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Angelo Codevilla.

By focusing so exclusively on rules and standards of operations, the intelligence debate of the mid-1970s did not answer the fundamental question of what the United States expects of its intelligence services or what they are to accomplish in order to meet the challenges of the 1980s.

The Substance and the Rules

Since the early 1970s, this country's intelligence agencies have been asking, "What does the country expect of us?" That question had not arisen in the postwar period because the American political system had left the agencies to the total discretion of those appointed to lead them. In the early 1970s, factional conflict among those leaders spilled over into a national debate about what America's practitioners of intelligence ought to have foremost in mind. That debate continues.

Recently, Admiral Stansfield Turner, President Carter's Director of Central Intelligence, and his former special assistant, George Thibault, published an attempt both to answer that question and to indict the Reagan administration's handling of intelligence. The author's answer seems to be that

the American people expect their intelligence agencies to be as innocuous as possible. They charge that the Reagan administration is undermining the agencies by loosening too many restrictions. The authors thus contend that for our civil liberties' sake, and for the sake of the agencies' own standing in the country, the agencies ought to concentrate on formulating for themselves the right kinds of rules and restrictions. However, one would not suspect from Turner and Thibault's article that the rules by which intelligence officers live ought to flow from the intelligence profession's substantive requirements.

Nevertheless, in intelligence as in other areas of government, the American people rightly want their employees to accomplish the functions for which they are paid. This author will argue that Stansfield Turner is

KOPPEL: Most Americans have never heard of it. Even few Suriname, a northern neighbor of Brazil wedged between Guyana and French Guiana, has been attracting a fair amount of international attention since it was a colonial backwater until 1975. Its government is flirting with the Nicaraguans and just a couple of months ago signed a friendship treaty with them. It is only a tiny country with a population of fewer than 400,000, a little larger than Georgia, but in the current political climate, a friend of Fidel Castro is viewed as part of a larger threat to South America and the Caribbean, in that kind of climate, as Carl Bernstein found out in this exclusive report, the Reagan administration was ready to turn concern into action.

BERNSTEIN: President Reagan last year authorized the Central Intelligence Agency to undertake covert actions aimed at overthrowing the government of the tiny South American state of Suriname. The rationale of the president and the CIA to justify such actions was that Suriname's military leader, a former physical education instructor named ~~Robert~~ Bouterse, was leading his country toward the arms of Fidel Castro. That was last winter in December. As required by law, Central Intelligence Agency Director William Casey went to Capitol Hill to inform the House and Senate Intelligence Committees of the impending operation, a multi-million dollar plan to create a paramilitary force of exiles from Suriname to overpower the country's army and topple Bouterse, but according to congressional sources, the administration's plan caused a full-scale revolt of both committees by Democrats and Republicans alike. The threat to hemispheric security, cited by the President and the CIA, simply did not exist, the congressmen argued. Evidence that Castro was manipulating the government in Suriname or gaining a military foothold in the country was virtually nonexistent, they told Casey. Bouterse had praised Castro, allowed the Cubans a well-staffed embassy in Suriname's capital but little more. Wrong, says Surinamese political commentator Fred Marte, now an exiled leader of the Council to Liberate Suriname. FRED MARTE: The Cubans have been visiting Suriname after Bouterse took over. They're advising Bouterse. They're advising the minister of culture and mobilization how to teach the Suriname people how to make a revolution. They are advising, giving military advice to Bouterse.

BERNSTEIN: American intelligence officials say they lack such specific information. They were and are concerned about what might happen. FRED IRLE (Under Secretary of Defense): We are deeply concerned that this would be an extension of the Cuban-style totalitarian regimes that is emerging in Suriname, that we can't be sure yet.

BERNSTEIN: Within a week of the CIA director's appearance before the House Intelligence Committee, Chairman Edward Boland had written the president that members were virtually unanimous in opposition to the CIA's plans. The Senate committee also informed the president of its vehement and united opposition. The administration had become totally paranoid about Castro, members told Casey, seeking confrontation with the Cubans at almost every turn in the Americas. Things had gone too far. After listening to the objections of the House committee, Casey said the CIA would nevertheless go ahead with its plans. The law requires only that congressional intelligence committees be informed of covert actions. The committees have no power to veto such operations, but when Casey ran into a solid wall of opposition on a Senate committee as well, he and the White House reportedly began reconsidering. Several weeks later the congressional committees were informed by Casey that the plans for overthrowing the government in Suriname had been withdrawn, and members seem

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NEWSWEEK
30 May 1983

PERISCOPE

Two Debates Over Central America

Will the Reagan administration issue a second white paper on communist activity in Central America? Central Intelligence Agency Director William Casey and other hard-liners are urging the State Department to release a new report that has been prepared by the agency. But senior State Department officials, including Assistant Secretary for Inter-American Affairs Thomas Enders, contend that the draft contains little more than reheated right-wing rhetoric and adds nothing to the national debate over Central America. Secretary of State George Shultz must now decide whether to release the report, have it rewritten or suppress it altogether.

■ In the wake of Sen. Christopher Dodd's controversial attack on President Reagan's Central American policy, there are signs that Democratic lawmakers fear that such criticism might ultimately tag the Democrats as the party that "lost Central America." Earlier this month, several Democratic senators declined a State Department invitation to tour the region. In the House, some Democrats who supported a bill to cut covert aid to insurgents in Nicaragua are reconsidering. Capitol Hill sources now predict that the final bill will permit the covert aid to continue for the time being. Another indication: New York Democrat Stephen Solarz, normally a caustic critic of Reagan's moves in Central America, seemed eager to be polite to—and occasionally agree with—U.N. Ambassador Jeane Kirkpatrick, a Central America hawk, in a panel discussion last week.

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ON PAGE B-11

WASHINGTON TIMES
30 MAY 1983

Writing duo that's teaming with intelligence

SOCIETY / Betty Beale

Save writer Arnaud de Borchgrave (pronounced BOR-grahv), who was a senior editor of Newsweek for 25 years and its chief foreign correspondent for 17 years, has done it again with his second novel, a sequel to his bestseller, "The Spike." His, and co-author Robert Moss', "Monimbo," a factual expose of what the Cuban Intelligence Service, the DGI, is up to in the U.S.A., is the Literary Guild's main selection for August. The DGI, in case you didn't know, is the principal proxy service of the Soviets' KGB.

But perhaps an equally fascinating output of the De Borchgrave-Moss team is their new and unique ultra-confidential monthly intelligence digest, Early Warning, which even CIA Director Bill Casey subscribes to. Between the two, they know where all the bodies are buried or who's trying to bury whom.

Moss, who was the Economist's editor for its confidential intelligence bulletin, Foreign Report, wrote "The Urban Guerrillas" 11 years ago when he was only 26. It is still required reading in intelligence training schools in the Western world. They have also put together a worldwide network of former intelligence officers and ex-officials "to focus on matters of jugular concern that the media is ignoring, misreporting or dis-

torting," says Arnaud.

If the Fairfax, Va., woman, Joy Copeland, who wrote Yuri Andropov she thought he was right and Reagan was wrong about missile deployment, had seen the Early Warning issue on the new Soviet boss, she might have thought twice before penning her epistle. Andropov, the Feb. 1 issue stated, "denounced his wife and son as 'anti-Soviet,' and they were dragged off to labor camps where his son died of TB." The former KGB head is an expert at duping his enemies into dropping their guard, then coming in for the kill. Well-meaning people just cannot fathom such sinister types.

C.I.A. Easing Request to Exempt All Its Files From Information Act

By ROBERT PEAR
 Special to The New York Times

WASHINGTON, May 29 — Lawyers for the Central Intelligence Agency and the American Civil Liberties Union say they may be close to agreement on a formula for amending the Freedom of Information Act to exempt numerous files relating to the agency's clandestine operations.

Spokesmen for the civil liberties union said the formula would preserve public access to all documents that must be disclosed under current law.

The C.I.A.'s support for the plan reflects a major change from its previous insistence that it should be entirely exempt from the disclosure law, according to Ernest Mayerfeld, deputy general counsel of the intelligence agency.

Introduced by Goldwater

The compromise is contained in a bill introduced recently by Senator Barry Goldwater, the Arizona Republican who is chairman of the Senate Select Committee on Intelligence.

Under the bill, the agency's "operational files," which show how it gathers intelligence, would be exempt from disclosure and the agency would be relieved of its responsibility to search such files in response to information requests under the act. But unclassified political, economic and scientific information obtained through intelligence operations would still be accessible to the public, as it is now supposed to be.

The Reagan Administration has offered many proposals to limit the scope of the Freedom of Information Act and has taken several steps to prevent the unauthorized disclosure of classified information, leading critics to charge that President Reagan is trying to achieve a new era of secrecy in the Government. Administration officials insist they are committed to the spirit of the law and the original objectives of Congress in passing it.

Mark H. Lynch, a staff attorney for the civil liberties union, said the Goldwater bill could speed disclosures because the C.I.A. would no longer have to search files that, in practice, yield no releasable documents. The agency has a large backlog and is just now complying with requests submitted two or three years ago.

"If we thought we were losing infor-

mation that is now available, we would never go along with this proposal," said Mr. Lynch, who has been involved in litigation against the agency for the last eight years. "The bill relieves the agency of the administrative burden of reviewing files whose contents are already exempt. It does not exempt any additional information from release."

The key to the bill is the assumption that the C.I.A., because of its computerized file system, can separate the fruits of intelligence-gathering from sensitive data about sources of intelligence and the agency's methods in gathering the information.

Items Exempted From Search

The bill would authorize the Director of Central Intelligence to designate certain files as "exempt from search, review, publication or disclosure" under the Freedom of Information Act.

Presumably, his determinations could be challenged and reviewed in court, just as plaintiffs may now challenge the agency's contention that a document should not be disclosed because it is properly classified.

"If someone challenges a 'classified' stamp," Mr. Mayerfeld said, "we are obliged in court to justify the classification of every piece of paper and every portion of the document."

To qualify for an exemption, the file must be situated in one of the branches of the agency: the Directorate of Operations, the Directorate for Science and Technology or the Office of Security. Under the bill, a file could be exempted from the search-and-disclosure requirements if it dealt with one of four topics: "scientific and technical" means of collecting intelligence, foreign intelligence and counterintelligence operations, background investigations of potential informers and liaison arrangements with foreign governments.

But the bill says information derived from the exempt files and distributed to other parts of the agency has no special protection. In addition, the agency may be required to search its operational files for information about covert activities whose existence has already been confirmed by the Government.

Goldwater Defends Plan

"This legislation does not frustrate the essential purposes of the Freedom of Information Act," Mr. Goldwater said. "Requesters will continue to have access to C.I.A. files containing the intelligence product and to information on policy questions and debates on these policies."

John Shattuck, director of the Washington office of the civil liberties union, said that if the bill became law it might lead other Federal agencies to seek exemptions from the disclosure law. He said he would be concerned about any attempts to amend the law "in piecemeal fashion to provide relief to individual agencies."

The formula in the Goldwater bill was tailored to the needs of the Central Intelligence Agency. "There is no evidence that it would work for any other agency," Mr. Lynch said.

Mr. Mayerfeld said he was speaking for the Director of Central Intelligence, William J. Casey, in saying, "We favor this bill."

U.S. Spies: 'The Wraps Are Off'

By David Wise

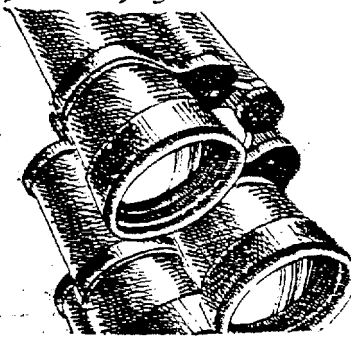
WASHINGTON—A Moujahedeen insurgent in a remote mountain pass in Afghanistan receives a Soviet-made Kalashnikov rifle from captured American stocks. Halfway across the world, near Jalapa, Nicaragua, a former member of dictator Anastasio Somoza's national guard, now a member of the anti-Sandinista FDN, is issued an American-made grenade-launcher. In El Salvador, an election official stamps a woman's wrist with invisible ink to prevent her from voting more than once.

What all three have in common—the Afghan tribesman, the *Somocista* and the Salvadoran official—is that they received their weapons, and the invisible ink, from the U.S. Central Intelligence Agency. From all signs, under the Reagan Administration, the CIA has stepped up its covert operations around the globe, probably in number and certainly in size.

Even in Washington, the names of John H. Stein and Duane R. (Dewey) Clarridge are not household words, but both men have an important, albeit secret, impact on U.S. foreign policy. Stein heads the CIA directorate of operations, the intelligence agency's covert-action arm, and Clarridge is the CIA's top operative for Latin America. Under CIA director William J. Casey, who was Reagan's campaign manager in 1980, they help to direct America's secret wars, including the conflict in Nicaragua, the agency's most ambitious undertaking since the Bay of Pigs.

Congress has become increasingly restive about the covert operation in Nicaragua—an operation that is no longer very covert—but the increase in cloak-and-dagger activity should come as no surprise to the lawmakers, the press or the public. During the 1980 election campaign, Reagan promised to rebuild America's intelligence agencies, which he and his aides believed had been unnecessarily hobbled following the disclosures in the 1970s of widespread abuses by the spy agencies. The Republican Party platform specifically pledged to "improve U.S. intelligence capabilities for . . . covert action."

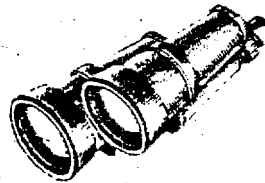
But the many millions of dollars of covert money being spent in Central America, and the increased emphasis on covert action in general, is only one part of a much larger picture. In general, the



Administration has moved on a broad front to unleash the intelligence agencies, particularly the CIA and the Federal Bureau of Investigation, to control sensitive information, and to crack down on government employees who leak to the press.

The President has done so through a series of executive orders and directives, as well as through the budget and legislation. Since taking office, he has issued a new executive order on intelligence, another on classification of documents and a recent directive to deal with news leaks. At the urging of the Administration, Congress has passed a law to bar the publication of the names of secret agents, and the FBI has issued a new set of guidelines that ease the restrictions placed on the bureau during the Ford Administration.

All of these actions have clearly been designed to mold the intelligence agencies to the Reagan design. "Each Administration in the last three has written a new executive order on intelligence," Michael J. O'Neil, chief counsel to the House Intelligence Committee, points out. "Intelligence has become a political issue. It wasn't before. The Church committee



changed all that." (The Senate Intelligence Committee headed by former Democratic Sen. Frank Church of Idaho conducted the most far-reaching of the various investigations of the intelligence agencies carried out in the mid-1970s.)

During the 1980 campaign, O'Neil continued, both Reagan and Casey said they didn't have the capacity to conduct covert operations. "Clearly they set out to rebuild it," he said. "They wanted to be sure we have this form of policy tool when the

*The Administration
Has Strengthened the
CIA and FBI
and Tightened
Government Secrecy*

national interest dictates." O'Neil, who serves under Chairman Edward P. Boland (D-Mass.) on the House panel—which has tried to restrain the Administration's operation in Central America—believes the debate over covert operations and intelligence is "almost theological," certainly ideological. "One of the things they wanted to make clear to intelligence officials is that they are trusted and can go about their duties, that they are not pariahs." He added: "I don't think in the long run there is really a great deal of difference between what Reagan and Carter permitted. But if you are an intelligence official looking at the atmospherics, the changes might tell you, 'The wraps are off.'"

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29 MAY 1983

U.S. Officials Discount 'Bulgarian Connection'

By ROBERT C. TOTH, *Times Staff Writer*

WASHINGTON — National Security Adviser William P. Clark and CIA Director William J. Casey now both lean toward the view that efforts to find a "Bulgarian connection" between Bulgarian intelligence agents and the attempted assassination of Pope John Paul II have run dry, according to Reagan Administration officials.

Their new attitude follows a review of information available to the CIA.

It comes amid signs that the Kremlin has demonstrated unusually visible anger with the Bulgarians, and a report that the unusual visit of senior Bulgarian officials and churchmen to the Vatican last week was intended to discuss some aspects of the affair.

Soviet displeasure was seen earlier this month in an unprecedented announced visit of the new chief of the Soviet KGB security police to Sofia, and in a report that Bulgarian leader Todor Zhivkov was "read out" personally by Yuri V. Andropov, the new Kremlin leader and former KGB chief, during a visit by Zhivkov to Moscow.

There is speculation in Washington that both incidents are related to embarrassing ties that have been found by Italian investigators between the Bulgarian intelligence service and the Turkish gunman, Mehmet Ali Agca, who shot the Polish-born Pope on May 13, 1981. These links have led to widespread allegations that the Bulgarians hired Agca to kill the pontiff.

The theory has been that Bulgaria, the Soviet Union's closest ally, was acting on behalf of Moscow, which was presumed to blame the Pope for fomenting anti-Soviet unrest in Poland.

Embarrassing Ties

Adding credence to the speculation was the visit of the 12-member delegation from Bulgaria, led by a deputy foreign minister, to Rome on Thursday where they were received by the Pope in a private audience—the first since the assassination attempt. The announced reason for the visit was to mark the feast of St. Cyril, but this was the first time Bulgaria has celebrated the feast in this way since John Paul's election to the papacy in 1978.

Moreover, according to one knowledgeable U.S. official, reports from Eastern Europe earlier said that the delegation's purpose was "probably to discuss a political solution" to the Italian case against Sergei Antonov, the Bulgarian airline official who was arrested after being identified by Agca as an accomplice in the shooting.

Clark and Casey, while no longer inclined to believe in a Bulgarian connection, still strongly support the continuing search by Italian authorities for evidence that could tie the Turkish criminal, Agca, with Bulgarian—and Soviet—intelligence organizations.

There have been other recent developments in the case.

—Italian authorities investigating the attempt on the pontiff's life have now obtained enough photographs of St. Peter's Square to construct a montage of virtually all people present before, during and after the shooting, according to sources. Much of the film has been provided by American tourists, through the FBI, after a public appeal by the agency's director William H. Webster.

—A West German television program reported that one man photographed fleeing the square after the shooting in May, 1981, apparently carrying a gun, has been identified as Oral Celik, also a Turk, who allegedly helped Agca assassinate a Turkish editor in 1979 and to then escape from a Turkish prison to Bulgaria.

Celik is reportedly in Bulgaria now, where authorities refuse to extradite him to Italy, much as they have another Turk in the case, Bekir Celenk, the man who supposedly promised Agca \$1.3 million to kill the Pope.

On White House orders, a detailed review of information available to the United States from the Italians and others was conducted. The review came after broadcast charges that CIA officials were discouraging efforts to find a connection, ostensibly to avoid a revelation that could prevent a summit meeting between Andropov and Reagan.

After the review, Casey came to agree with career CIA officials that the Bulgarians very probably did not direct Agca to shoot the Pope, although they probably did know his intentions and chose not to stop him.

