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# The WASHINGTON DAILY NEWS

CITY EDITION

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**Weather**  
Sunny and warmer, high 84, low 49. Some cloudiness and warm tomorrow.

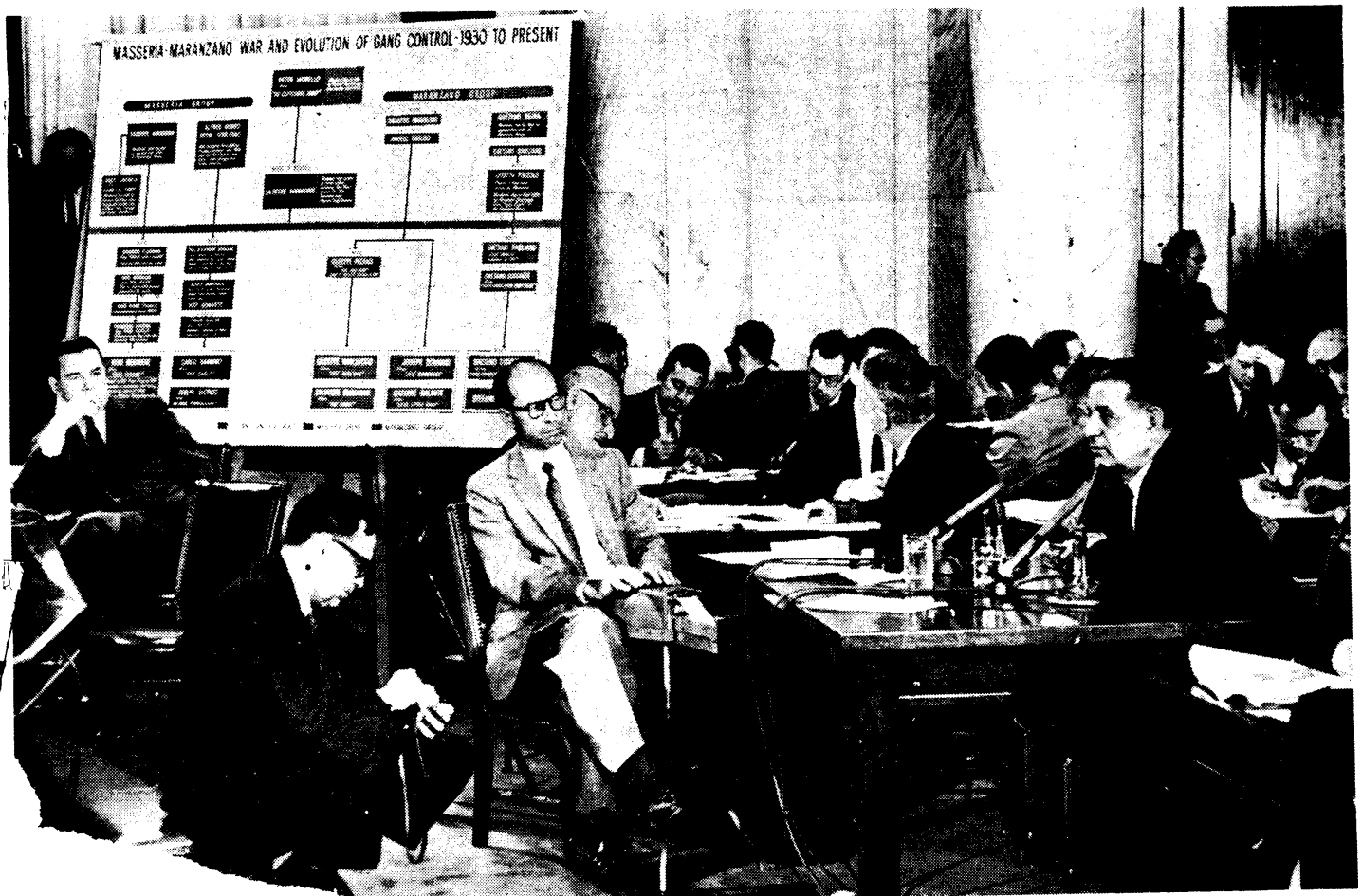
Today at:  
8 a.m. . . . . 53

See details on Page 2



# Richard Starnes Reveals THE CIA MESS in South Viet Nam Today

(Page 3)



of the Cosa Nostra mob. Valachi presented a master (left background) naming the "families" 1930 to the present. (Story and other photo on Page 3.)  
 ated the mob in New York City from

—UPI Photo

**'SPOOKS' MAKE LIFE MISERABLE FOR AMBASSADOR LODGE****'Arrogant' CIA Disobeys Orders in Viet Nam**By **RICHARD STARNES** Scripps-Howard Staff Writer

SAIGON, Oct. 2—The story of the Central Intelligence Agency's role in South Viet Nam is a dismal chronicle of bureaucratic arrogance, obstinate disregard of orders, and unrestrained thirst for power.

