, would the Chinese Communists . . . enter the war?

Target: CIA

~~SECRET~~

General Douglas MacArthur was confident that they would not. All of our intelligence forces agreed in essence on this forecast . . . the intelligence for which we pay literally billions of dollars was abysmally wrong . . . In the Korean War, as in the case of Cuba, there were many clear and explicit warnings that a blind intelligence refused to heed. (ibid)

Mere Scapegoat

In mid-1961, however, taking account of the prospect of a reorganization and change of leadership for CIA, the Bloc propagandists began to pull their audiences back from the dangerous assumption that removal of the CIA cancer would leave U.S. policy clean and wholesome. CIA, ineffective and immoral as it is, now becomes the mere instrument of U.S. foreign policy and a scapegoat for its failures, it is the policy itself that must be changed:

According to the U.S. press the CIA is being reorganized on President Kennedy's instructions. The CIA has become notorious throughout the world for its shameful actions. This agency arranged the U-2 spy flights over Soviet territory where a U-2 plane was shot down. The agents of this institution prepared the armed mercenary aggression against the Cuban people. This institution is to a large degree responsible for the cold war.

Nevertheless the masters of shameful business have lately been experiencing more and more failures. They failed in Laos and they got what they deserved in Cuba. All this has cost a state in Washington and a wonder for the CIA is a U.S. Government institution with many privileges and rights. Its failures are failures and defeats for the U.S. Government. After a series of shameful defeats, specifically in Cuba, President Kennedy ordered a reorganization of the activities of the spy center.

Now a readjustment is going on. The parties responsible are being sought. But it is public knowledge that in this case the CIA is the scapegoat, for this spy center was merely carrying out instructions from higher official bodies and applying U.S. foreign policy in its way.

And so the claims by the Yankee press that when the CIA is reorganized there will be no more failures are words intended for completions. The shameful failures in foreign policy and the signs of anti-North-Americanism are not just the results of CIA activities, but primarily of the aggressive imperialist foreign policy of the United States. To avoid such failures what is necessary is not a readjustment of the CIA, but a radical change in U.S. policy and renunciation of intervention in other countries' domestic affairs. (Radio Moscow to South America, 3 July 1961)

~~SECRET~~