Earlier this month, NBC correspondent Marvin Kalb reported that Casey also cited three other factors that caused him to "change his mind" from his earlier inclination to believe in the connection:

Lack of progress in the Italian investigation of the connection; reports from Rome about a possible trade of the arrested Bulgarian airline official, Antonov, who was one of Agca's alleged accomplices, for two Italians jailed in Bulgaria on espionage charges, and the persuasive denials in a New York Times report in April that a Bulgarian defector in France had provided supporting evidence for the connection theory.

"Casey's view now, which the CIA has presented convincingly, is that Agca was probably not hired by the Bulgarians," a knowledgeable Administration official said.

"Clark's position is somewhat short of that, between one that says there was no connection, and another that holds if there was some connection, we'll never be able to prove it," the official added. "He thinks that vein has just about petered out."

Officials flatly deny that the new Clark-Casey positions are related to any desire for a Soviet-American summit conference.

Analysts saw Soviet anger at the Bulgarians in the brief story recently in Pravda, Moscow's Communist Party newspaper, reporting that the new Soviet secret

U.S. Says Cuba Is Fostering Central America Subversion

By STEPHEN KINZER
 Special to The New York Times

WASHINGTON, May 27 — The Reagan Administration charged today that Cuba was expanding its "political-military activism" in Central America and that Cubans, Nicaraguans and guerrillas from El Salvador were jointly planning terrorism in the region.

The charges were contained in "Background Paper: Central America," a document made public by the State and Defense Departments. It portrayed Cuba as directing subversion throughout the isthmus, working through both the Sandinist Government of Nicaragua and leftist groups in other countries.

The document had little new information. One official called it "a compendium of background materials" supporting the Administration contention that turmoil in Central America is caused largely by outside interference. Nearly all the incidents cited took place last year or earlier, and most have been publicized before.

U.S. to Train More Salvadorans

The document said Cuba "played a major role" in training commandos who raided the Ilopango air force base outside San Salvador last year. It said Cuba had financed "a new leftist political party" in Costa Rica. It charged also that Nicaragua "has instigated terrorist activities in Costa Rica" and that Cuba was trying "to intimidate Honduras and its leaders into passivity through acts of terrorism."

At a briefing on the document, a Defense Department official said 20 Honduran leftists had recently completed a

course in guerrilla warfare and related subjects in Cuba, and that 16 more Hondurans recently arrived in Cuba for similar training. He said this information came from a captured Honduran leftist.

Asked about reports that the United States would soon begin training Salvadoran troops at a new base in Honduras, the official confirmed that 2,400 Salvadorans would be trained in Honduras over the next six months.

The base where they will be trained, he said, "will remain a Honduran facility," although a 100-member American mobile training team will teach the courses, he said.

In addition, the official said, 525 Salvadoran officer candidates will be trained at Fort Benning this year. The candidates began arriving there this week, he said.

In today's document, previously published material included reports of arms shipments intercepted on the way from Nicaragua to El Salvador in 1981 and charges that some M-16 rifles found at guerrilla safe houses in Guatemala in 1981 had originally been shipped to American forces in Vietnam.

Internal Dissent on the Report

The document said an airfield 23 miles north of Managua was used in 1981 to service "unidentified aircraft" carrying weapons to rebels in El Salvador. "This particular route has been closed down, but air infiltration over new routes continues to this day," the paper said.

Some Administration officials reportedly argued against releasing a paper

such as today's because it contained so little that was new. Among them, according to a State Department official, was Thomas O. Enders, who was Assistant Secretary of State for Inter-American Affairs until today, when he was nominated to be Ambassador to Spain.

Mr. Enders was said to have been overruled by others, including William J. Casey, Director of Central Intelligence, who were eager to reiterate their accusations about foreign intervention on behalf of leftist guerrilla groups in Central America.

The Reagan Administration issued a "special report" in 1981 alleging that "the situation in El Salvador presents a strikingly familiar case of Soviet, Cuban and other Communist military involvement in a politically troubled third world country." In 1982 the Administration made public photographs that it said backed the charge that the Soviet Union was helping Nicaragua improve its military installations. Both points were repeated in the paper made public today.

Critics of the Administration said the earlier documents were not conclusive evidence that leftist movements in Central America were being directed from abroad.

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NEW YORK TIMES
27 MAY 1983

Casey Asks Panel: Who Said 'the C.I.A. Lies'?

Special to The New York Times

WASHINGTON, May 26 — William J. Casey, Director of Central Intelligence, has written to members of the House intelligence committee demanding to know who told a reporter that "the C.I.A. lies to us anyway."

The letter, sent Wednesday, referred to an article in The New York Times on May 18 that discussed differences between the House and Senate intelligence committees regarding Congress's role in curbing covert aid to the Nicaraguan rebels. The article mentioned a House intelligence committee report that accused the Reagan Administration of misleading and ignoring Congress about covert operations in Nicaragua.

A Democrat on the committee who asked not to be named was quoted as saying, "The C.I.A. lies to us anyway." This member believes that all aid to the rebels should be ended, as the House committee has recommended, rather than conditioned upon an explanation by intelligence officials, as the Senate committee has recommended. The Senate committee has also asserted its right to veto specific covert operations.

Mr. Casey wrote: "While I have less than complete confidence in the accuracy of press reporting, that comment has offended our entire organization and impugns the integrity of our fine employees. In obligation to them I feel that I must pursue its accuracy.

"The possibility that any Committee member harbors the thought that C.I.A. lies to the Committee is so appalling that I feel obliged to determine if any member of the Committee actually feels that way and, if so, to seek the particulars. The confidence between the Agency and the Committee essential to make the oversight process work requires that any such impression be addressed

"I therefore ask you to let me know whether you have made or heard anybody make such a statement or know of any member of the Committee who would be under that impression."

One committee member who received the letter today was incredulous. "They stopped just short of asking us to take a lie-detector test," he said.

Negotiations Criticized

Meantime, Speaker of the House Thomas P. O'Neill Jr. today criticized negotiations between Democrats on the House Foreign Affairs committee and Administration officials concerning legislation to end the covert Nicaraguan aid. The Foreign Affairs Committee has concurrent jurisdiction with the intelligence committee on the legislation.

"The President of the United States broke the law and then laughed to the American people that he broke the law," Mr. O'Neill said. Referring to the negotiations, he said, "I hope there is no agreement to allow them to continue to break the law for the rest of the year."

The committee has selected Representative Lee H. Hamilton, Democrat of Indiana, to negotiate with the Administration, which is represented by Thomas O. Enders, Assistant Secretary of State for Inter-American Affairs. "We're a long way away from any agreement," Mr. Hamilton said.

In a report supporting ending the aid, the House intelligence committee disclosed that a year ago Congress barred any assistance to the rebels that was for the purpose of overthrowing the Sandin-

ist Government. That prohibition, in April 1982, appeared in a classified annex to an authorization bill. Last December, Congress publicly adopted the same language, allowing covert aid only for the purpose of halting weapons flowing from Cuba and Nicaragua to insurgents in El Salvador.

26 May 1983

STAT

Dodd hits Nicaragua connection

By Steve Sanders

A MEMBER of the Senate Foreign Relations Committee in Chicago Tuesday warned that time is running out for a settlement to the conflict in Nicaragua, and said American troops could "easily" become involved in a war in Central America within the next few months.

Sen. Christopher Dodd (D., Conn.), a critic of the Reagan administration's Latin American policies, said that if Nicaragua's Sandinista government feels that it is losing ground to the rebels, it probably would call for help from the Soviet Union and Cuba.

This would be followed immediately by more arms and possibly troops from the United States, he predicted.

"We could easily send down forces to hedge against that possibility," Dodd said in an interview after addressing a Jewish United Fund dinner at the Palmer House. "This thing has a way of escalating."

PUBLISHED REPORTS have quoted William Casey, Central Intelligence Agency director, and Thomas Enders, assistant secretary of state, as having told congressional committees that the right-wing Nicaraguan rebels are close to overthrowing the Sandinistas. Both officials have denied the reports.

Dodd charged the Reagan administration is trying to "scare" Congress into approving more military aid for governments friendly to the United States — money the administration says is being used only to stop Soviet arms shipments into the region.

Congressional committees have threatened to decrease Reagan's latest requests for aid because of fears that the United States is covertly playing an active role in the overthrow movement.

"In a sense, [the administration is] telling Congress, 'If you do what you've said you're going to do and these guerrillas are successful, you're going to be responsible, despite the fact the law explicitly prohibits the administration from giving [the rebels] aid,'" Dodd said.

WASHINGTON POST
26 MAY 1983

THE FEDERAL TRIANGLE

Peat Plan Hits Snag

One of the first projects funded by the Synthetic Fuels Corp., a proposed peat-mining facility in North Carolina, ran into a potential snag yesterday when four environmental and fishing groups threatened to sue the government if the project goes forward.

The groups, led by the National Wildlife Federation, contended in letters to the Army and the Environmental Protection Agency that the 15,000 acres of swampy coastal land proposed for development is wetland and is supposed to be protected under the Clean Water Act.

The \$576 million project is the brainchild of Peat Methanol Associates, a consortium of investors that includes CIA Director William J. Casey. Last December, despite a staff opinion that the venture was "unpromising," the Synfuels Corp. agreed to provide \$465 million in loan guarantees and price supports for the methanol fuel the consortium intends to produce.

Yesterday the wildlife federation, along with the Environmental Policy Institute and two North Carolina fishing organizations, said that unless the Corps of Engineers and the EPA assert jurisdiction over the area within 60 days, they will file suit.

—Cass Peterson

EDITORIALS

Covert aid

Congress should be guided by our relations with South and Central American neighbors in deciding how far to go in funding covert operations aimed at interrupting the flow of arms to leftist guerillas in El Salvador.

What began as an arms interdiction effort now seems to be turning into support for a Honduras-based drive to bring down the Sandinista government of Nicaragua, the country we blame for supplying the Salvadoran guerillas.

This new angle is causing divisiveness between the administration and Congress. Congress has directed by law that covert money not be spent in an attempt to overthrow the Nicaraguan government. House Democrats want to end the use of covert money and spend money openly to halt the arms flow.

Controversy has arisen over a New York Times story that had two high administration officials predicting the downfall of the Nicaraguan Sandinistas to rebel forces by the end of the year. Central Intelligence Agency Director William J. Casey, one of the named officials, denies making such a prediction.

Whether it was predicted or not, it seems clear that our intelligence officials would not be unhappy if the insurgents against the Sandinistas are successful. The question is whether U. S. aid is being used in a manner that Congress has expressly forbidden.

Also, we may be dangerously compromising Honduras, which shares a border with Nicaragua, by using that country as a supply conduit for 7,000 rebels who are

supposedly preparing for a drive on Managua.

Congressional committees are debating the best way to weaken the Sandinistas. The House Intelligence Committee, fearing that covert interception of arms to El Salvador was getting out of control, wants money to go openly to Central American countries to counter arms smuggling. The Senate Intelligence Committee would continue covert funding but insist on an administration statement of objectives and plans.

We fear the U. S. administration is getting deeply into a "no win" situation. The present El Salvador government is acceptable mainly because it is not communistic. On most other points, it does not meet our standards for an aid recipient.

We deplore the Soviet Union's use of client states such as Cuba and Nicaragua. But then we develop our own client states and risk committing the U. S. to the extent that our own troops might be necessary either to disengage, save face, or bail out an ally.

This obviously is what Congress feared last fall when it approved a law banning U. S. covert support for military operations aimed at overthrowing the Nicaraguan government. In spite of this, our covert program may be having that very effect.

President Reagan has set up Congress for blame if indecision leads to communist gains. This is trying to force Congress and the country farther than they are willing to go and doing it in a way that invites communist reprisals and the ill will of other American nations. These are dangerous tactics.

CIA denies predicting Nicaragua rebel victory

New York Times News Service

William J. Casey, the director of Central Intelligence, denied Monday that he had predicted that rebels had a good chance of overthrowing the Nicaraguan government by the end of this year.

An article in *The New York Times* Monday said administration officials and members of Congress had attributed the prediction to secret testimony by Mr. Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs. The CIA refused to comment Sunday on the article and Mr. Enders did not return repeated phone calls to his home.

Mr. Casey said in a statement issued in Washington by the CIA Monday.

"As a matter of policy, I do not comment publicly on allegations concerning intelligence activities except when they raise questions of legality. This morning's *New York Times* stated that I and Assistant Secretary of State Enders have predicted that Nicaraguan rebels have a good chance of overthrowing the Sandinista government by the end of the year. No such prediction has been made. There is nothing in the record of the congressional briefings which remotely resembles the story in *The New York Times*."

A Democratic member of the House Intelligence Committee, who was one of the sources cited in the article, when asked Monday night about Mr. Casey's statement, reiterated what he said Sunday.

That was that Mr. Enders and Mr. Casey had told members of the committee that in the estimation of the CIA, the anti-government guerrillas, who are supported by the United States, could achieve a military victory against the Nicaraguan government as early as the end of this year.

The committee member said Monday that the predictions were made sometime in the last three weeks. Asked if they had come in secret testimony or informal conversations with members, the representative said he could not remember.

He said that both Mr. Enders and Mr. Casey briefed the committee several times in recent weeks and that before and after their formal prepared remarks, they chatted with members of the committee.

The committee member said Sunday that the remarks were made in secret testimony.

The *Times*'s article quoted the administration and congressional sources as saying the predictions were made in secret testimony to congressional committees in recent weeks.

Both Howard H. Baker, Jr., the Senate majority leader, and Thomas P. O'Neill, Jr., the speaker of the House, said Monday that they had not been told by Mr. Casey or anyone else that the Nicaraguan rebels had a good chance of overthrowing the Nicaraguan government by the end of the year.

A staff member of the House committee said Monday night that neither Mr. Casey nor Mr. Enders had ever suggested in formal testimony before the committee that the insurgents had a reasonable chance of overthrowing the government. He said, however, that it was clear from conversations with intelligence officials that they would not be unhappy if the insur-

gents were successful.

Representative Lee H. Hamilton (D, Ind.), a member of the House Intelligence Committee, said Monday night that he did not recall hearing Mr. Casey or Mr. Enders make the prediction on the anti-Sandinist rebels. He said he had gone through a transcript of testimony that both had given in which neither of the two men made such a prediction.

Representative Norman Y. Mineta (D, Calif.), a member of the House committee, said he did not recall hearing Mr. Casey or Mr. Enders make such a statement in testimony before the committee.

A Republican member of the Senate Intelligence Committee who was also quoted as a source of Monday's article could not be reached Monday night.

A senior Defense Department official was one of the sources for the article in *The Times* Monday. On Sunday, he said that the armed opposition to the Nicaraguan government had achieved some major victories in recent weeks, adding "We're convinced that they can win." CIA officials have also made this assessment in conversations with reporters that

were not for attribution.

A State Department spokesman, John Hughes, called *The Times*'s article "an inaccurate and misleading account of testimony given by administration witnesses." He added that the administration was complying with a law enacted by Congress last year that prohibits U.S. aid to military groups in Central America for the purpose of overthrowing the Nicaraguan government.

Mr. Hughes did not deny that administration officials had predicted that the rebels might topple the Nicaraguan government. He said he could not comment on that subject.

25 May 1983

Nicaraguans And the U.S.

Congress Asks Reason For Giving Covert Aid

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, May 24 — The Reagan Administration's problems with Congress over Central America policy have worsened in recent weeks because of confusion over the Government's justification for supporting insurgents in Nicaragua.

News Analysis While still denying that they seek to overthrow the Government of Nicaragua, senior Administration officials

have begun talking about the possibility that the paramilitary forces that the United States helped assemble and train may, acting without Washington's approval, force the Sandinists from power.

There appear to be a number of reasons for discussing the prospect of a military success, even though it raises questions about the Administration's intentions. According to senior national security officials, these include a fear that Congress may cut off money to the rebels unless the cost of such a cutoff is made clear, and a sense that the insurgents have made significant military gains in recent weeks.

There is also a feeling that remarks by President Reagan, including his descriptions of the insurgents as "freedom fighters," made it impossible to sustain the official explanation that American aid was exclusively for the purpose of stopping Soviet and Cuban arms bound for rebels in El Salvador.

Credibility Problem

But by suggesting that the insurgents could topple the Government, Administration officials have confused Congress and increased suspicions that the Administration has misrepresented the true intent of the covert effort. That, in turn, has sharpened a basic credibility problem that was the underlying reason for the House intelligence committee's vote earlier this month to cut off money for the covert activity.

Administration officials in background discussions with reporters contend that what looks like inconsistency between American and rebel goals is superficial. They have told Congress that this inconsistency is the inevitable result of having limited American

aims, specifically the interdiction of arms, pursued by rebels who have more ambitious ideas. Because of controls on the rebel activities, the officials insist, it is reasonable and possible for the insurgents to do one job for the United States while they do another for themselves.

Many members of Congress consider it impractical at best, and deceptive at worst, to differentiate intentions in a fluid, expanding operation that is funded and partly directed by American intelligence officials.

Senator Daniel Patrick Moynihan, Democrat of New York and vice chairman of the Senate intelligence committee, said on Monday, "The problem is that from the beginning of this activity, the Administration has tried to make the kind of fine distinctions that might be suitable to an antitrust case pending before the court of appeals but are not appropriate to an intelligence operation of this kind."

'Pure Hearts' Not Enough

He added: "Administration officials have assumed that it is enough to know that their hearts are pure. That isn't sufficient for Congress."

Members of Congress say they found it more difficult to accept the distinction made by the Administration when officials from the Central Intelligence Agency and State Department started reporting that the Nicaraguan rebels planned later this year to launch a three-front offensive directed at Managua, and had a good chance of forcing the Sandinists from power. Several times in recent months, intelligence and Defense Department officials have made the same prediction in background conversations with reporters.

A Republican member of the Senate intelligence committee and a Democratic member of the House intelligence committee said last weekend that two senior Administration officials, William J. Casey, the Director of Central Intelligence, and Thomas O. Enders, the Assistant Secretary of State for Inter-American Affairs, said in recent secret testimony before their committees that the insurgents could oust the Sandinists by the end of the year.

Boland Amendment

Mr. Casey and Mr. Enders, responding to an article in The New York Times on Monday that cited their comments, denied ever delivering such testimony. Both the Senator and House member who were sources for the story have since repeated their original accounts, but both said the remarks may have been made by Mr. Casey and Mr. Enders in informal conversations at the opening or closing of committee meetings rather than in formal testimony.

A senior Defense Department official said this week that it was his understanding that the prospect of a military victory by the rebels would be brought to the attention of Congress as part of the Administration's effort to prevent a cutoff of funds for the insurgents.

As concern about the covert operation mounted in Congress in recent weeks, Administration officials first asserted that United States involvement in the operation was carefully controlled and that American support remained in compliance with the Boland amendment, which bars efforts to overthrow the Sandinists. The law was named after its sponsor, Representative Edward P. Boland, Democrat of Massachusetts and chairman of the House Select Committee on Intelligence.

When Mr. Boland and the Democratic majority on his committee voted to cut off money for the rebels, Administration officials began to predict that the rebels, moving on their own, might overthrow the Sandinists.