Twice the CIA flatly refused to carry out instructions from Ambassador Henry Cabot Lodge, according to a high United States source here.

In one of these instances the CIA frustrated an action Mr. Lodge brought with him from Washington, because the agency disagreed with it.

This led to a dramatic confrontation between Mr. Lodge and John Richardson, chief of the huge CIA apparatus here. Mr. Lodge failed to move Mr. Richardson, and the dispute was bucked back to Washington. Secretary of State Dean Rusk and CIA Chief John A. McCone were unable to resolve the conflict, and the matter is now reported to be awaiting settlement by President Kennedy.

It is one of the developments expected to be covered in Defense Secretary Robert McNamara's report to Mr. Kennedy.

**Others Critical, Too**

Other American agencies here are incredibly bitter about the CIA.

"If the United States ever experiences a 'Seven Days in May' it will come from the CIA, and not the Pentagon," one U. S. official commented caustically.

"('Seven Days in May' is a fictional account of an attempted military coup to take over the U. S. Government.)

CIA "spooks" (a universal term for secret agents here) have penetrated every branch of the American community in Saigon, until non-spook Americans here almost seem to be suffering a CIA psychosis.

An American field officer with a distinguished combat career speaks angrily about "that man at headquarters in Saigon wearing a colonel's uniform." He means the man is a CIA agent, and he can't under-

stand what he is doing at U. S. military headquarters here, unless it is spying on other Americans.

Another American officer, talking about the CIA, acridly commented: "You'd think they'd have learned something from Cuba but apparently they didn't."

**Few Know CIA Strength**

Few people other than Mr. Richardson and his close aides know the actual CIA strength here, but a widely used figure is 600. Many are clandestine agents known only to a few of their fellow spooks.

Even Mr. Richardson is a man about whom it is difficult to learn much in Saigon. He is said to be a former OSS officer, and to have served with distinction in the CIA in the Philippines.

A surprising number of the spooks are known to be involved in their ghostly trade and some make no secret of it.

"There are spooks in the U. S. Information Service, in the U. S. Operations mission, in every aspect of American official and commercial life here," one official—presumably a non-spook—said.

"They represent a tremendous power and total unaccountability to anyone," he added.

Coupled with the ubiquitous secret police of Ngo Dinh Nhu, a surfeit of spooks has given Saigon an oppressive police state atmosphere.

The Nhu-Richardson relationship is a subject of lively speculation. The CIA continues to pay the special forces which conducted brutal raids on Buddhist temples last Aug. 21, altho in fairness it should be pointed out that the CIA is paying these goons for the war against communist guerillas, not Buddhist bonzes (priests).

**Hands Over Millions**

Nevertheless, on the first of every month, the CIA dutifully hands over a quarter million American dollars to pay these special forces.

Whatever else it buys, it doesn't buy any solid information on what the special forces are up to. The

Aug. 21 raids caught top U. S. officials here and in Washington flat-footed.

Nhu ordered the special forces to crush the Buddhist priests, but the CIA wasn't let in on the secret. (Some CIA button men now say they warned their superiors what was coming up, but in any event the warning of harsh repression was never passed to top officials here or in Washington.)

Consequently, Washington reacted unsurely to the crisis. Top officials here and at home were outraged at the news the CIA was paying the temple raiders, but the CIA continued the payments.

It may not be a direct subsidy for a religious war against the country's Buddhist majority, but it comes close to that.

And for every State Department aide here who will tell you, "Dammit, the CIA is supposed to gather information, not make policy, but policy-making is what they're doing here," there are military officers who scream over the way the spooks dabble in military operations.