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ARTICLE APPLIED
ON PAGE 2CHRISTIAN SCIENCE MONITOR
24 MAY 1983

The news—briefly

Central America won't get GIs, White House says

Washington

The White House said President Reagan had no plans to send United States combat troops to Central Amer-

ica. A spokesman was responding to a senior general's reported statement that troops might eventually be required to stem leftist insurgencies in the region.

The White House also declined comment on a New York Times report that two senior administration officials had predicted US-supported rebels had a good chance of overthrowing the Nicaraguan government. The newspaper had quoted unnamed congressmen as saying that CIA Director William Casey and Assistant Secretary of State Thomas Enders had made the prediction in secret testimony to congressional intelligence committees.

JACK ANDERSON

Synfuels Corp. Projects Offer Little Promise

The high-salaried executives of the U.S. Synthetic Fuels Corp. might be forgiven their wastrel ways if they were spending the taxpayers' billions on alternative-energy projects of actual or even potential merit.

Unfortunately, they're squandering money on grandiose schemes of so little promise that private industry wouldn't touch them unless Uncle Sam was picking up the bill. In fact, the major oil firms have abandoned synthetic fuel ventures even with the lure of government loan and price guarantees. That's how little Big Oil thinks of synfuels' future. This leaves the Synfuels Corp. with \$15 billion to hand out—and only second-rate programs on which to spend it. Five of the six finalists for the second round of Synfuels' largess were rejected by the corporation the first time around.

My associates John Dillon and Corky Johnson have obtained internal Synfuels documents that show the dubious chances for success of the expensive projects the agency is considering. Two glaring examples:

- First Colony is a consortium that wants Synfuels money to con-

vert peat into methanol in North Carolina. One member of the consortium is the Energy Transition Corp., of which CIA Director William J. Casey is a founding investor.

—Originally turned down by Synfuels because of serious deficiencies in management structure, First Colony bounced back with its hand out. It now has the distinction of having received the first "letter of intent" from Synfuels, promising \$455 million in loan and price guarantees.

Yet internal documents show that Synfuels still has some reservations about the project, mainly because First Colony's price expectations are considered unrealistically optimistic.

"The First Colony project is considered a high-risk project based on [Synfuels'] methanol price projections, which are lower than sponsor expectations," says one internal evaluation. "The project is a relatively high-risk one in terms of its long-term economic viability." Despite these misgivings, Synfuels officials approved First Colony's application. Now the General Accounting Office is investigating and wants to know the firm's "legal authority for offering price guarantees of up to double current oil prices as an incentive"

- The North Alabama coal gasification project is backed in part by Santa Fe International, a company owned by the government of Kuwait. So Synfuels is considering a \$1 bil-

lion handout to some of the very Arab sheiks from which it was supposed to liberate the country. Interior Secretary James G. Watt recently barred Santa Fe International from holding U.S. gas and oil leases, because the Kuwaitis don't allow Americans to hold energy interests in their country. Watt's concern appears not to be shared by the Synfuels board.

Another North Alabama sponsor is Air Products and Chemical Co. Though it's in the Fortune 500 list of wealthiest corporations, and recently spent \$230 million to gobble up another company, Air Products wants the government to put up most of the money for the gasification project. Does it know something we should know?

Headlines and Footnotes: Two sensitive reports critical of Israel are being suppressed on Capitol Hill while Congress tries to ram through \$400 million more in military aid than the White House wants. One is a GAO study of alleged Israeli misuse of U.S. arms aid. The other is a report by a nine-member Hill delegation looking into Israeli harassment of U.S. Marines in Lebanon.

- Even though extended investigations of Labor Secretary Raymond J. Donovan turned up no conclusive proof of alleged ties to organized crime, insiders say access to the normally outgoing Donovan has now been controlled severely by aides.

24 MAY 1983

Kirkpatrick says U.S. threatened

Compiled from dispatches

U.N. Ambassador Jeane J. Kirkpatrick said Monday that Americans are no longer safe in their own hemisphere because of a Soviet threat via Cuba and Nicaragua.

And CIA Director William J. Casey Monday denied a published report that he had predicted in secret congressional testimony that U.S.-backed Nicaraguan rebels had a good chance of overthrowing the leftist Sandinista government by the end of the year.

In a rare public statement responding to a published report, Casey said that "no such prediction has been made."

The New York Times reported Monday that members of Congress said Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs, told the committees that anti-government forces in Nicaragua were planning a steady increase in fighting this summer, culminating in a pincer-style assault on Managua, the capital.

Kirkpatrick, interviewed on evangelist Pat Roberts' "700 Club" program, said the Soviet Union has become a "military power in this hemisphere" through its bases in Cuba. She said Nicaragua is being used as a springboard for subversion aimed at forming a "union of countries under communist governments" in Central America.

She reiterated the Reagan administration's contention that Nicaragua has become a base for the subversion of El Salvador, Honduras and Guatemala. Nicaragua's Sandinista leadership, she said, has been "very clear about the fact that . . . establishing communist governments throughout the region is their goal."

24 May 1983

WASHINGTON
COVERT

CIA Director William Casey adamantly denies a report saying he and other government officials predicted in a closed hearing that U.S.-backed rebels could topple the Sandinista government in Nicaragua.

The New York Times Monday quoted congressmen as saying they were told by high U.S. officials, including Casey and Thomas Enders, assistant secretary of state for Latin American affairs, that the rebels "have a good chance" of overthrowing the Managua regime by the end of the year.

But Casey denied that he or Enders made those comments during a hearing.

"No such prediction has been made," Casey said. "There is nothing in the record of the congressional briefings which remotely resembles the story in The New York Times."

The Times said today two sources stood by their account of what Casey and Enders had said; a third source could not be reached late Monday.

One source, a member of the House Intelligence Committee, told the newspaper it was possible the comments had been made during informal conversations with the congressmen.

Earlier Monday, State Department spokesman John Hughes refused to comment on the Times report, but said that portions of the story that suggested that the United States has gone beyond simply trying to stop the flow of arms to El Salvador are "innacurate and misleading."

He said, "The administration respects and will respect the Boland amendment."

The Boland amendment, passed by Congress last year, prohibits any U.S. activity designed to overthrow the Nicaraguan government. Congressional opponents of U.S. support for the Nicaraguan rebels have charged that the administration might be violating that law and the Times story raised further questions about the legality of aid to the rebels.

House Speaker Thomas O'Neill, reacting to the Times story, condemned President Reagan's Central American policy, saying his emphasis on military aid is "all wrong."

"I think it's wrong. I think it's all wrong," O'Neill said of Reagan's emphasis on military aid during the speaker's regular morning news conference.

O'Neill said the United States was successful in foreign policy when it concentrated on economic aid such as the Marshall Plan. But when it turned to arms, "It didn't help us at all."

24 May 1983

file copy

Ex-spy chief out in the cold

The irony is so thick you could scarcely penetrate it with a piercing metaphor. The nation's former spymaster, Adm. Stansfield Turner — the man who, as director of the CIA under Jimmy Carter, enforced an outrageous agency gag rule — is himself being gagged by those who now run the shop. The CIA's censorship committee, the innocuously named Publications Review Board, has taken exception to several parts of a book Turner is writing on the craft of intelligence.

What makes Turner's case so ironic is that it was under his tenure that the CIA won a major Supreme Court decision denying Frank Snepp, a former agency operative, the earnings from a book he wrote because he didn't clear it with his former employers. The pre-publication review rule that snared Snepp has since been expanded by the Reagan administration to effectively gag any official with access to classified material — not just CIA personnel — from ever publishing anything that bears even indirectly on his or her government service, without first submitting it to the censors. More than that, the administration also wants to make it a crime, not merely a civil offense, to publish uncensored material.

Turner has complained that the deletions made by the agency have no basis, since the material is not classified and poses no threat

to anyone. An aide to the admiral put it more bluntly: The cuts are nit-picking and quibbling, he says. Right or wrong, that complaint touches on a basic flaw in the present government policy: It gives arbitrary power to the censors who, for whatever reason, can gut a book not necessarily because it reveals strategic secrets but because it may cast some political or administration figure in an unfavorable light. Or, the censors simply may not like the author.

Turner insists the matter will be resolved by negotiation, but hasn't ruled out litigation. In fact, to compound the irony, the attorney he has retained, Anthony Lapham, was the CIA's chief counsel when it went to court against Frank Snepp. Suing could, of course, cost the admiral a lot, something Frank Snepp would know about. Asked for his reaction to Turner's plight, Snepp couldn't help seeing "poetic justice in the fact that the architect of the CIA's censorship should now be feeling the heat."

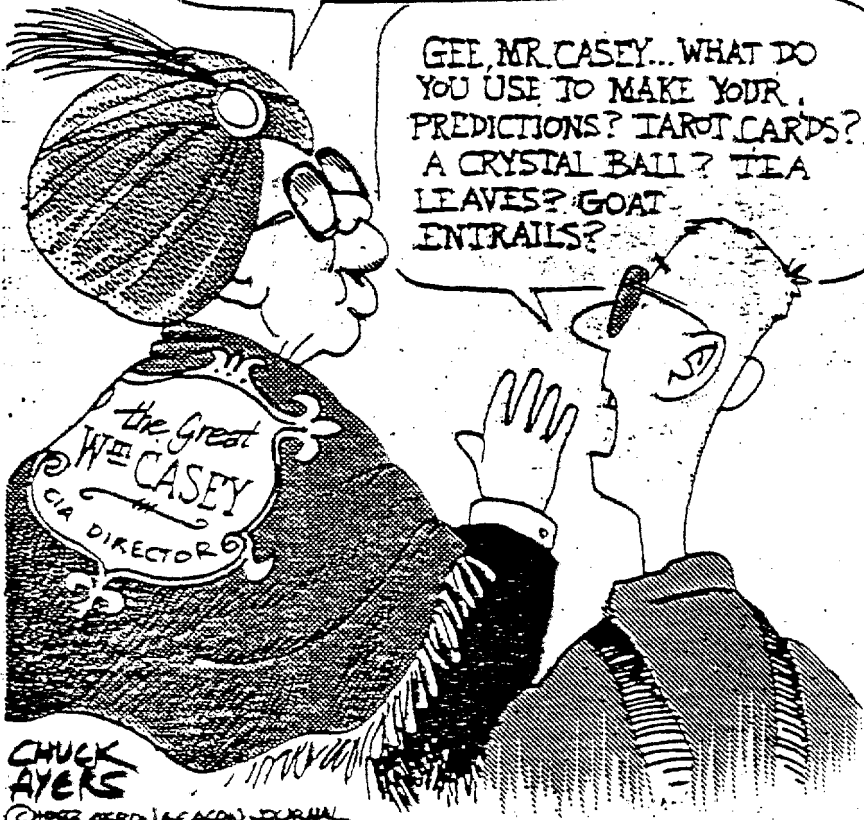
Beyond that, though, there's also the lingering injustice of a regulation — so far upheld in rubber-stamp fashion by federal courts — that has the potential to censor far more than classified information and to intimidate countless persons who, hesitating to tangle with the intelligence elite, will keep quiet when speaking out could be in the public interest.

24 May 1983

...AND I SEE THE OVERTHROW OF THE SANDINISTA REGIME BY YEAR'S END.

GEE, MR. CASEY... WHAT DO YOU USE TO MAKE YOUR PREDICTIONS? TAROT CARDS? A CRYSTAL BALL? TEA LEAVES? GOAT ENTRAILS?

NO, NO, NO. I USE SPENT SHELL CASINGS.



CHUCK AYERS © 1983 BROWN BEACON JOURNAL

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ON PAGE 10

24 May 1983

Panelists discount Nicaragua report

WASHINGTON - Sources in the House and Senate intelligence committees said yesterday a review of secret testimony does not support a report that Director of Central Intelligence William Casey and a senior State Department official predicted that American-supported rebels in Nicaragua have a good chance of overthrowing the Sandinista government by the end of this year.

"We could find no basis for that story," said one Senate Republican source after a check of committee transcripts, and a House Democratic source said a similar review by that committee had yielded the same result.

According to the report, published in yesterday's New York Times, Casey and Thomas Enders, assistant secretary of State for Inter-American Affairs, made their prediction in secret testimony to congressional committees in recent weeks. Unnamed Administration and congressional officials were quoted in support of the report, but in interviews yesterday, House Intelligence Committee members on both sides of the issue said they had no recollection of such testimony.

"Neither Casey nor Enders ever made a statement like that to the Intelligence Committee I'm on," said Rep. C. W. Bill Young (R-Fla.), a prominent conservative, and Rep. Norman Mineta (D-Cal.), a leading critic of the Administration's policy, said he could not recall such testimony.

Though the Administration first justified covert military aid to the Nicaraguan insurgents as a means of interdicting arms shipments to leftist guerrillas in El Salvador, members of both the House and Senate intelligence committees have long expressed fears that an unstated goal is to overthrow the Sandinista regime.

The insurgents have not hidden their own ambition in this regard, but the Administration has sought to downplay any threat by citing the Nicaraguan government's superior military strength. In fact, sources estimate that the claims of strength for both sides have been inflated, and while there is no doubt that the insurgents have grown stronger with American supplies, the fighting has not reached the level where there has been any clear test of strength.

Whether or not Enders and Casey had testified as reported in the Times, these sources questioned the accuracy of any such prediction now, and whether it was believed even in the Administration. According to one member of the House committee, a CIA official based in Honduras had told a visiting fact-finding mission that the overthrow of the Nicaraguan government was possible in six months, but this was later abruptly dismissed by Ambassador Deane Hinton, who met with the same group when it reached El Salvador.

- DAVID ROGERS

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ON PAGE A 1

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THE NEW YORK TIMES

24 May 1983

Director of C.I.A. Denies Report He Predicted Ouster of Sandinists

William J. Casey, the Director of Central Intelligence, denied yesterday that he had predicted that rebels had a good chance of overthrowing the Nicaraguan Government by the end of this year.

An article in The New York Times yesterday said Administration officials and members of Congress had attributed the prediction to secret testimony by Mr. Casey and Thomas O. Enders, Assistant Secretary of State for Inter-American Affairs. The C.I.A. refused to comment Sunday on the article, and Mr. Enders did not return repeated phone calls to his home.

'No Such Prediction'

Mr. Casey said in a statement issued in Washington by the Central Intelligence Agency yesterday:

"As a matter of policy, I do not comment publicly on allegations concerning intelligence activities except when they raise questions of legality. This morning's New York Times stated that I and Assistant Secretary of State Enders have predicted that Nicaraguan rebels have a good chance of overthrowing the Sandinista Government by the end of the year. No such prediction has been made. There is nothing in the record of the Congressional briefings which remotely resembles the story in The New York Times."

A Democratic member of the House Intelligence Committee, who was one of the sources cited in the article, when asked last night about Mr. Casey's statement, reiterated what he said Sunday.

That was that Mr. Enders and Mr. Casey had told members of the committee that in the estimation of the C.I.A. the anti-Government guerrillas, who are supported by the United States, could achieve a military victory against the Nicaraguan Government as early as the end of this year.

The committee member said yesterday that the predictions were made sometime in the last three weeks. Asked if they had come in secret testimony or informal conversations with members, the Representative said he could not remember.

He said that both Mr. Enders and Mr. Casey briefed the committee several times in recent weeks and that before and after their formal prepared remarks they chatted with members of the committee.

The committee member said Sunday that the remarks were made in secret testimony.

The Times's article quoted the Administration and Congressional sources as saying the predictions were made in secret testimony to Congressional committees in recent weeks.

Both Howard H. Baker Jr., the Senate majority leader, and Thomas P. O'Neill Jr., the Speaker of the House, said yesterday that they had not been told by Mr. Casey or anyone else that the Nicaraguan rebels had a good chance of overthrowing the Nicaraguan Government by the end of the year.

A staff member of the House committee said last night that neither Mr. Casey nor Mr. Enders had ever suggested in formal testimony before the committee that the insurgents had a reasonable chance of overthrowing the Government. He said, however, that it was clear from conversations with intelligence officials that they would not be unhappy if the insurgents were successful.

Representative Lee H. Hamilton, Democrat of Indiana, a member of the House Intelligence Committee, said last night that he did not recall hearing Mr. Casey or Mr. Enders make the prediction on the anti-Sandinist rebels. He said he had gone through a transcript of testimony that both had given in which neither of the two men made such a prediction.

Representative Norman Y. Mineta, Democrat of California and a member of the House committee, said he did not recall hearing Mr. Casey or Mr. Enders make such a statement in testimony before the committee.

A Republican member of the Senate Intelligence Committee who was also quoted as a source of yesterday's article could not be reached last night.

'Convinced That They Can Win'

A senior Defense Department official was one of the sources for the article in The Times yesterday. On Sunday he said that the armed opposition to the Nicaraguan Government had achieved some major victories in recent weeks, adding, "We're convinced that they can win." C.I.A. officials have also made this assessment in conversations with reporters that were not for attribution.

A State Department spokesman, John Hughes, called The Times's article "an inaccurate and misleading account of testimony given by Administration witnesses." He added that the Administration was complying with a law enacted by Congress last year that prohibits United States aid to military groups in Central America for the purpose of overthrowing the Nicaraguan Government.

Mr. Hughes did not deny that Administration officials had predicted that the rebels might topple the Nicaraguan Government. He said he could not comment on that subject.

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Nicaragua report is denied by Casey

From wire dispatches

CIA Director William J. Casey denied yesterday a report that he had predicted in secret congressional testimony that U.S.-backed Nicaraguan rebels had a good chance of overthrowing the Sandinist government by the end of the year.

In a rare public statement responding to a published report, Casey said "no such prediction has been made. There is nothing in the record of the congressional briefing which remotely resembles the story."

The article was carried in yesterday's editions of the New York Times. Quoting unidentified congressmen and administration officials, it said the predictions were made to congressional committees in recent weeks by Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs.

According to the Times, the con-

gressmen said the predictions seemed to undercut the administration's assertion that support for the rebels was primarily to stop arms shipments to rebels in El Salvador.

Other officials have said recently that the guerrillas in Nicaragua — estimated at 7,000 men — have poor short-term prospects of taking power because of the 25,000-man army.

"The descriptions we heard, even though they included lots of qualifications about how the rebels were building up their own momentum, have much more in common with President Reagan's reference to them as 'freedom fighters' than the official claim that we are providing covert aid only to prevent arms shipments," the Times quoted a Democratic member of the House intelligence committee as saying.

Casey's denial, in an agency state-

ment, said that "as a matter of policy I do not comment publicly on allegations concerning intelligence activities except when they raise questions of legality."

The reference to legality apparently means the so-called Boland amendment that bars the CIA from supporting the Nicaraguan rebels for the purpose of overthrowing the government.

Casey also denied that Enders had made any prediction of short-term rebel victory. Enders could not be reached for comment.

Meanwhile, House Speaker Thomas P. O'Neill Jr., also reacting to the story, condemned Reagan's Central American policy, saying that his emphasis on military aid is wrong.

O'Neill said the United States was successful in foreign policy when it concentrated on economic aid such as the Marshall Plan. But when it turned to arms, "it didn't help us at all."

The State Department said the report was misleading and inaccurate because of what it said was the suggestion that the United States was trying to overthrow the government of Nicaragua.

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ARTICLE APPEARED
ON PAGE A-2WASHINGTON TIMES
24 MAY 1983**BRIEFLY / Capital****CIA chief denies report**

CIA Director William J. Casey yesterday denied a published report that he had predicted in secret congressional testimony that U.S.-backed Nicaraguan rebels had a good chance of overthrowing the leftist Sandinista government by the end of the year.

In a rare public statement responding to a published report, Casey said, "No such prediction has been made. There is nothing in the record of the congressional briefing which remotely resembles the story."

The article was carried in Monday's editions of The New York Times. The Times, quoting unidentified congressmen and administration officials, said the predictions were made to congressional committees in recent weeks by Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs.

USA TODAY

24 MAY 1983

U.S. denies it's aiding coup in Nicaragua

Special for USA TODAY

The State Department Monday dismissed as "misleading and inaccurate" a news report suggesting the United States is actively trying to overthrow Nicaragua's left-wing Sandinist government.

However, spokesman John Hughes refused to say whether top U.S. officials, including CIA director William Casey, told Congress that American-supported guerrillas in Nicaragua could oust the Sandinist regime this year.

The report said Casey and Thomas Enders, assistant secretary of state for Latin America, made the prediction at recent secret congressional hearings. When asked if it is realistic, Hughes replied: "We are not prepared to address a speculative question of that type."

Hughes insisted the administration "respects and will respect" the congressional amendment prohibiting the U.S. from giving covert aid to seek the overthrow of the Sandinist government.

He ruled out "any thought" of sending American combat troops to Central America.

Meanwhile, House Speaker Tip O'Neill Monday condemned President Reagan's military and security-oriented Central American policy Monday as "all wrong."

In other Central American developments Monday:

Central America combat not planned, Reagan says

From Wire Services

Washington — The White House said yesterday President Reagan had no plans to send U.S. combat troops to Central America, despite a senior general's reported statement that troops might eventually be required to stem leftist insurgencies in the region.

"The president has said we have not been asked and we have no plans to send them," said deputy press secretary Lyndon K. Allin.

Meanwhile, it was announced in Washington yesterday that the U.S. Army will start training an additional 525 junior officers for the army of El Salvador. The 525 new Salvadoran officer candidates will begin arriving at Fort Benning, Ga., Thursday to begin 13-week courses at the Army's Infantry Center.

Mr. Allin made his comment when asked about a report that quoted Gen. Wallace Nutting, commander of the U.S. Southern Command, based in Panama, as saying that U.S. combat troops might be needed, in addition to current programs of military and economic aid.

Senator Barry Goldwater (R, Ariz.) voiced sentiments like those of General Nutting yesterday in a television interview.

The White House declined comment on a report that two senior ad-

ministration officials had said U.S.-supported rebels in Nicaragua had a good chance of overthrowing the left-wing Sandinist government in Managua by the end of the year.

The report, carried in yesterday's *Sun*, quoted unnamed congressmen as saying the prediction was made by CIA director William Casey and William Enders, assistant secretary of state for inter-American affairs, in secret testimony to congressional intelligence committees.

Mr. Allin said the White House would follow its tradition of not commenting on intelligence-related reports. However, Mr. Casey and two congressmen later denied that any such testimony had been given.

The Salvadoran officer candidates will be the first brought to Fort Benning since a group of 477 completed their training in May, 1982.

The United States has also trained two battalions of Salvadoran infantry in their home country and one battalion at Fort Bragg, N.C.

Generally, U.S. officials have praised these units, which Pentagon Latin American chief Nestor Sanchez has called "the mainstays of the Salvadoran army."

However, Mr. Sanchez and other Pentagon officials have said U.S. training "has touched only about 10 percent" of El Salvador's military forces.

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THE PHILADELPHIA INQUIRER
24 May 1983

Report: CIA sees Sandinista ouster

From Inquirer Wire Services

NEW YORK — The director of the CIA has predicted in secret testimony that U.S.-supported Nicaraguan rebels have a good chance of overthrowing the Sandinista government by the end of the year, members of Congress have told the New York Times.

The Times quoted unidentified legislators yesterday as saying that the predictions were made to congressional committees in recent weeks by CIA director William J. Casey and by Thomas O. Enders, assistant secretary of state for inter-American affairs.

The legislators said the predictions seemed to undercut the Reagan administration's assertion that U.S. support for the rebel groups primarily was for the purpose of stopping arms shipments to guerrillas in El Salvador.

Other officials have said recently that they believe the guerrilla forces in Nicaragua do not have any short-term prospects of taking power because of the size of the main force of the Sandinista army.

The Times said Casey and Enders told the committees that anti-government forces in Nicaragua were planning a steady increase in fighting this summer, to culminate later this year in a pincerlike assault on Managua, the capital.

"The descriptions we heard, even though they included lots of qualifications about how the rebels were building up their own momentum, have much more in common with President Reagan's reference to them as 'freedom fighters' than the official claim that we are providing covert aid only to prevent arms shipments," a Democratic member of the House intelligence committee told the Times.

Refusing to comment on the matter yesterday were Dale Peterson, a spokesman for the CIA; Mark Weinberg, a White House press duty officer; Joe Reap, a State Department press duty officer, and Cmdr. Jeffrey Renk, a Defense Department press

duty officer. Enders did not return repeated calls to his home.

Meanwhile, in Managua, the Nicaraguan Defense Ministry yesterday said that five rebels, reportedly commanded by renegade Sandinista leader Eden Pastora, were killed Sunday in a clash with a Nicaraguan army patrol near the Costa Rican border.

In another development, observers

from four Latin American nations known as the Contadora Group said in Costa Rica they would visit Managua this week. Costa Rica invited the observers to examine the border with Nicaragua, where anti-government rebels under the Pastora's command are launching attacks.

The Contadora Group, named after the Panamanian island where repre-

sentatives of Mexico, Colombia, Venezuela and Panama first met in January, is trying to bring peace to Central America and prevent the region from becoming battle zone for the superpowers.

Foreign ministers from the group, along with counterparts from other nations in the region, will meet in Panama this weekend for three days.

23 May 1983

WASHINGTON
CIA-NICARAGUA

CIA DIRECTOR WILLIAM J. CASEY ON MONDAY DENIED A PUBLISHED REPORT THAT HE HAD PREDICTED IN SECRET CONGRESSIONAL TESTIMONY THAT U.S.-BACKED NICARAGUAN REBELS HAD A GOOD CHANCE OF OVERTHROWING THE LEFTIST SANDINISTA GOVERNMENT BY THE END OF THE YEAR.

IN A RARE PUBLIC STATEMENT RESPONDING TO A PUBLISHED REPORT, CASEY SAID "NO SUCH PREDICTION HAS BEEN MADE. THERE IS NOTHING IN THE RECORD OF THE CONGRESSIONAL BRIEFING WHICH REMOTELY RESEMBLES THE STORY."

THE ARTICLE WAS CARRIED IN MONDAY'S EDITIONS OF THE NEW YORK TIMES. THE TIMES, QUOTING UNIDENTIFIED CONGRESSMEN AND ADMINISTRATION OFFICIALS, SAID THE PREDICTIONS WERE MADE TO CONGRESSIONAL COMMITTEES IN RECENT WEEKS BY CASEY AND THOMAS D. ENDERS, ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS.

ACCORDING TO THE TIMES, THE CONGRESSMEN SAID THE PREDICTIONS SEEMED TO UNDERCUT THE REAGAN ADMINISTRATION'S ASSERTION THAT U.S. SUPPORT FOR THE REBEL GROUPS WAS PRIMARILY TO STOP ARMS SHIPMENTS TO LEFTIST GUERRILLAS IN EL SALVADOR.

OTHER OFFICIALS HAVE SAID RECENTLY THAT THE GUERRILLA FORCES IN NICARAGUA -- ESTIMATED AT ABOUT 7,000 MEN -- HAVE LITTLE SHORT-TERM PROSPECTS OF TAKING POWER BECAUSE OF THE 25,000-MAN NICARAGUAN ARMY.

"THE DESCRIPTIONS WE HEARD, EVEN THOUGH THEY INCLUDED LOTS OF QUALIFICATIONS ABOUT HOW THE REBELS WERE BUILDING UP THEIR OWN MOMENTUM, HAVE MUCH MORE IN COMMON WITH PRESIDENT REAGAN'S REFERENCE TO THEM AS 'FREEDOM FIGHTERS' THAN THE OFFICIAL CLAIM THAT WE ARE PROVIDING COVERT AID ONLY TO PREVENT ARMS SHIPMENTS," THE TIMES QUOTED A DEMOCRATIC MEMBER OF THE HOUSE INTELLIGENCE COMMITTEE.

CASEY'S DENIAL, MADE IN A PREPARED STATEMENT ISSUED BY THE CENTRAL INTELLIGENCE AGENCY, SAID THAT "AS A MATTER OF POLICY I DO NOT COMMENT PUBLICLY ON ALLEGATIONS CONCERNING INTELLIGENCE ACTIVITIES EXCEPT WHEN THEY RAISE QUESTIONS OF LEGALITY."

THE REFERENCE TO LEGALITY APPARENTLY REFERS TO THE SO-CALLED BOLAND AMENDMENT THAT BARS THE CIA FROM SUPPORTING THE NICARAGUAN REBELS FOR THE PURPOSE OF OVERTHROWING THE SANDINISTA GOVERNMENT.

CASEY ALSO DENIED THAT ENDERS HAD MADE ANY PREDICTION OF SHORT-TERM REBEL VICTORY. ENDERS COULD NOT BE REACHED FOR COMMENT.

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20815 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM Good Morning America

STATION WJLA TV
ABC Network

DATE May 23, 1983 7:00 AM

CITY Washington, DC

SUBJECT William Casey: Nicaragua

STEVE BELL: In other news this morning, CIA Director-William Casey is quoted as saying that the Sandinista regime in Nicaragua may fall by the end of the year.

Several congressmen have told the New York Times that Casey's view undercuts the White House assertion that American support for anti-Sandinista rebels is aimed only at ending arms shipments to rebels in El Salvador.

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4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20815 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM CBS Morning News

STATION WDVM-TV
CBS Network

DATE May 23, 1983 7:00 A.M.

CITY Washington, D.C.

SUBJECT CIA/Sandinist Government

BILL KURTIS: Nicaragua's Sandinist government could soon be on the way out. According to the New York Times, CIA Director William Casey, an Administration official, and congressional officials all believe that U.S.-supported rebels have a good chance now of overthrowing the current regime in Nicaragua by the end of the year.

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4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20815 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM The Today Show

STATION WRC-TV
NBC Network

DATE May 23, 1983 7:00 A.M.

CITY Washington, D.C.

SUBJECT CIA Report

JOHN PALMER: The CIA reportedly feels the overthrow of the Sandinista regime in Nicaragua is near. According to the New York Times, CIA Director William Casey believes U.S.-backed rebels have a good chance of bringing down the Sandinistas by the end of the year.

C.I.A. IS REPORTED TO PREDICT OUSTER OF THE SANDINISTS

REBELS' PROSPECTS 'GOOD'

Congress Told Guerrillas Plan Stepped-Up Raids and Then an Attack on the Capital

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, May 22 — The Director of Central Intelligence and another senior Administration official have predicted that American-supported Nicaraguan rebels have a good chance of overthrowing the Sandinist Government by the end of the year, Administration and Congressional officials said today.

Members of Congress said that the predictions were made by William J. Casey, the C.I.A. director, and Thomas O. Enders, Assistant Secretary of State for Inter-American Affairs.

The Congressmen said the predictions seemed to undercut the Administration's longstanding assertion that American support for the rebel groups was primarily for the purpose of stopping arms shipments to guerrillas in El Salvador. The Administration asserts the arms flow through Nicaragua.

Testimony Is Secret

"The descriptions we heard, even though they included lots of qualifications about how the rebels were building up their own momentum, have much more in common with President Reagan's reference to them as 'freedom fighters' than the official claim that we are providing covert aid only to prevent arms shipments," a Democratic member of the House Intelligence Committee said.

The Administration and Congressional sources said Mr. Casey and Mr. Enders made their prediction in secret testimony to Congressional committees in recent weeks.

They told the committees that anti-Government forces in Nicaragua were planning a steady increase in fighting this summer, culminating later in the year in a pincer-style assault on Managua, the capital, members of Congress said.

'They Think It Can Work'

Dale Peterson, a spokesman for the Central Intelligence Agency, said the agency would not comment on the matter. Mr. Enders did not return repeated phone calls to his home.

Although the members of Congress said they were skeptical about the Administration's expectations, they reported that intelligence and Defense Department officials considered the prospect of a military victory to be plausible.

"We were told that there are 7,000 rebels and their numbers are growing," a Republican member of the Senate Intelligence Committee said. "The scenario they presented has the rebels picking up more and more popular support, which will produce desertions in the Nicaraguan military, all setting the stage for a drive on Managua that

forces the Government out of power. They think it can work."

A senior national security official familiar with the covert operations in Nicaragua said today that one force attacking Managua would come from the north, near the Nicaragua-Honduras border, where the largest group of rebels has been operating.

A second front east of Managua would be opened by insurgents composed primarily of Miskito Indians who fled their homeland along Nicaragua's the Atlantic Coast in recent years, he said.

He said that a southern front would be manned by forces under the command of Edén Pastora Gómez, a leader of the revolution that overthrew Gen. Anastasio Somoza Debayle in 1979. Mr. Pastora, known as Commander Zero during the Sandinist insurrection, defected from the Nicaraguan Government last year and moved to Costa Rica. He recently announced he was directing military operations against the Sandinist Government from inside Nicaragua.

Predictions Called Premature

Another American military official familiar with the situation in Nicaragua said that predictions of a victory by the rebels were "terribly premature" and were based on "highly questionable assumptions" that popular support for the Government would collapse and the military would not defend the Sandinists.

He said that the Nicaraguan military includes a 25,000-man army, plus militia units that bring the total armed forces to 75,000. The military is armed with modern Soviet equipment, he said.

He added that the rebels are led by a former officer of the national guard, a force closely identified with human rights abuses committed by the Somoza Government.

The Administration's assessment of the potential success of the rebel forces was shared with Congress when American covert operations in Central America are under attack.

The House Intelligence Committee voted this month to cut off money for covert activities in Nicaragua. The committee, alarmed about reports that the operations had grown beyond their original objective of intercepting arms shipments to El Salvador, recommended that Congress instead authorize \$80 million in overt aid to Central American nations to counter arms smuggling.

The legislation is expected to come up for debate by the House Foreign Affairs Committee this week.

Senators Approve Compromise

The Senate Intelligence Committee, adopting a compromise response to the reported increase in the covert operations, voted to continue financing until

September. The committee asked the Administration to develop a statement of objectives and plans for the activities, which the committee said it would review before approving financing for the fiscal year that begins in October.

Last year, Congress approved a law prohibiting American covert support for military operations aimed at overthrowing the Nicaraguan Government. Concern that the activities in Nicaragua were not in compliance with the law led to the recent actions in Congress.

Members of Congress said that the prediction of a military victory by the Nicaraguan insurgents was part of a broader effort by the Administration to build support in Congress for its Central America policies by suggesting that an erosion of United States aid would lead to an expansion of Soviet and Cuba influence in the region.

A Warning by Reagan

"They were telling us that, in effect, if we cut off assistance to the rebels now we would be responsible for aborting a great chance to reverse Communist gains in Central America," a member of the House Intelligence Committee said.

President Reagan, in a speech to Cuban Americans in Miami on Friday, repeated his warning to a joint session of Congress last month that indecision in the United States could produce Soviet gains in Central America.

He said in Miami, "If those trying to throw roadblocks in our path succeed and interpose themselves at a time when a crisis could still be averted, the

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23 May 1983

U.S./NICARAGUA

KURTIS: The Reagan administration, under fire for its unacknowledged support of rebel forces in Nicaragua, today went to unusual lengths to counter new ammunition for critics of its Central American policies. That ammunition came in a newspaper report published today. David Martin has details.

MARTIN: The New York Times report that CIA Director Casey and Assistant Secretary of State Enders have told Congress that U.S.-backed rebels could overthrow the government of Nicaragua by year's end drew more than the standard response from the State Department. JOHN HUGHES (State Dept. Spokesman): We wish to say that the Times' article is an inaccurate and misleading account of testimony given by administration witnesses to the relevant committees.

MARTIN: That was followed late in the day by an unusual public statement from Casey himself. It read: 'No such prediction has been made. There is nothing in the record of the congressional briefings which remotely resembles the story in the New York Times.' Two members of the House Intelligence Committee also told CBS News Casey had made no such prediction. Pentagon officials say any prediction that anti-Sandinista rebels might overthrow the Nicaraguan government before the end of the year is premature at best. The 7,000 rebels are badly outnumbered by 100,000 Sandinistas under arms in Nicaragua. The rebels' success depends on mass defections from the Nicaraguan military and on a popular uprising against the Sandinista regime. Pentagon officials believe the ingredients for an uprising exists but that the people of Nicaragua will not declare themselves until they are sure which side is winning. One Pentagon official linked the recent attempts by Libya to fly arms to Nicaragua to the pressure the Sandinistas are feeling from the rebels. Four Libyan aircraft remain stranded in

Brazil, but sources told CBS News that a Libyan 707 like this one has made one, and possibly two round trips to Nicaragua with what is believed to be a cargo of arms. Some of the arms flowing into Nicaragua are destined for leftist guerrillas in El Salvador. For the past three months U.S. intelligence has been tracking these arms shipments with nighttime flights by C-130 aircraft based in Panama and equipped with infrared cameras. These same planes were used as gun ships in Vietnam, but administration officials insist that the C-130s peering into Nicaragua do not carry any ammunition and are in danger of being fired upon. David Martin, CBS News, the Pentagon.

23 May 1983

WASHINGTON

CASEY DENIES PREDICTING NICARAGUAN REBEL VICTORY

CIA Director William J. Casey on Monday denied a published report that he had predicted in secret congressional testimony that U.S.-backed Nicaraguan rebels had a good chance of overthrowing the leftist Sandinista government by the end of the year.

In a rare public statement responding to a published report, Casey said "no such prediction has been made. There is nothing in the record of the congressional briefing which remotely resembles the story."

The article was carried in Monday's editions of The New York Times. The Times, quoting unidentified congressmen and administration officials, said the predictions were made to congressional committees in recent weeks by Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs.

According to The Times, the congressmen said the predictions seemed to undercut the Reagan administration's assertion that U.S. support for the rebel groups was primarily to stop arms shipments to leftist guerrillas in El Salvador.

Other officials have said recently that the guerrilla forces in Nicaragua - estimated at about 7,000 men - have little short-term prospects of taking power because of the 25,000-man Nicaraguan army.

"The descriptions we heard, even though they included lots of qualifications about how the rebels were building up their own momentum, have much more in common with President Reagan's reference to them as 'freedom fighters' than the official claim that we are providing covert aid only to prevent arms shipments," The Times quoted a Democratic member of the House Intelligence Committee.

Casey's denial, made in a prepared statement issued by the Central Intelligence Agency, said that "as a matter of policy I do not comment publicly on allegations concerning intelligence activities except when they raise questions of legality."