**A Typical Example**

For example, highly trained trail watchers are an important part of the effort to end Viet Cong infiltration from across the Laos and Cambodia borders. But if the trail watchers spot incoming Viet Congs, they report it to the CIA in Saigon, and in the fullness of time, the spooks may tell the military.

One very high American official here, a man who has spent much of his life in the service of democracy, likened the CIA's growth to a malignancy, and added he was not sure even the White House could control it any longer.

Unquestionably Mr. McNamara and Gen. Maxwell Taylor both got an earful from people who are beginning to fear the CIA is becoming a Third Force, co-equal with President Diem's regime and the U. S. Government—and answerable to neither.

There is naturally the highest interest here as to whether Mr. McNamara will persuade Mr. Kennedy something ought to be done about it.

(See editorial on Page 32.)



# The Washington Daily News

A SCRIPPS-HOWARD NEWSPAPER  
"Give light and the people will find their own way"

John T. O'Rourke, Editor Ray F. Mack, Business Manager

WEDNESDAY, OCTOBER 2, 1963

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In Metropolitan Washington: By Carrier, 30 cents per week; \$1.50 per month. By Mail: 3 months, \$8.90; 6 months, \$17.80; per year, \$34.50. Foreign Mail: \$2 month, \$24 a year. Reg. U. S. Pat. Off.

## What's Wrong in South Viet Nam?

IT is a brutally messed up state of affairs that our man, Richard Starnes, reports from South Viet Nam in his article on Page 3 today.

And the mess he has found isn't Viet Namese. It is American, involving bitter strife among U. S. agencies—which may help explain the vast cost and lack of satisfactory progress in this operation to contain communist aggression.

The whole situation, as described by Mr. Starnes, must be shocking to Americans who believe we are engaged in a selfless crusade to protect democracy in this far-off land.

He has been told that:

- The U. S. Central Intelligence Agency (CIA) has flatly refused to carry out instructions from Ambassador Henry Cabot Lodge, frustrating a plan of action he took from Washington.

- Secret agents, or "spooks," from CIA "have penetrated every branch of the American community in Saigon."

## Low-Interest Banker

COMPTROLLER OF THE CURRENCY JAMES J. SAXON is trying to stimulate private banking into keener competition and growth in keeping with community needs.

But private banking has overwhelming competition from the Federal Government—from a host of operations over which Mr. Saxon has no jurisdiction.

At last count, there were some 30 Government agencies lending money on one pretext or another. To almost anybody who asks for it, within some kind of reason.

Robert Dietsch, Washington reporter for The Washington Daily News and other Scripps-Howard Newspapers, made a check of just one of these taxpayer-financed banking agencies—the Area Redevelopment Administration.

## Intervene? Bosch!

SEN. ERNEST GRUENING (D., Alaska) is ordinarily a man of practical ideas and outlook. But we think he went far off the beam with his proposal that the United States intervene in the Dominican mess and restore overthrown President Juan Bosch.

Such a step would be "the height of idiocy," as Rep. William Cramer (D., Fla.) branded it in the House. And even Sen. Wayne Morse (D., Ore.), a sometime belligerent himself, com-

## Quickie Consultation

ABOUT six weeks ago, according to David E. Bell, director of the foreign aid program, AID, as it now is known, hired a former Iowa congressman as a "part-time" consultant, at \$75 a day.

Merwin Coad, the ex-congressman, was supposed to advise AID on some vague "co-ordination" having to do with the "food for peace" program. Mr.

Who are we fighting there anyhow? The communists, or our own people?

- The CIA agents represent a tremendous power and are totally unaccountable to anyone. They dabble and interfere in military operations, to the frustration of our military officials.

The bitterness of other American agencies in Saigon toward the CIA, Starnes found, is "almost unbelievable."

On the basis of this last statement alone, there is something terribly wrong with our system out there.

Defense Secretary McNamara just has finished his investigation on the ground in Viet Nam and is preparing to report to the President. Mr. McNamara is a tough man of decisive action. It may be assumed he now is in a position to assess the blame for this quarreling and back-biting inside the American family—whether it falls on the CIA or other agencies which accuse the CIA.

One way or the other, some official heads should roll.

ARA lends money at 4 per cent to any project it suspects might create jobs.

Mr. Dietsch cited a few typical loans: One to build roadside handicraft stands in Arkansas, another to study sea lions as a commercial proposition in Alaska, one to train sightseeing guides in Hawaii, others to build golf courses, ski slopes, cocktail lounges, bowling alleys.