The reference to legality apparently refers to the so-called Boland amendment that bars the CIA from supporting the Nicaraguan rebels for the purpose of overthrowing the Sandinista government.

Casey also denied that Enders had made any prediction of short-term rebel victory. Enders could not be reached for comment.

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REUTERS
23 May 1983WASHINGTON
SALVADOR-AMERICAN

CIA Director William Casey today denied a published report that he had predicted in secret testimony to congressional committees that U.S.-supported Nicaraguan rebels had a good chance of overthrowing the leftist Sandinist government by the end of the year.

Casey, in an unusual public statement, said: "No such prediction has been made. There is nothing in the record of the congressional briefing which remotely resembles the story."

He referred to a report in today's New York Times quoting unidentified congressmen and administration officials saying the predictions had been made in recent weeks by Casey and Assistant Secretary of State for Inter-American Affairs Thomas Enders.

The Reagan administration has come under fire over its covert support for the anti-government rebels in Nicaragua. President Reagan has said the U.S. aid is aimed at stopping the supply of Soviet bloc weapons to leftist guerrillas in El Salvador fighting the American-backed Salvadoran government forces.

Reagan has said U.S. support for the rebels does not violate a law passed by Congress forbidding the financing of any operations aimed at overthrowing the Nicaraguan government.

Casey's denial was issued by the CIA late today.

Casey said that "As a matter of policy I do not comment publicly on allegations concerning intelligence activities except when they raise questions of legality."

The White House declined to comment on the New York Times report, but the State Department called it inaccurate.

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20815 656-4068

FOR PUBLIC AFFAIRS STAFF

PROGRAM ABC Weekend Report

STATION WJLA-TV
ABC Network

DATE May 22, 1983 11:30 P.M.

CITY Washington, D.C.

SUBJECT The Sandinista Regime

TOM JARRIEL: CIA Director William Casey reportedly has told some congressmen that U.S.-backed Nicaraguan rebels have a good chance of overthrowing the Sandinista regime before the end of this year. Casey's prediction appears at odds with the Reagan Administration's claim that U.S. support for the rebels is aimed primarily at cutting off the flow of arms to leftist guerrillas in El Salvador.

ARTICLE APPEARED
ON PAGE C-1

WASHINGTON POST
20 MAY 1983

Letting Luce With Clare Boothe

Drawing a Self-Portrait With Wit & Words

By Sarah Booth Conroy

Clare Boothe Luce has not so much lived her life as written it as an epigram. She was born with the gift of intelligence and the curse of seeing the world as ludicrous.

"Without a tragic view of life, you can't find it as funny as I do," she said last night. "The difference between a pessimist and an optimist is that the pessimist is better informed."

Last night, five weeks after her 80th birthday, the wit and the beauty were holding up well at a verbal "Self-Portrait at the National Portrait Gallery." Those of the about

300 guests who came expecting a drawing room dialogue from the famous playwright of "The Women" were not disappointed.

Neither were those who came to hear the Republican politician and diplomat who was a member of Congress from Connecticut and an ambassador to Rome. Today she is a consultant to the National Security Council, a member of the Foreign Intelligence Advisory Board, and an amazing combination of a grande dame and an *enfant terrible*.

Paying tribute to her past and her present was an appreciative group that included three CIA directors, two past and one present—William Colby, Richard Helms and William Casey—the Librarian of Congress Daniel Boorstin, the Architect of the Capitol George White, former Nixon secretary Rosemary Woods and Luce biographer Sylvia Morris.

In fine form, shimmering with sequins, wearing enough pearls to decimate a bed of oysters, Luce ranged with Marc Pachter, the National Portrait Gallery's historian, over her var-

ious starring roles with words about the costars and the bit players in the road company of her life. She spoke much about the cheers and a bit about the boos.

She neatly dug a grave for the long-standing rumor that George Kaufman had written parts of "The Women," her biggest hit. "He used to say, 'Do you think that if I'd written a play that made \$3 million, I would've put her name on it?'"

When she was in Congress, she said, "someone was always saying that my husband [Henry Luce, owner of Time-Life] had his staffers write my speeches for me. But it all balanced out, sometimes people said I wrote his editorials for him."

Listening to her last night, it is doubtful that anyone would dare write anything for her. Looking at Secretary of Defense Caspar Weinberger, sitting on a front seat at the discussion, she gave a mild example of the sort of thing that made many enemies in her career. She chastised Weinberger for popularizing the phrase "build-down."

"The secretary is a great patriot," she said, "but he would certainly do the country a favor if he would get rid of 'build-down.'"

She said she learned at a party recently that former senator J. William Fulbright had never forgiven her for the time she corrected his use of imply and infer. And she told about the congressman who told one of her verbal victims not to mind her because "her real vocation is writing. She attaches meaning to the use of words."

Luce told of a time she met her match. "When 'The Women' was a success in London, I was brave enough to ask Sylvia Astor to introduce me to George Bernard Shaw. I wrote out in my mind what I was going to say."

But when she was shown into Shaw's study, he ignored her for so long she forgot her speech. "I just blurted out, 'Mr. Shaw, if it weren't for you, I wouldn't be here . . .' He looked at me and said, 'And what is your mother's name?'"

Pachter asked Luce which of her many roles she preferred. She said the most wonderful was to be mother to

her daughter, who was killed in a car accident at 19. Luce said she mourned the grandchildren she might have had.

And in a characteristic shift, from dark to light, she went on to say she was proudest of learning scuba diving after she was 50.

"I took a certain pride in that President Eisenhower gave me 14 missions to accomplish as ambassador to Italy. And I accomplished 15—I persuaded Italy and Yugoslavia to settle their territorial dispute. I believe it is the only border disagreement since World War II solved short of war."

Luce admitted that her first ambition was to be a playwright despite her subsequent diplomatic career. In conversation after the formal dialogue, she said she has a play "gestating. But you know the kind of life we lead often acts as an abortion to the creative impulse."

It is said no woman can be too thin or too rich. Last night, it seemed that Luce, who is neither fat nor poor, could have ruled the world—if she had not also been too beautiful and too witty.

CONTINUED



By Harry Naltchayan—The Washington Post

Clare Boothe Luce and William Casey last night

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Armed Forces Communicatio
and Electronics Association
AFCEA International Headquarters Building
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Telephone (703) 425-8500 • Telex 90 1114 AFCEA BURK



May 20, 1983

Mr. William J. Casey
Director
Central Intelligence Agency
Washington, D.C. 20505

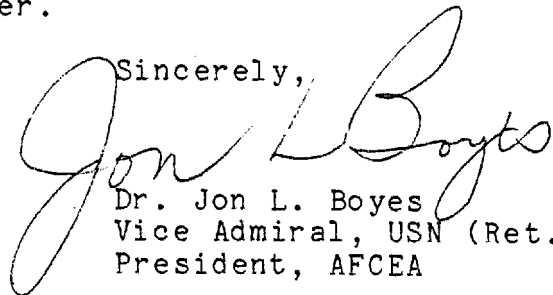
Dear Mr. Casey:

Enclosed is a copy of the May 1983 issue of SIGNAL Magazine which contains your statement "C3I As a Peace Keeper."

It was a privilege for the Armed Forces Communications and Electronics Association and for me personally to have featured your statement in the May 1983 issue of SIGNAL. I know that the readers of SIGNAL will find your remarks very interesting.

Reprints of the statement may be obtained from AFCEA. If you are interested in ordering reprints, please contact our Executive Editor, Carolyn Frazier.

Sincerely,



Dr. Jon L. Boyes
Vice Admiral, USN (Ret.)
President, AFCEA

JLB:ees
Enclosure

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Dispute Delays Nicaragua Debate by House Panel

By MARTIN TOLCHIN

Special to The New York Times

WASHINGTON, May 18 — A dispute over whether to hold an open or closed debate on a proposal to end covert aid to the Nicaraguan rebels led the House Foreign Affairs Committee to delay consideration of the measure today.

Democrats pressed for a closed session, on the ground that the debate would necessarily draw upon classified information provided by intelligence officials. "The sole consideration was not to open ourselves to the charge that we are cavalier about national security," said Representative Stephen J. Solarz, Democrat of Brooklyn.

But Republicans and Administration officials sought an open session, arguing that the debate was on policy, not strategy, and could therefore be conducted without reference to classified data. They called the Democrats' demand for a closed session a "smokescreen" to avoid public scrutiny on the issue.

"If the majority of this committee is going to sell out Latin America and emasculate the Monroe Doctrine, they ought to do it openly and not covertly,"

said Representative Henry J. Hyde, Republican of Illinois. "I'm against covert action in this committee."

At a late-afternoon meeting, the committee's Democrats agreed to have both public and private debate on the bill and each amendment. They will first be debated in a closed session and then the doors will be opened to allow public discussion. The same procedure is expected to be followed when the bill reaches the House floor.

Apparently behind the dispute, at a 90-minute committee session, was a jockeying for position on the part of sup-

porters and opponents of the legislation. The delay, until next week, was hailed by some Republicans as a "cooling off" period that would enable them to negotiate with some Democrats who, they said, were having second thoughts about "tying the hands of the President."

The committee has had extensive classified briefings from William J. Casey, Director of Central Intelligence, and other officials of the agency. "I'd hate to debate this thing and not use any of the information they gave us," said Representative Dante B. Fascell, Democrat of Florida. "There's a real question whether you can debate this issue without discussing the testimony we were given."

But Representative William S. Broomfield of Michigan, the committee's ranking Republican, accused the Democrats of wanting a closed debate as "a smokescreen" to avoid going on record on an issue about which they were increasingly apprehensive.

"They're embarrassed," Mr. Broomfield said. "There's been a change of attitude by some of them, and they don't want to acknowledge it. We've had enough secret sessions. It's just a question of do they or do they not favor an end to covert activities?"

"The bottom line is the reconsideration by a lot of members who don't want to be put on the spot on tying the hands of the President," he added.

In a reversal of form, committee Democrats, rather than Republicans, solicited the Administration's position.

James H. Michel, Deputy Assistant Secretary of State for Inter-American Affairs, said he saw no reason for a closed debate.

"What remains is a policy judgment," Mr. Michel said. "We believe that issues of policy could be decided in a public session."

Democrats then asked Mr. Michel if he would declassify any of the information received by the committee. Mr. Michel replied that he could not do so.

Representative Jim Leach, Republican of Iowa, who supports the measure, nonetheless urged a public debate, arguing that "what we're really dealing with here are the war-making powers of the U.S. Government."

ARTICLE APPEARED
ON PAGE A1

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NEW YORK TIMES
18 MAY 1983

P 11 1 Column STAT

Ex-Intelligence Director Disputes Censorship of His Book on C.I.A.

By SEYMOUR M. HERSH
Special to The New York Times

WASHINGTON, May 17 — Adm. Stansfield Turner, who as Director of Central Intelligence prosecuted Frank W. Snepp 3d, a former officer of the Central Intelligence Agency, for refusing to clear his book about the fall of Saigon, is disputing C.I.A. censors over his own book on intelligence.

Admiral Turner acknowledged in an interview that the agency's Publications Review Board had objected to portions of three chapters in his uncompleted book. As much as 10 percent of one section was deleted, on the ground that it included classified information that would be injurious to the protection of a agency sources and methods.

The retired Navy admiral, who served as Director of Central Intelligence in the Carter Administration, has vigorously disputed the agency's censorship in negotiations that began early this year.

Admiral Turner has retained an attorney, Anthony Lapham, who was the C.I.A.'s general counsel at the time of the Snepp proceedings, and said he was prepared to litigate if a satisfactory compromise could not be reached.

The former Director has no publisher yet for his book because it cannot be shown to outsiders until it is cleared by the agency. He said the book focused on the issues "of running secret intelligence operations in a democratic society."

Charles E. Wilson, chairman of the agency's Publications Review Board, confirmed today in a telephone interview that the board had "noted some things that are deemed classified" in Admiral Turner's book.

Mr. Wilson praised the former Director's previous cooperation with the board and expressed confidence that the current dispute would be resolved short of litigation. "If we did end up in court it would surprise me," he said. "This is a highly negotiated process."

Before posing a legal challenge to the agency's right to censor his book, Admiral Turner said, he had "a number of options."

"I can simply print anything and let them sue me," he went on. "The onus is on them to stop me from publishing." He added that could also "tell them that

I don't agree with their deletions and then they have to go to the Justice Department" to decide how to proceed.

Mr. Snepp, who was forced by a Supreme Court ruling in February 1980 to give the Government \$140,000 in earnings from his book, "Decent Interval," published by Random House in 1977, expressed little sympathy for Admiral Turner. "I think Turner deserves everything the censors visit on him because he failed to recognize just how dangerous censorship was in the first place," the former-agent said in a telephone interview.

"I hate to think of anybody being censored," Mr. Snepp added, "but I think there is poetic justice in the fact that the architect of the C.I.A.'s censorship should now be feeling the heat."

In the interview, the former Director defended the intelligence agency's review program. "I've endorsed the process that I'm going through," he said. "I'm not fighting that."

Number of Modifications Made

His complaint, he added, was over what he termed the "mechanics" of the censorship process. "It's a bad system to take an internal set of rules and apply them to external people," he said, maintaining that rules designed to prevent the spread of information inside the agency should not apply to him because everything that he wrote would be cleared anyway.

At issue, Admiral Turner said, "are specific anecdotes of operations that I had experiences with" while serving as Director of Central Intelligence. "They feel that by describing the operations I

would violate security," he said.

The former Director said he made a number of modifications to his book to meet the agency's objection. But he added that in many other cases he was convinced the agency had no basis for asking for deletions.

The overall result of the agency's censorship, Admiral Turner said, was damaging to his work in progress, which is nearly completed. In one chapter, the C.I.A.'s proposed cuts "in effect mean there's not much message left." The general tenor of the cuts, he added, "changes the chapters and makes them less appealing from a sales point of view."

Admiral Turner, in the interview, was reluctant to question the motives of the C.I.A.'s censors, but one of his former senior aides at the agency, who has been involved in the preparation of the book, depicted the deletions as nit-picking and quibbling.

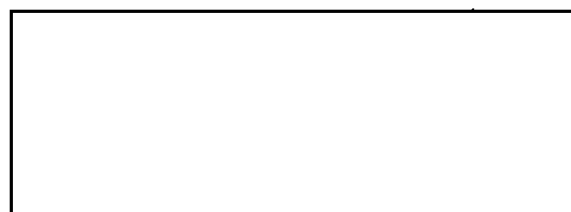
"Stan Turner understands as well as anyone what is classified and what is not," the aide said. "He feels there are fundamental issues in carrying out intelligence in a free society, but there are absolutely unclassified issues — political science issues; if you will."

The aide added that Admiral Turner had upset many agency employees by authorizing the dismissal of hundreds of senior operatives.

Senior intelligence officials acknowledged that there was a growing enmity between Admiral Turner and high-level officials in the Reagan Administration, including William J. Casey, the current Director.

Admiral Turner has emerged in the past year as a leading critic of the Administration's intelligence policies and strategic programs, and has made his criticisms in print.

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WASHINGTON POST
17 MAY 1983

Democrats Fault Anti-Nicaragua Aid

By Margot Hornblower
Washington Post Staff Writer

Covert U.S. support for guerrillas fighting the leftist Sandinista government in Nicaragua has strengthened international support for the Sandinistas and has failed to stop them from helping to train and arm leftist rebels in nearby El Salvador, the Democratic majority of the House Intelligence Committee said in a report released yesterday.

The Reagan administration has "allowed the spotlight of international opprobrium to shift from Sandinista attempts to subvert a neighboring government [in El Salvador] to a U.S. attempt to subvert that of Nicaragua," the committee's nine Democrats concluded in the unprecedented report about an ongoing CIA covert operation.

Significantly, they agreed with the Reagan administration's contention that the Sandinistas have helped give communist-backed rebels in El Salvador logistical support, training and arms.

They stated in the report that intelligence information shows "with certainty" that "a major portion of the arms and other material sent by Cuba and other communist countries to the Salvadoran insurgents transits Nicaragua with the permission and assistance of the Sandinistas."

This arms flow has not been interrupted, the Democrats concluded, by covert CIA support for about 7,000 anti-Sandinista guerrillas in Nicaragua. "The acid test is that the Salvadoran insurgents continue to be well armed and supplied," the report said. "They have grown in numbers and have launched more and longer offensives. All this requires an uninterrupted flow of arms."

"There are certainly a number of

ways to interdict arms, but developing a sizable military force and deploying it in Nicaragua is one which strains credibility as an operation only to interdict arms," the Democrats said in the report.

However, the committee's five Republicans issued a dissent, stating their conclusion that the covert operation has been successful in deterring arms shipments.

Cutting it off, as the committee's Democratic majority has voted to do, would hand "a legislatively engineered victory" to the Sandinistas, the Republicans said.

"The Sandinista Nicaraguan government marks the first foothold of Marxism on the mainland in our Western Hemisphere," they said. "With only a modicum of help from the United States democracy can flourish in Central America."

The Democrats argued in the 44-page report that U.S. support for the anti-Sandinista insurgents has had "entirely opposite results" from those intended. "Having twice sent U.S. troops to Nicaragua in this century, this country has once again been cast in the role of interventionist."

Citing congressional testimony by Assistant Secretary of State Thomas O. Enders, the House committee concluded that Cuban agents brought rival Salvadoran guerrilla factions together, worked out a unity pact and set up Salvadoran rebel headquarters in Managua. Nicaragua and Cuba appear to be continuing their training of Salvadoran rebels, the committee said.

According to its report, in December 1981, five days after the committee's first briefing on the program by administration officials, Chairman Edward P. Boland (D-Mass.) wrote "the principal executive branch briefer"—CIA Director William J.

Casey—raising questions about the number and tactics of the anti-Sandinista Nicaraguan guerrillas, the extent of U.S. control, and the possibility of military clashes between Nicaragua and Honduras, where the rebels had established bases.

A few months later, the committee adopted classified language in the intelligence authorization bill limiting the covert operation to interdicting arms to the Salvadoran rebels, rather than to overthrowing the Sandinista government in Nicaragua. In December, the same language, known as the Boland amendment, was publicly attached to a defense appropriations bill on the House floor.

Last week, the committee voted to terminate the covert operation and substitute assistance to "friendly countries" like El Salvador and Honduras to try to stop the arms flow to Salvadoran rebels. The report released yesterday accompanied this legislation to the House Foreign Affairs Committee, which is to consider it Wednesday.

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17 MAY 1983

House panel rebukes CIA on Nicaragua

By Alfonso Chardy
Inquirer Washington Bureau

WASHINGTON — In a rare public report, the House Select Committee on Intelligence said yesterday that the U.S.-supported covert operation in Nicaragua has been a failure that has cost "innocent lives" and has tarnished the reputations of the United States and the CIA.

The detailed, 44-page report about the CIA's assistance to the rebels fighting the leftist Sandinista government also suggested strongly that the Reagan administration had violated a law precluding the use of federal funds to overthrow that government.