Our reporter talked with some ARA borrowers. Some couldn't get the money elsewhere—their ideas were too risky. Some could, maybe, but didn't try; ARA interest rates were lower. Many were solicited by ARA. Like most Government lending agencies, ARA is out hustling business.

It is easy to lend money when the money belongs to the taxpayers. No stockholders, bank examiners or depositors to worry about.

mented that the United States would be branded an aggressor by all our Latin neighbors.

Would Sen. Gruening like to see restored to power a Dominican President who never has taken a firm position against Castroism or communism in his own country? Does he think the United States is more justified in intervening in the Dominican Republic than in Cuba?

It all adds up to Bosch, we think.

Coad, a Democrat, didn't run for reelection last year after he had some family troubles.

When his appointment as a "consultant" became known to Sens. Hickenlooper and Miller of Iowa, they promptly squawked. So Mr. Coad was permitted to resign. The question is why he was hired in the first place. Is AID intended to help foreign people, or ex-congressmen?

"WHEN THE WHOLE WORLD IS COMMUNIST,  
WHERE WILL WE GET WHEAT?"



## Letters to the Editor

### Many Get a Big Kick Over Crime

YOUR editorial about Valachi, the "Two-bit Killer," makes us wonder how so stupid a gangster remained alive; indeed, why society permits him to be alive. As the late Henry L. Mencken pointed out, there is no sense in civilized society "supporting" a confessed and habitual criminal.

The whole affair seems to be a political circus to warm up future votes for politicians who, in the past, have never cared less about crime and criminals. In the first place, the Cosa Nostra probably has more money to keep crime going than the Government has to fight it. In the second place, the average citizen is so bothered by inflation, integration, and the high cost of living, he doesn't give a hoot about crime unless he is actually involved or a victim of big-time crime.

For example: there are citizens from the Bowery to high society who get a kick out of using dope. Since they can't get enough of it legally, they buy it from a pusher, prob-



ably under the control of a crime syndicate. Likewise, the citizen who wishes to play the numbers or place a bet on the nags, does it illegally, since, unlike the Irish, we haven't sense enough to let the race tracks and lotteries pay our hospital bills.

In my own hometown we

Letters to the Editor, to be considered for publication, must bear the writer's name and address. However, these will be withheld if the writer so requests. Please keep letters brief. The Editor reserves the right to cut them.

have a shop that moves frequently. You ask why? A citizen shrugs and says: "Oh, So-and-So, he's running a bookie and numbers joint. He has to move once in a while."

Maybe So-and-So is part of Cosa Nostra? If he is, there is enough pay-off so law enforcement officers look the other way. And how are you going to indict criminals who have invested in legitimate business? Outwardly, they are as proper as the parson.

HIRAM HOGWALLOW

### Initiative Being Suppressed by Taxes

AS one of the taxpaying Americans who strongly object to the Administration's proposed tax cut, I suggest to the President and to his economic dreamers that a revision of the tax structure, which is long overdue, would be a positive step in the right direction. The present tax structure is, and most certainly is meant to be, a social equalizer which is pulling individuals down into and making others stay in the so-called middle income group. Individual initiative is actual-

ly being suppressed as are individual rights.

The Administration is trying to do nothing more than buy another election, only this time with OUR money. Do not forget the "tax cut" will, if passed, become effective in 1964 which is a Presidential election year. It is designed to impress the voters with an imagined accomplishment of the New Frontier which has had a noticeable lack of accomplishment with its programs in a Congress controlled by its own party.

M. C. WARD.

### 'Mismanagement' at Zoo Assailed

WE'VE just seen your article on the Fine Arts Commission's rejection of the "plans for improving the Zoo." So we had to speak up; let's stop this continuing mismanagement of the Zoo which is being undertaken in the name of "improvement" by making plans to bring the animal collection back to the high standard achieved under the late Supt. William "Doc" Mann.

Yes, new buildings are needed but the top people in the Zoo are sacrificing the experience of the past for an unknown future. Taking advantage of the natural beauties of the Zoo should seem to be the first thought of planners—a park without trees is absurd. Perhaps a panel of directors of other zoos is needed since those in charge of the National Zoo have not been able to do their job fully. ZOOPHILISTS