"The United States has allied itself with insurgents who carry the taint of the last Nicaraguan dictator, [Adolfo] Somoza," the report said. "[It] has allowed the spotlight of international opprobrium to shift from [Sandinista] attempts to subvert a neighboring government [El Salvador] to attempts to subvert that of Nicaragua."

The CIA has been hurt, the committee said, because it again has been subjected to critical public scrutiny. The covert action "has put CIA witnesses who do not make policy in the increasingly uncomfortable position of trying to sell the program to an increasingly skeptical Congress," it said.

The report by the committee, which, like the House, is controlled by Democrats, is the first formal congressional accounting of the covert action in Central America since it began 18 months ago.

The committee noted that some of its members, including chairman Edward P. Boland (D., Mass.), as early as last spring had sought to end the operation by withholding funds requested by the CIA. Instead, the committee had voted to restrict the operation to the interception of arms shipments for Salvadoran guerrillas.

The report accused the CIA and the Reagan administration of misleading the committee on U.S. objectives in Nicaragua, and it voiced suspicion that administration officials "delib-

erately" had leaked the story of the CIA campaign to the press. The report gave no reason for that suspicion.

For the first time, the report said formally what has long been known: that the original goal of the covert action, as outlined by the administration and authorized by oversight subcommittees of both the House and Senate, was to interdict Cuban and Nicaraguan weapons shipments to Salvadoran guerrillas.

The House panel issued the report to explain the reasons for legislation it approved May 3 to end the covert operation and to create an \$80 million "overt" fund to intercept the arms shipments. That bill, embraced by a 9-5 partisan vote, will be debated tomorrow by the House Foreign Affairs Committee.

The Republican-controlled Senate Select Committee on Intelligence, approved legislation two weeks ago that would allow the CIA to continue the covert operation until Sept. 30. After that date, money for the program would be withheld pending a report to Congress by President Reagan defining his goals in Nicaragua.

The report said the House committee began to lose faith in administration briefings when it was told that the CIA had several other goals besides arms interdiction, including the democratization of Nicaragua and pressure on the Sandinistas to call elections and negotiate with the opposition.

The committee report also expressed "distress" at the number of insurgents supported by the program. Although no figures were cited, committee sources have said the CIA told them that the rebels' Nicaraguan Democratic Force (FDN) has grown from 500 men in 1981 to about 7,000 now.

The report said that five days after the first CIA briefing in December 1981, Boland noted this concern about the insurgents' numbers "in a letter to the principal executive branch briefer," apparently CIA Director William J. Casey.

The central segment of the report said: "In its final review of the [covert] program, the [House intelligence] committee asked three ques-

tions: Is the program consistent with the law and with the direction of the Congress? Is the program a wise one? Is the program successful?"

"As to the first question, the law says that the program may not have the purpose to overthrow the government of Nicaragua. The committee has reached the point where it is unwilling to assure the House that the present program meets [this requirement].

"The activities and purposes of the anti-Sandinista insurgents ultimately shape the program. Their openly acknowledged goal of overthrowing the Sandinistas, the size of their forces and efforts to increase such forces, and finally their activities now and while they were on the Nicaraguan-Honduran border point not to arms interdiction but to military confrontation.

"These groups are not controlled by the United States. They constitute an independent force. The only element of control that could be exercised by the United States, cessation of aid, is something that the executive branch has no intention of doing.

"The second question — is this wise? The committee is forced to respond in the negative. Inflicting a bloody nose on nations achieves a purpose no different with nations than with individuals. It tends to instill a deep desire to return the favor. The Sandinistas are no different. Their policies have not softened.

"Finally, and most importantly, the program has not interdicted arms. In 18 months the committee has not seen any diminishment in arms flow to the Salvadoran guerrillas but rather repeated border clashes followed recently by heavy fighting well inside Nicaragua. In the process, innocent lives have been lost."

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11ME
16 MAY 1983

Uneasy over a Secret War

When should an open society resort to covert action?

The debate was not merely over the activities involved, although they were indeed controversial. What caused greater worry was the fact that, at least in theory, the operation was secret, evoking disquieting memories of dubious CIA ventures that had backfired in the past. After a decade of discomfort over even the thought of using covert action to interfere in the affairs of other nations, President Reagan was unabashedly restoring the role of that weapon by supporting *contra* guerrillas fighting the Sandinista regime in Nicaragua.

The issue came to a head last Tuesday when the House Permanent Select Committee on Intelligence defied Reagan and recommended cutting off covert aid to the *contras*. The lawmakers decided that the Administration's professed goal of stemming the flow of arms to rebels in El Salvador could best be accomplished in the open. The Senate Select Committee on Intelligence rejected this proposal on Friday, and the covert funds are likely to continue at least until the end of September. But the committee insisted that in the future it have the right to approve or veto specific covert activities. The anguished public debate over Washington's clandestine involvement in Central America, a region where the nation's interests are clearly at stake and the evidence of foreign subversion is widespread, called into question whether covert methods can be used effectively by the U.S.

During his 1980 campaign, Reagan pledged to rebuild the nation's intelligence agencies as part of his overall plan to end America's post-Viet Nam timidity about asserting its interests abroad. The Republican platform specifically addressed covert operations, calling it "a capability which only the U.S. among the major powers has denied itself." Supporters argue that covert action is an essential tool, lying somewhere between a diplomatic *démarche* and a landing by the Marines.

Opponents of covert activities say that the U.S. should hold itself to a higher standard and not meddle in an underhanded way in the affairs of other countries. They also argue that given the nature of American society, covert activities are unlikely to stay secret for long. One reason is that after the Watergate-era investigations of abuses by the CIA, Con-

gress insisted on a more stringent watchdog role. Another is that the nature of journalism has changed. In 1961 the New York Times voluntarily withheld information it had about the impending Bay of Pigs invasion of Cuba: today major news organizations are inclined to publish that type of story.

Despite their uneasiness over the Administration's activities in Nicaragua, most Congressmen believe that clandestine operations can play a legitimate role in protecting national security. "The adversary uses them all the time and a hell of a lot more than we do," says Edward Boland of Massachusetts, chairman of the House Intelligence Committee. "I think they're a necessity." Indeed, members last year approved Reagan's request for secret funding to the *contras* as a way of interdicting Nicaraguan arms shipments to the Salvadoran rebels. But Boland attached an amendment barring the use of any of the funds "for the purpose of overthrowing the government of Nicaragua."

As news reports over the past few months disclosed more and more about the CIA involvement with the *contras*, members began to feel political heat for apparently condoning the program. More important, many became convinced that the Administration was violating the Boland Amendment by using the aid as a way to destabilize the Marxist-led Sandinista regime. In an attempt to resolve both dilemmas, Boland and Clement Zablocki of Wisconsin proposed a second amendment, this one "to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to

interdict the supply of military equipment from Nicaragua and Cuba."

For the first time since the House Intelligence Committee was given its oversight role in 1977, the members split on party lines. The breakdown of the committee's traditional nonpartisan approach threatened to undermine its sensitive role. "The one thing I don't want is to see this committee deteriorate into a partisan group," lamented Boland after the vote.

Reagan was less philosophical. He told aides that the House committee action was "irresponsible as hell." But in an interview with six reporters on the day after the vote, Reagan stumbled repeatedly in trying to explain his policies. He seemed to confirm that assistance to the *contras* was more than just a way to stop arms shipments to the Salvadoran rebels. He referred to the *contras* as "freedom fighters" and praised their struggle as a legitimate response to the broken promises of the Sandinista regime.

Reagan said the cutoff of covert authority by Congress "was taking away the ability of the Executive Branch to carry out its constitutional responsibilities." Another member of the Administration, U.N. Ambassador Jeane Kirkpatrick, impugned the motives of some members in an interview with a Buenos Aires newspaper: "There are people in the U.S. Congress who do not approve of our efforts to consolidate the constitutional government of El Salvador and who would actually like to see the Marxist forces take power in that country."

The Senate Intelligence Committee adopted a compromise proposal drafted by its chairman, Republican Barry Goldwater of Arizona. Under its provisions, the money already appropriated for the current fiscal year, which ends Sept. 30, will remain available. But to get any more funds, the President will have to submit a plan defining the objectives of CIA covert

WHITE HOUSE TO PUT LIMITS ON SECRET ARMY SPY UNIT: PAPER SAYS
LOS ANGELES (AP) - THE WHITE HOUSE SOON WILL IMPOSE FORMAL
GUIDELINES ON A SECRET, 2-YEAR-OLD ARMY INTELLIGENCE UNIT THAT HAS
SPIED IN EL SALVADOR, NICARAGUA AND AFRICA, THE LOS ANGELES TIMES SAID
SUNDAY.

THE NEWSPAPER QUOTED ONE OFFICIAL AS SAYING THE ARMY'S INSPECTOR
GENERAL FOUND THAT THE UNIT - NAMED INTELLIGENCE SUPPORT ACTIVITY -
WAS "WATCHED INSUFFICIENTLY CLOSELY" FOR THE FIRST YEAR OF ITS
EXISTENCE; AND HE CRITICIZED IT FOR "SUPPORTING ILL-ADVISED
SCHEMES."

THE ISA ALSO OPERATED FOR NEARLY A YEAR WITHOUT A LEGALLY REQUIRED
PRESIDENTIAL "FINDING" THAT THE UNIT WAS NEEDED FOR NATIONAL
SECURITY REASONS, THE TIMES SAID.

THE UNIT EXISTED WITHOUT THE KNOWLEDGE OF THE CENTRAL INTELLIGENCE
AGENCY, THE PENTAGON'S OWN DEFENSE INTELLIGENCE AGENCY AND
CONGRESSIONAL INTELLIGENCE COMMITTEES, THE TIMES SAID. THE NEWSPAPER
QUOTED ADMINISTRATIONS, PENTAGON AND INTELLIGENCE OFFICIALS WHOSE NAMES
WERE NOT GIVEN.

CIA DIRECTOR WILLIAM CASEY, THROUGH A SPOKESMAN, REFUSED TO ANSWER
THE TIMES' QUESTIONS ABOUT THE ISA, INCLUDING WHETHER HE WAS AWARE OF
THE UNIT WHEN IT WAS FIRST CREATED. THE NEWSPAPER SAID CASEY DIRECTED
THE ISA TO UNDERTAKE AT LEAST TWO OF THE 10 COVERT MISSIONS IT HAS
PERFORMED TO DATE, BUT DIDN'T SPECIFY WHAT THEY WERE.

THE DEFENSE DEPARTMENT CONCLUDED THAT THE AGENCY NEEDED A
"CHARTER" FROM THE WHITE HOUSE FOR CONTINUED OPERATION, ONE OFFICIAL
TOLD THE TIMES.

"ISA'S 'CHARTER' IF YOU WANT TO CALL IT THAT, IS NOT QUITE READY
YET, BUT THERE'S NO QUESTION ABOUT WHETHER IT WILL BE GRANTED," AN
UNIDENTIFIED WHITE HOUSE OFFICIAL TOLD THE NEWSPAPER.

"... THE AGENCY IS NOW VERY MUCH UNDER CONTROL," THE OFFICIAL
SAID. "ITS OPERATIONAL CONTROL IS PROPER. IT IS NOT CAUSING US
TROUBLE. YOU MIGHT SAY HAVING THE MATTER COME TO THIS LEVEL IS
SURPRISING (IF THE ISA CAUSED NO TROUBLE); BUT IT'S PART OF THE
GENERAL EFFORT TO KEEP TABS ON ALL INTELLIGENCE OPERATIONS."

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 ON PAGE 1 OF PT. I

White House to Put Limits on Army's Secret Spy Unit

By ROBERT C. TOTH, Times Staff Writer

WASHINGTON—The White House, moving to close a gap in control over U.S. intelligence activities, is about to impose operating guidelines on a secret, 2-year-old Army intelligence-gathering unit that the Army's inspector general says was monitored "insufficiently closely" for the first year of its life.

Called Intelligence Support Activity, the Army unit has conducted operations in places such as Nicaragua and El Salvador, Africa and Southeast Asia. It has worked for almost a year without a legally required presidential finding that such an organization is necessary to national security.

The intelligence unit's operations, coupled with questions about whether the Federal Emergency Management Agency has been collecting intelligence on Americans, have raised doubts about how closely the nation's various intelli-

gence-gathering organizations are being supervised.

In particular, the intelligence unit affair is raising questions about whether Director of Central Intelligence William J. Casey has been minding the store closely enough over the last two years.

The little-known federal management agency, which is responsible for conducting the government's civil security program against terrorism, sabotage and other civil disorders, is not officially part of the U.S. intelligence community and thus is not under Casey's jurisdiction, but Sen. Walter D. Huddleston (D-Ky.) has questioned whether it may have engaged in domestic spying.

Louis O. Giuffrida, who heads that agency, flatly denied that it has ever conducted such illegal operations. Huddleston refused to discuss

the matter, but it is understood that he intends to pursue it further.

These issues have emerged against the background of widespread concerns in Congress that the Central Intelligence Agency's covert operations in support of Nicaraguan insurgents are skirting the law and that the Reagan Administration is blurring the fine separating the CIA and the FBI on counterintelligence activities in the United States.

Casey, through a spokesman, refused to answer questions about the Army's Intelligence Support Activity unit, including one about whether he was aware of the unit's creation from the start.

Administration officials said that Casey directed the Army agency to undertake at least two of the 10 covert missions the unit has undertaken to date. But it remains unclear when he was personally told about the formation of "the Activity," as the unit is known to some of those who have been associated with it.

As pieced together from discussions with various U.S.

government officials, the Intelligence Support Activity was created in the wake of the abortive Iranian hostage rescue attempt in April, 1980. Military officers, particularly in the Army, considered the CIA's support efforts to have been inadequate.

Some CIA agents in Iran at the time were Iranian exiles sent back to gather intelligence. One complaint by military officers was that one of those agents could not drive a jeep into Tehran to check out the occupied U.S. Embassy and nearby helicopter landing areas.

But more generally, one official said, "the agency (CIA) people were preoccupied with keeping their cover and could not provide equipment or information for the (rescue) operation. They had enough to do covering their skins. The military decided that they needed their own outfit to collect intelligence on areas where they are asked to fight."

Little tangible was done in 1980, however. Although several published reports maintain that the unit was started in 1980, former Director of Central Intelligence Stansfield Turner said last week that the agency "did

not exist, as far as I knew, during my tenure." Turner headed central intelligence until January, 1981.

Another former intelligence official from the Jimmy Carter Administration said, "This kind of unit had been discussed at the Pentagon for a long time, but no

decision was made on it until the Reagan Administration took over."

Richard G. Stilwell, a retired four-star Army general, apparently picked up the issue in 1981 when he became

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12 May 1983

Andropov's chaps not needed here

We have been amazed by the recent mass expulsion of Soviet diplomats, journalists and assorted embassy personnel who have been given their walking papers for spying on their host governments. The number itself (70 so far this year) is impressive, but so is the number of countries that have declared the Soviets persona non grata, which include Australia, Britain, Canada, West Germany, France and the United States.

We don't know how difficult it was for Yuri Andropov's former chums in the KGB to ferret out state secrets in any of those countries, except of course in the case of the United States. Based on information accumulated in the three weeks since we expelled three Soviet diplomats for undiplomatic behavior, it seems clear that Yuri's people could have remained in Moscow Center (as thriller writers have christened it), and better spent their rubles on subscriptions to The Wall Street Journal and The New York Times.

The day after the director of the FBI told reporters that his agents had "foiled attempts by three Soviet officials to obtain classified information from the United States government," William Casey, the director of our own KGB (read CIA), released his blueprint for combating the Soviet challenge (and gains) in the Third World. Obviously the contents of such a document would be of immense interest to foreign agents, especially Soviet agents.

The manner in which this document fell into Soviet hands (for the price of 40 cents) is enlightening. Instead of keeping the details of his seven-point plan to "Regroup to Check the Soviet Thrust" in a safe at CIA headquarters, Mr. Casey had them published on the editorial page of The Wall Street Journal.

About the same time the Soviets got this information, President Reagan described what The New York Times called the Doomsday Scenario to reporters traveling with him on Air Force One. The scenario was played out against three days of war games and centers on how the White House would respond to a nuclear attack on the United States. In this version, as recounted by the President, he stayed on in the White House and got "killed," while Vice President George Bush escaped in a Boeing 747 to run what was left of the nuclear war and the country from 40,000 feet over the Washington wasteland.

Now the chairman of the Senate Select Committee on Intelligence, Sen. Daniel Moynihan, has charged the White House and senior administration officials of playing loose with national security information which was leaked to the press. Moynihan cites two stories this month in The New York Times— stories that foreign agents could have obtained for 60 cents, the price of

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WASHINGTON TIMES
11 MAY 1983

SOCIETY

Merry, merry month of gala after gala

Hollywood and the Federal City mingled at the Motion Picture Association of America last week when MPAA head Jack Valenti hosted a screening of MGM/UA's new movie "War Games." The film company paid for the bash, and Valenti supplied a dazzling array of Washington celebrities, including Sens. Ed Zorinsky, D-Neb., William Cohen, R-Me., and Pete Wilson, R-Ca., all of whom brought their wives. Sen. John Warner, R-Va., was in the company of tennis pro Kathy Kemper, of Georgetown University, and Rep. Pat Schroeder, D-Colo., was escorted by her handsome 16-year-old son Scott. David Stockman, director of the Office of Management and Budget, full of good words about Married Life, was there with his new bride Jennifer.

Rep. Ron Dellums, D-Ca., wife Roscoe, and anti-nuclear activist Dr. Helen Caldicott were on hand, as was CIA Director William Casey. Journalistic lights attending included WRC-TV anchorman Jim Vance, columnist William Safire, New York Times Washington Bureau Chief Bill Kovach and his charming wife Lynne.

The party was in honor of "War Games" producer Leonard Goldberg and director John Badham. Introducing Badham at dinner, Valenti described the director as, "obscenely young, which I define as anyone younger than I am." He went on to say that the cinematic landscape is "cluttered with young geniuses" of late, and that Badham is one of them. Badham is hot this summer, with "Blue Thunder" and "War Games" both expected to do fast business.

After drinks and a buffet supper, the guests trooped into the MPAA screening room and watched "War Games," a thriller

that stars Matthew Broderick as a teen-aged electronics whiz who accidentally plugs into a Defense Department computer and almost sets off World War III — a similar premise to that used in the 1964 film "Fail-Safe." Nevertheless, almost everyone enjoyed the film, which Bill Safire described as "a nuclear 'E.T.'"

— Scott Sublett

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10 MAY 1983

Congress also has a role in deciding U.S. interests

What business does the Sandinista regime of Nicaragua have in trying to overthrow the government of neighboring El Salvador? None whatsoever. "It is the ultimate in hypocrisy," President Reagan declared in his televised address to a joint session of Congress, "for the unelected Nicaraguan government to charge that we seek their overthrow when they are doing everything they can to bring down the elected government of El Salvador."

By the same token, though, what business does the United States government have in trying to overthrow the Sandinista regime, repressive as it is to its own people, unfriendly as it is to the United States?

For several months the CIA has been arming and training some 3,000 to 4,000 anti-Sandinista guerrillas, many of them partisans of the repressive Somoza regime that the Sandinistas overthrew. It has been engaged in this "covert" action that everyone knows about notwithstanding the Boland amendment that Congress adopted last December prohibiting the United States from providing covert aid to military forces "for the purpose of overthrowing the Sandinista regime."

Mr. Reagan's response to that has been disingenuous at best. "We do not seek its overthrow," he declared in his address. "Our interest is to ensure that it does not infect its neighbors through export of subversion and violence. Our purpose, in conformity with American and international law, is to prevent the flow of arms to El Salvador, Honduras, Guatemala and Costa Rica."

Taking him at his word, and ignoring a last-minute warning by CIA director William J. Casey of a possible "bloodbath," the House Select Committee on Intelligence has approved a measure specifically prohibiting the use of funds "for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual."

The committee also, however, au-

thorized \$80 million for overt aid to "any friendly government," meaning for the most part El Salvador and Honduras, to interdict the flow of arms to El Salvador from Nicaragua or anywhere else, like Cuba and the Soviet Union.

In an Oval Office news conference, Mr. Reagan, referring to the Nicaraguan insurgents as "freedom fighters," denounced the committee vote as "literally taking away the ability of the executive branch to carry out its constitutional responsibilities." That's not the issue. Members of Congress, also elected by the people, also have the constitutional responsibility to make their own judgments as to whether the policy of the executive branch is in accord with America's national interests.

This policy is not. The House panel's counterpart in the other body, the Senate Select Committee on Intelligence, has made its own judgment. It has voted to put the administration on a short leash, allowing funds for covert operations in Latin America to continue through Sept. 1 but insisting on Congress's right to grant or withhold approval of specific covert operations.

Beyond that, the issue is not simply that the administration is doing what it denounces others for doing, and doing what it says it is not.

The issue is that what the administration is doing is leading into a blind alley.

Support of the detested Somocistas is a sure way of uniting Nicaraguans behind the Marxist-oriented Sandinistas, whose violations of human rights and mismanagement of the economy have disenchanted so many Nicaraguans who once supported them. It is also a sure way of raising throughout Latin America the specter of an "imperialist" United States that intervenes at its own will or whim in Latin American affairs.

The United States has the right to stop any flow of arms from Nicaragua. It ought not to encourage the flow of support to the Sandinista regime.

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COVER STORIES

Harsh Facts, Hard Choices

Reagan appeals for aid against the menace in Central America



One congressional committee voted to cut the military aid he requested for besieged El Salvador. Another sought to ban covert U.S. operations against the aggressive leftist regime in Nicaragua. Polls showed that few voters shared his critical concern over Central America and even fewer wanted the U.S. to become involved in the problem. Yet because he fervently believes his policies are vital to the future of the hemisphere, Ronald Reagan made a bold but politically risky appearance last week before a special joint session of Congress. "A number of times in the past years, members of Congress and the President have come together in meetings like this to resolve a crisis," he said. "I have asked for this meeting in the hope that we can prevent one."

For such a grand occasion, the financial commitment sought by Reagan seemed piddling. As he put it, "The total amount requested for aid to all of Central America in 1984 is about \$600 million; that is less than one-tenth of what Americans will spend this year on coin-operated video games." But failing to make such an investment, he insisted, would have dire consequences. "The national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our alliances would crumble, and the safety of our homeland would be put at jeopardy."

Whether Reagan succeeded in heading off a crisis will not be known for months, perhaps years, but his speech could only have helped. It was one of the best of his presidency, forceful yet temperate, without the belligerent anti-Soviet rhetoric that has at times made his foreign policy pronouncements seem more simplistic and militaristic than in fact they are. "It was a model of teamwork," exulted National Security Adviser William Clark at a meeting of Reagan's senior staff the next morning, reflecting the White House's jubilation over the speech.

The reaction on Capitol Hill was restrained. Congressional critics have been sullen and uneasy about the possibility of becoming involved in a no-win commitment in Central America, but most members are wary of an outright confrontation with the Administration.

Hanging over the dispute, as well as almost every other discussion of U.S. intervention abroad for the

chill specter of Viet Nam. Out of fear of repeating that colossal misadventure, Americans have seized hold of its lessons, perhaps inaccurately, perhaps obsessively. There is a strong aversion to undertaking any commitment to shore up threatened pro-American regimes in the Third World, no matter how strategically important they are, and a reluctance to believe that the countries of a region could topple like dominoes, no matter how compelling the evidence of spreading subversion. This is particularly true of Central America, where the political vulnerability clearly also has indigenous causes, including widespread poverty and decades of governmental ineptitude and human rights abuses. "Everyone in Congress is steeped in Viet Nam," says Republican Congressman James Leach of Iowa. "We in Congress abdicated responsibility then, and no one wants to do it again."

In his speech, Reagan confronted the issue directly, as if trying to exorcise its paralyzing spell. "Let me say to those who invoke the memory of Viet Nam: there is no thought of sending American combat troops to Central America." This prompted the night's most thunderous ovation, one that was sustained on both sides of the aisle. (It also drew some querulous editorial fire. The *New York Times*, referring to his pledge not to send in combat troops, asked, "If the stakes are as he says, why on earth not?") In the televised Democratic response, Senator Christopher Dodd of Connecticut invoked Viet Nam as an argument against the Administration's policies in Central America. "The American people know that we have been down this road before," he said, "and that it only leads to a dark tunnel of endless intervention."

Simply by using a joint session of Congress to turn the spotlight once again on El Salvador, Reagan may have elevated a nagging foreign policy problem into a prominent campaign issue for 1984. Says one of his top political advisers: "It's waving a red flag. It's raising the urgency. It reminds me of Lyndon Johnson's escalating the Viet Nam War."

Yet counterbalancing these concerns, both within the Administration and in Congress, is the fear of being

blamed for losing El Salvador and the rest of Central America. Explains Reagan's chief of staff, James Baker: "We do not want a Central American country to go Communist on our watch. We are pointing out to Congress that it shares that responsibility." Indeed, one reason that Congress has thus far been willing to give Reagan at least half a loaf in his requests for Salvadoran aid is the realization that the fragile regime might otherwise fall to Communist rebels, an event that could not only endanger U.S. security but also prove a political liability for those responsible. By taking his case to Capitol Hill, Reagan made it clear he would hold members accountable if they thwarted his policies. His concluding line: "Who among us would wish to bear responsibility for failing to meet our shared obligation?"

Reagan went to great pains to stress that saving Central America was a bipartisan burden. The only two Presidents he invoked were Democrats. He read at length from Harry Truman's 1947 speech to Congress arguing that international

Communism must be contained and praised Jimmy Carter because he "did not hesitate" to send arms to El Salvador when the rebels launched their "final offensive" in the fall of 1980.

One specific bipartisan bow was the appointment of a special envoy to seek a peaceful solution in Central America. This was the brainchild of Maryland Congressman Clarence Long, chairman of the Appropriations subcommittee that handles foreign aid. Long and his colleagues, however, were disappointed by Reagan's choice of former Democratic Senator Richard Stone of Florida (see box). They feel Stone is too aligned with the current Administration, for which he has undertaken several diplomatic missions in Central America, and with the deposed right-wing dictatorship of Fernando Romeo Lucas Garcia in Guatemala, for which he served as a paid lobbyist. The White House held up the appointment for a day while aides assessed Stone's chances for confirmation by the Senate. Many

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WASHINGTON POST
8 MAY 1983

U.S.-Backed Nicaraguan Army Swells to 7,000

By Don Oberdorfer and Patrick E. Tyler

Washington Post Staff Writers

In December, 1981, the CIA informed congressional oversight committees that it had begun building a highly trained commando force of 500 Latins to strike at targets in Nicaragua. Sixteen months later, this force has swelled to an army of 7,000 Nicaraguan men with ambitious political goals and uncertain U.S. control.

Members of the House and Senate Intelligence committees said in interviews that growing concern about the size of this CIA-supported army, its objectives and the question of control over it were major factors in their decisions last week to put brakes on the "secret war" in Central America.

Information now available from a variety of sources, viewed with the benefit of hindsight, raises questions about the candor of the CIA briefings for members of the Intelligence committees. Nevertheless, most of the lawmakers interviewed said they still believe they were informed accurately about details of the operation at every step.

The central problem for many of them, they said, was the growing contradiction between the limited objectives

that Reagan administration officials stated for the covert operation in a dozen secret briefings on Capitol Hill and the ceaseless, sometimes startling growth of the insurgent force and the shifting focus of its activity from one month to the next.

"There is no question that the numbers increased far beyond what the committee anticipated," said Rep. William F. Goodling (R-Pa.). "I think as the force increases and diversifies, controlling it would be an impossibility."

Rep. Lee H. Hamilton (D-Ind.) said, "The committee kept track of it pretty well, but it got out of hand." Once this happened, he said, "there were great restraints on the capability of the committee to turn it around."

"What was particularly difficult for Congress," said Sen. Daniel Patrick Moynihan (D-N.Y.), "was that the definition kept changing of what the objectives were, and when the president proclaimed these people to be 'freedom fighters' there was an unmistakable sense that we were not fully apprised of the purposes."

Initially, administration officials characterized the missions of the secret army as the interdiction of arms traffic through Nicaragua to leftist rebels in El Salvador and the

exertion of pressure to force the leftist Sandinista leadership of Nicaragua to "look inward" rather than exporting revolution, according to participants in the congressional briefings. Additional objectives, added months later, were to pressure the Sandinistas to be more democratic and to go to the negotiating table.

Despite President Reagan's reference last Wednesday to the CIA-supported anti-Sandinista guerrillas as "freedom fighters," his administration did not suggest in briefings for Congress that the secret army's real purpose was to bring down the Nicaraguan government.

Increasingly, though, the very size of the secret army, the intensity of its attacks inside Nicaragua and explicit statements by its leaders appeared to outpace the limited purposes outlined to Congress.

By the administration's figures, the 7,000 U.S.-backed Nicaraguan guerrillas now outnumber the 6,000 communist-backed guerrillas whose threat to the government of nearby El Salvador was the original justification for the CIA effort. In meetings with congressmen and senators, CIA Director William J. Casey has refused to set any limit on the ultimate size of the force, made up of Nicaraguan exiles of various factions and native Miskito Indians.

In the last week, the House Intelligence Committee voted to ban covert actions in Nicaragua, the Senate committee voted to permit continuation of the actions for a limited time subject to legislative approval, and Reagan stepped up his appeals for public support of the Nicaraguan insurgents.

Taken together, these events represent the most serious struggle between the executive branch and the congressional committees overseeing the intelligence agencies since the committees were established as permanent arms of the two houses in 1976 and 1977.

The congressional oversight machinery was created to establish, under law, the authority of the legislative branch of an open and democratic government to monitor executive activities that are secret, sensitive and have the potential for major international repercussions. As pioneers in an area where the legislative bodies of most other nations do not tread, the congressional committees operate in a twilight zone, where both sides are still feeling their way.

Unless a consensus can be formed in the coming weeks and months, the struggle over undercover action in Central America could bring about an even more serious crisis between Congress and the Reagan White House. Should the administration persist in backing the insurgents against increasingly explicit opposition in Congress, the stage would be set for a battle of constitutional proportions involving war and peace, and the power to commit the United States to the use of force abroad.

News restraint on secrets asked for by CIA director

Director William J. Casey of the Central Intelligence Agency has called on the media to use "a strong sense of responsibility" in reporting news about security matters.

"I am not persuaded that a journalist must print any alleged intelligence information he or she receives because 'someone else will print it anyway,'" Casey said. "Nor am I convinced by the argument that if a reporter obtains some information, it is then correct to assume our adversaries' intelligence organization must also have it.

"These are specious justifications."

Casey declared that the CIA has tried—and will continue to try—to help reporters get accurate information when this can be done without endangering CIA sources of information or otherwise hampering the CIA in its primary task of providing foreign affairs analysis and information to the nation's leaders.

"We in intelligence and journalists share the common responsibility of protecting sources," Casey said. "Perhaps this can lead to a better understanding of each other's concerns. We should both benefit."

Casey's speech—a wide-swinging discourse on relations between the press and the intelligence community—was delivered (April 13) at a dinner at Georgetown University in Washington, D.C., marking the presentation of the annual Edward Weintal prize in the field of diplomatic reporting. The \$5,000 prize was split this year between William Beecher, Washington-based diplomatic reporter for the *Boston Globe* and Andrew Stern, professor of journalism at the University of California at Berkeley. The prize is named after the late diplomatic correspondent of *Newsweek* magazine.

"I would ask you to keep in mind that irresponsible exposure in the press of alleged intelligence operations—correct or incorrect—creates very real problems for us," Casey told his audience, mostly journalists. "We must protect our sources and methods and often cannot correct inaccurate stories . . .

This is not to say there can never be a dialogue between intelligence and the press . . .

"I have been gratified by the readiness of journalists to carefully consider withholding publication of information which could jeopardize national interests and to treat a story in a manner which meets the public need as they perceive it, yet minimizes potential damage to intelligence sources."

"The trick is to recognize the potential for damage and to consult on how it might be minimized. We are anxious to do this."

Casey said inaccurate stories still appear, including accounts that said the CIA was reluctant to get involved or take seriously the investigation into the shooting of the Pope. He said the press can be surprisingly selective in what it prints.

"In February of this year, when five men in Miami were convicted of conspiring with Cuban government officials to smuggle drugs into southern Florida, I was surprised there were no reports in such national newspapers as the *New York Times* or the *Washington Post* despite the fact that one of the men testified that the Cuban government planned to 'fill up the United States with drugs.'"

"The connection between the narcotics trade, terrorism in the destabilization of governments and the organization and support of insurgencies is a story which can bring a Weintal prize, or a Pulitzer prize, or both . . ."

Senate panel authorizes covert aid

But seeks redefinition of policy on Nicaragua

By ALFONSO CHARDY
 Herald Washington Bureau

WASHINGTON — In a partial victory for Reagan Administration policies in Central America, the Senate Intelligence Committee on Friday authorized temporary continuation of covert support for Nicaraguan rebels fighting the Sandinista government.

The 15-member committee, in a nearly unanimous vote, approved compromise legislation calling upon President Reagan to submit a new "finding" — or redefinition — of precisely what the administration seeks to accomplish in Nicaragua before money will be approved for fiscal 1984.

The committee set the 1984 funding authorization for the covert operation at \$19 million, depending on acceptance of the redefinition.

The Senate panel had been expected to follow the lead of the House Intelligence Committee, which on Tuesday voted 9-5 to suspend funding for the covert operation.

In its place, the House legislation would set up an \$80-million fund for U.S. aid to "friendly nations" in the region, allowing them to openly pursue the same goals as the covert activity: halting alleged arms shipments from Nicaragua to leftist guerrillas in El Salvador.

The committee actions must be

taken up by the full House and Senate. If they survive in their present forms, they will go to a House-Senate conference committee, which will iron out the differences.

Members of the Senate Intelligence Committee declined to give a vote breakdown on Friday's action at their secret session, saying only that it was nearly unanimous.

The Senate committee said Reagan must present his new "finding" by Sept. 30, the end of fiscal 1983, if he hopes to get funding authorization for 1984.

Once the finding is submitted, the committee will convene for a vote. If the panel approves the finding, the CIA will be authorized to continue assisting the Nicaraguan rebels.

The decision was a compromise between those who wanted to end the covert operation and those who supported the administration.

Legal experts in the intelligence community said the committee action would, for the first time, have the effect of giving the congressional intelligence units veto power over a covert operation.

Until now, procedures governing the relationship between the CIA and the congressional intelligence panels required only that the president notify them that he intended to launch a covert action. No formal committee approval has been necessary.

The Senate Intelligence Committee action was disclosed at a rare news conference by Sen. Barry Goldwater (R., Ariz.) and Sen. Daniel Moynihan (D., N.Y.), committee chairman and vice chairman respectively.

The news conference came shortly after the committee voted. In attendance for the vote were William Casey, CIA director; Thomas Enders, assistant secretary of state for inter-American affairs; and Fred Ikle, under secretary of defense. All three urged the committee to continue the operation as funded origi-

nally 18 months ago.

The initial finding submitted in late 1981 reportedly requested \$19.9 million to assist the Nicaraguan rebels. The intelligence panels limited the program to halting Nicaraguan arms shipments to Salvadoran guerrillas. They forbade working for the overthrow of the Nicaraguan government.

However, several members of the intelligence committees, including Moynihan, charged that the administration had violated the congressional restrictions by seeking to oust the Sandinistas.

The Senate intelligence oversight committee, after much discussion, passed what we call 'Alternative Three' instead of the amendment that had been offered which would have terminated covert action now," Goldwater said at the news conference.

Sen. David Durenberger (R., Minn.) had offered the so-called "Alternative Two" aimed at terminating "the President's covert action program," according to an intelligence committee document released after the vote. It said that "Alternative One," supported by Casey, Enders and Ikle, would have left the covert action as it is.

Goldwater said he spoke to President Reagan by telephone Thursday to outline the measure finally approved. He said Reagan reluctantly agreed to it.

"He would have been happier if we had left the whole thing alone, but that was not the will of the committee," said Goldwater. He also said the CIA had urged Reagan to submit a redefinition of the operation, apparently in an effort to reduce the controversy over the current program.

"Within one month at the most, we'll have a new position on Central America," Goldwater added. "I think it's perfectly plain to the President that we want a redefined position on Central America."

He said the new finding should contain, "in plain language," what Reagan intends to do in Nicaragua.

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THE WALL STREET JOURNAL
5 May 1983

Reagan Seeks Money for Covert Activity In Nicaragua as House Moves to Ban It

By GERALD F. SEIB

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—At the same time the House is beginning a drive to eliminate U.S. covert activities in Nicaragua, the Reagan Administration has determined that it will need more money to continue the operations, officials said.

While the amounts involved aren't large, the need for them creates a prickly political problem. It could give additional ammunition to lawmakers who argue that the U.S. risks getting drawn in too deeply in its covert program.

Congress earlier approved about \$20 million for the covert activities around Nicaragua this fiscal year, which ends Sept. 30, administration officials said. Now the Central Intelligence Agency has determined that about \$11 million more will be needed, according to officials in both the House and Senate familiar with the operations.

Contingency Funds

Administration aides, who acknowledge that more money is needed, say the covert activities are designed to stop the flow of arms from Nicaragua to leftist rebels in El Salvador. The additional money probably would be drawn from a pool of contingency funds set up for intelligence operations and therefore wouldn't have to be specifically appropriated by Congress, congressional officials said.

Yet many lawmakers, particularly Democrats, are starting to have doubts about spending any more money in the covert program. The House Intelligence Committee Tuesday approved a bill that would cut out funding for all U.S. covert programs in Nicaragua. The bill was introduced because of congressional fears that the Reagan administration was aiding armed bands trying to overthrow Nicaragua's leftist government.

But that bill would have to be passed by the full House and the Republican-controlled Senate before it could become law, and its chances of survival in the Senate aren't high. In addition, lawmakers said, it could be vetoed by President Reagan.

'Keep Right on Fighting'

The president has indicated that he isn't prepared to end the covert operation. He told reporters at a diplomatic reception Tuesday night that "we'll keep right on fighting" for the program.

And yesterday, Mr. Reagan assailed the House panel's vote as "irresponsible" and

"partisan" and said it would "set a very dangerous precedent." In an interview with six journalists, he continued to insist that the U.S. isn't sending any covert aid for the purpose of trying to overthrow Nicaragua's government.

He said the "freedom fighters" receiving American aid simply want the Nicaraguan government to keep its previous promises about holding free elections and guaranteeing democratic rule. Rather than trying to replace the Nicaraguan regime, he said, the groups are merely "asking it to go back to its revolutionary promises."

Open Program

The House panel's bill would replace covert aid with an open program to cut off arms flowing from Nicaragua and Cuba to the Salvadoran rebels. The bill authorized the president to send \$30 million in assistance this fiscal year and \$50 million next year to friendly countries in the region that will set up arms-interdiction programs.

Mr. Reagan said yesterday that he would accept a plan for such open aid only if Congress didn't place undue restrictions on the aid. The only alternative, he said, would be to depend on other nations to funnel assistance to resistance groups, a course the president said he finds undesirable.

The additional funds for continuing the covert activities are needed because U.S.-backed forces have become busier and are operating in more territory, administration aides said. They insisted that it is impossible to predict precisely how much such operations will cost, and asserted that additional funds wouldn't alter the purposes of the program that have been outlined to Congress.

Nevertheless, some officials said the discovery that more funds were needed has made some White House aides unhappy with CIA Director William Casey. White House aides have suggested before that he doesn't manage the agency closely enough and has created political problems in his dealings with Congress.

But other officials think Mr. Casey has been victimized by lower-ranking intelligence professionals in the CIA, who realized that more funds would be needed but put off notifying Mr. Casey and Congress earlier. Many career officials at the CIA are uncomfortable with the covert program in Central America because they fear it could grow out of control and embarrass the intelligence community.

LOS ANGELES TIMES
5 MAY 1983

Reagan Defends Covert Rebel Aid in Nicaragua

By GEORGE SKELTON,
Times Staff Writer

WASHINGTON—President Reagan said Wednesday that Congress would set "a very dangerous precedent" if it cut off covert aid to guerrilla "freedom fighters" in Nicaragua, implying that they have as legitimate a right to represent the citizens of Nicaragua as does the Sandinista government.

Asserting that the leftist Sandinistas came to power "out of the barrel of a gun," Reagan asked rhetorically: "Other than being in control of the capital and having a handle on all the levers, what makes them any more a legitimate government than the people of Nicaragua who are asking for a chance to vote for the kind of government they want?"

Not Just Salvador Arms

Many of the guerrillas now battling the Nicaraguan government are disillusioned former revolutionaries who fought with the Sandinistas when they overthrew the military dictatorship of Anastasio Somoza in 1979, Reagan said. But they were "betrayed," the President declared, when the Sandinistas, after seizing power, refused to keep their promises to call elections and move toward democracy.

Reagan, answering questions from six reporters during a 35-minute interview in the Oval Office, took his argument for providing covert aid to the Nicaraguan guerrillas a step beyond his previous statements—that the sole purpose of the assistance is to help sever the Sandinistas' supply of arms to the rebels battling U.S.-backed government troops in El Salvador.

The President acknowledged that the Nicaraguan guerrillas are using U.S. arms against the Sandinista government and did not express concern about it.

A law, signed in December by Reagan as an amendment to an appropriations bill, forbids U.S. assistance "for the purpose" of overthrowing the Nicaraguan government or provoking a military confrontation between Nicaragua and neighboring Honduras.

Reagan on Wednesday sloughed off the issue of whether the U.S.-supported guerrillas are trying to overthrow the Nicaraguan government, declaring "these forces that have risen up in opposition to the Sandinista government are people who simply want this government of Nicaragua to keep its promises."

"Many of these people are businessmen whose businesses have been taken over," Reagan said. "They are farmers whose land was seized by this government."

And they're protesting this violation of what had made them support the revolution to begin with.

Using this and other reasoning, Reagan several times in the interview referred to the Nicaraguan guerrillas as "freedom fighters." But he said the rebels in El Salvador are "guerrillas," not freedom fighters, "because they've got freedom" already and "are fighting against an elected government."

The Democratic-controlled House Intelligence Committee, on a 9-5 party-line vote, approved legislation Tuesday to cut off funds for covert operations by the anti-Sandinista rebels. The measure authorizes overt aid to Central American nations for the purpose of interdicting arms supplies from Nicaragua and Cuba to guerrillas attempting to overthrow governments.

Reagan criticized the political "partisanship" of the committee vote. And he said that if the proposal ever became law, "it would set a very dangerous precedent" by "literally taking away the ability of the Executive Branch to carry out its constitutional responsibilities" to conduct foreign policy.

The President objected to "the restrictions" the committee voted to put on any overt aid—limitations such as allowing it to be earmarked only for governments, not guerrillas. He said the other Central American governments might not want to "give that money to the freedom fighters in Nicaragua."

Again defending the supplying of U.S. aid to the Nicaraguan guerrillas, Reagan said, "The whole purpose of the Sandinista government seems to be not only (helping rebels in) El Salvador, but the export of revolution to other nations." He cited Honduras and Costa Rica as being "plagued by radicals in their midst who are encouraged by the Sandinista government."

Earlier, White House spokesman Larry Speakes, reading a prepared statement, complained that cutting off covert aid would "tie our hands" and amount to "an unnecessary restriction" in "influencing Sandinista behavior." He said the legislation would "acquiesce in the ongoing use of Nicaraguan territory as a sanctuary for (Salvadoran) insurgents."

Meanwhile, The Times learned that CIA Director William J. Casey told members of Congress this week that if U.S. funds for covert operations were cut off, the anti-Sandinista effort would essentially crumble. He said the FDN (Nicaraguan Democratic Force) guerrillas have relied heavily on U.S. funds, training and arms.

The question-and-answer session with Reagan was the second of its kind recently in which presidential advisers, seeking to make the President more accessible to the press, have invited six White House reporters to interview him.

The interviewers have represented a mixture from the press corps and this time was composed of reporters from the Dallas Morning News, Copley Newspapers, The New York Times, U.S. News & World Report, NBC-TV and the New York Daily News. The Oval Office session was piped by intercom to the rest of the press corps sitting in the White House press room.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

May 5, 1983

REMARKS OF THE PRESIDENT
IN INTERVIEW WITH
REPORTERS GEORGE CONDON OF COPLEY NEWS SERVICE,
BRUCE DRAKE OF THE NEW YORK DAILY NEWS,
SARA FRITZ OF U.S. NEWS AND WORLD REPORT,
CARL LEUBSDORF OF THE DALLAS MORNING NEWS,
CHRIS WALLACE OF NBC,
AND
STEVE WEISMAN OF THE NEW YORK TIMES

The Oval Office

2:09 P.M. EDT

Q Mr. President, the Roman Catholic Bishops, as you know, voted overwhelmingly yesterday in favor of a resolution calling for a halt in the nuclear arms race. Is that going to complicate your administration's efforts in trying to head off the nuclear freeze movement?

THE PRESIDENT: No, I don't really think so, particularly if those of you who are going to be commenting on this will wait, as we have to, until we have a chance to see the 45,000-word letter. I think that too much attention was being paid to the one word, "curb" or "halt," when you think there's 45,000 words in toto. We haven't received it yet. I have had some information in advance about it, which indicates that it really is a legitimate effort to do exactly what we're doing, and that is to try to find ways toward world peace. And if so, then we're both doing the same thing.

Q But isn't it true that if a number of leading Catholic Bishops -- archbishops, cardinals such as we've seen during this debate -- go around the country, either to their parishes or in other forms, and say, as they are saying, that we think nuclear -- the use of nuclear weapons is wrong -- and some of them are saying, in fact, we see no way that nuclear weapons should ever be used -- isn't that going to have an influence on the debate?

THE PRESIDENT: Well, is it really? Is there anyone that really favors using those weapons or that wants to see them? Our own proposals in START and INF are aimed at reducing the number of nuclear weapons.

"WHAT'S THE GOOD OF BEING COMMANDER-IN-CHIEF
IF YOU CAN'T EVEN HAVE SECRET WARS?"



House Panel: End CIA Aid In Nicaragua

By ALFONSO CHARDY
Herald Washington Bureau

WASHINGTON — Ignoring a last-minute plea from CIA Director William Casey, the Democratic-controlled House Intelligence Committee voted Tuesday to end covert U.S. aid for Nicaraguan exiles fighting against the leftist government in Managua.

The straight party-line vote of 5-5 constituted a severe blow to President Reagan's embattled Central American policies.

The vote set the stage for the first major test of Capitol Hill sentiment since Reagan appealed to a joint session of Congress last week to support his approach to the strife-torn region.

"This is a great day in Managua — an exciting day in Managua for the Sandinistas, a great morale boost," Republican committee member C.W. (Bill) Young of Florida said with bitter sarcasm. Young opposed the action and unsuccessfully attempted to modify the vote with a CIA-backed amendment.

The bill is a long way from becoming law. It must pass the House Foreign Affairs Committee and the full House, and go through a similar process in the Republican-controlled Senate. Reagan could then veto it.

Congressional sources said Reagan apparently has the votes to turn back a similar attempt in the Senate Intelligence Committee. After a two-hour meeting Tuesday, the Republican-dominated panel put off action until Friday on an amendment by Sen. David Durenberger (R., Minn.), to terminate funding.

Asked at a diplomatic reception about the House panel vote, Reagan told reporters: "What we're doing is perfectly proper. We'll keep right on fighting. If they [the committee members] want to be in a position that's their business."

White House, CIA and State De-

partment strategists hope to undo the House committee action before the bill ever reaches the President.

The CIA's Casey argued Tuesday that the U.S.-funded covert operations in Nicaragua were essential to the United States' credibility in Central America. In their heavy lobbying against the bill, administration officials had contended that two Central American governments might fall — Honduras and El Salvador — if the U.S. covert actions were discontinued.

Committee member Wyche Fowler (D., Ga.) said Tuesday's action would make continuation of covert activities "difficult." He indicated that the committee expects the CIA to start winding down the covert operation soon and to order the anti-Sandinista exiles to begin a withdrawal from Nicaraguan territory.

A provision in the bill that would give the CIA 45 days to "disengage" from the anti-Sandinista forces did not appear in the version approved by the committee. Staff members said a specific time limit was approved, but would not be made public. Fowler said the change was made to permit a "safer" withdrawal of the CIA-backed forces, so the Sandinistas would not be warned in advance.

The committee, which met for five hours, also approved an \$80-million fund to help "friendly" nations in Central America to interdict

Nicaraguan and Cuban arms shipments to Salvadoran guerrillas and insurgents in other nations of the region.

Details of how the committee wants the \$80-million fund spent have not been spelled out, but some members say the Pentagon could replace the CIA in providing intelligence data, equipment, arms and communications and transportation equipment to the governments of Honduras, El Salvador and Guatemala to stop the flow of arms from Nicaragua and Cuba to insurgents in their regions.

One thing committee members made clear is that the CIA must not administer the program. "Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance," the bill says.

The committee dropped a flat prohibition on taking any military action "against" Nicaragua, which appeared in the original wording. Fowler said the restriction was deleted to allow the United States to assist Honduras in case of a Nicaraguan attack on that country.

"Our committee has done what the majority of the members of the committee believed had to be done, and that was to cut off covert operations in Nicaragua," said Rep. Edward Boland (D., Mass.), chairman of the intelligence panel and principal author of the bill.

"By and large, I think that what this committee has done is in the interests of our government, and I think that what we were doing in that area was counterproductive," Boland said.

"The bottom line," Boland said, "was that covert action ought to be cut off, and we ought to turn that action into an overt action, and that's exactly what we did."

Fowler, responding to Young's criticism that the vote would aid the Sandinistas, said that the action "in no way could be construed as a favor to the Sandinista government."

"It was a decision of our committee that the covert-action policy of the United States was simply contrary to the best interests of the United States of America. It was having the opposite effect for which it was initially intended. Instead of helping remove repression and remove censorship by the San-

Intelligence committee votes to halt CIA support for rebels in Nicaragua

By Henry Trehwitt

Washington Bureau of The Sun

Washington — Dividing along party lines, the House Intelligence Committee voted 9-5 yesterday to forbid covert U.S. support for insurgents in Nicaragua, but approved money to block the flow of Nicaraguan arms to guerrillas in other countries.

The decision was a severe setback for the administration. It had lobbied until the last minute for less restrictive legislation.

Administration officials said they will continue to fight as the bill goes to the House Foreign Affairs Committee and ultimately to the entire House for action. Like the Intelligence Committee, both have Democratic majorities.

Representative Edward P. Boland (D, Mass.), the committee chairman, conceded that the vote yesterday was only a "first step. . . . This is not the end of the ball game by any means."

As it now stands, the bill would shut off funds for Central Intelligence Agency support of at least two insurgent groups now operating in Nicaragua against the Sandinista government.

The administration says its purpose is to interdict arms flowing from Nicaragua to guerrillas elsewhere, mainly in El Salvador. But the opponents of present policy say it violates existing legislation that forbids

U.S. efforts to bring down the Nicaraguan government.

Mr. Boland and Representative Wyche Fowler, Jr. (D, Ga.), who met reporters after the vote, condemned Nicaragua for exporting revolution. Mr. Fowler said he agreed with President Reagan's objectives but disagreed with his methods. "We decided that the covert operation was contrary to the interest of the United States," he said.

As it is currently conducted, he argued, the undertaking fuels both internal and international support for the Sandinistas.

He and Mr. Boland urged the administration to develop plans to fund other efforts to interdict the flow of Nicaraguan arms directed against other countries in the region. The committee recommended \$80 million in special aid for that purpose — \$30 million this year, \$50 million next.

Even before the committee began five hours of meetings yesterday, administration officials conceded that they probably had lost the argument. But William J. Casey, the CIA director, and Thomas O. Enders, assistant secretary of state for Latin America, appeared before the committee with several lower-ranking officials to make a final appeal.

"We're disappointed," a senior administration spokesman said later. But he added pointedly that the committee bill "faces other legislative hurdles."

The committee was careful to give the administration time to dismantle its operation in Nicaragua without endangering the insurgents it supports. As offered by Mr. Boland and Chairman Clement J. Zablocki (D,

Wis.) of the foreign affairs committee, the bill specified a shutoff of money 45 days after enactment of the legislation.

That provision was eliminated yesterday in favor of a period that was specified only in a portion of the bill that was not made public for security reasons. The purpose, Mr. Fowler said, was to permit "orderly disengagement" of U.S.-backed insurgents without letting the Sandinistas know the deadline.

Similar legislation is under consideration by the Senate Intelligence Committee, which has an 8-7 Republican majority, although some of the Republicans there are expected to favor more restrictive legislation. The administration appears reasonably confident, however, that it can prevent a vote there to shut off all covert operations.

Mr. Boland said he regards the committee bill as a vehicle for a thorough discussion of policy. In fact, he continued, he will ask for a secret session of the entire House, once the foreign affairs committee has acted, for a thorough debate over secret information.

Few Republicans on Mr. Boland's committee were available to comment later.

But Mr. Fowler said he hoped the administration would absorb the committee's message and reduce its commitment, although it "technically could continue" covert operations pending final action on legislation. A hint that the administration was listening closely to Congress came from yet another committee involved in Central America policy.

Without fanfare, the administration agreed to a delay in action on its request for \$50 million in supplemental military aid to El Salvador this year. It reached an understanding with Representative Clarence D. Long (D, Md., 2d), whose appropriations subcommittee has the request, to withhold action indefinitely.

In the meantime, administration officials told Mr. Long, they will make do with \$30 million in emergency funds his subcommittee approved

Panel snubs Ron plea on Nicaragua

By BARBARA REHM

Washington (News Bureau)—Only days after President Reagan pleaded with Congress in a nationally televised speech to support his policies in Central America, the House Intelligence Committee dealt a major blow to that policy yesterday, voting to end the CIA's covert support for a guerrilla campaign against the Marxist government of Nicaragua.

The vote set the stage for a possible confrontation between Congress and the White House over the President's prerogative to conduct a secret campaign as an instrument of foreign policy.

The last time Congress voted to stop such a covert operation was in 1975 when the Senate cut funding to guerrillas fighting Cuban-backed forces for control of the newly independent African nation of Angola.

On a 9-to-5 vote the committee approved a bill to cut off clandestine American support of the Nicaraguan insurgents in 45 days, allowing the CIA time to extricate itself from the conflict. The bill would replace the covert assistance with an \$80 million fund to help friendly Central American nations halt the flow of weapons to leftist rebels in the region.

THE BILL, sponsored by Reps. Edward Boland (D-Mass.), chairman of the Intelligence Committee, and Clement J. Zablocki (D-Wis.), chairman of the House Foreign Affairs Committee, has the support of the Democratic leadership in the House. However, it still must be approved by the full House and the Republican-controlled Senate before it becomes law. Passage of the measure in the full Senate is considered unlikely.

Before the vote, CIA director William J. Casey and Assistant Secretary of State Thomas O. Enders met with the Intelligence Committee for three hours in closed session to urge lawmakers to approve some measure short of an outright ban on assistance to the Nicaraguan rebels.

Administration officials say there are about 3,000 guerrillas fighting inside Nicaragua. Those rebels, known as "contras", include some members of the old National Guard of the late dictator Anastasio Somoza, who was ousted in the 1979 revolution.

The administration has insisted the only purpose of the covert campaign is to stop the flow of weapons to the Salvadoran rebels. But several key members of the House and Senate Intelligence committees charged the administration was violating a 1982 law which bans U.S. aid for the purpose of overthrowing the Sandinista regime in Nicaragua or provoking a war between Nicaragua and Honduras.

4 May 1983

ARTICLE APPEARED
ON PAGE 1

House panel votes to cut off covert aid

From combined dispatches

In a blow to President Reagan's efforts to combat leftist inroads into Central America, the House Intelligence Committee voted yesterday to cut off covert aid to rebels fighting against Nicaragua's Marxist-oriented regime.

In a party-line vote, the Democratic-controlled committee decided 9-5 to eliminate CIA support for the rebels.

Reagan, asked about the vote while he chatted with ambassadors at a White House reception for the diplomatic corps last night, insisted, "What we're doing is perfectly proper" — apparently referring to the U.S. interdiction of supply lines into Nicaragua.

"We'll keep right on fighting," he told reporters. "If they (Congress) want to be irresponsible, that's their business."

Although it voted the fund cutoff, the committee approved an \$80 million fund to help "friendly" nations in Central America to interdict weapons going from leftist Nicaragua to guerrillas in other countries.

Aid to Nicaragua has enmeshed the Reagan administration in a controversy with Congress over whether it is being used to cut off supplies from Nicaragua to El Salvador or to help topple the ruling Sandinistas. The latter goal was banned last year by Congress when it approved funding.

Rep. Edward P. Boland, D-Mass., committee chairman, said the committee voted the aid cutoff because "What we were doing in that area was counterproductive."

Boland said there was "no question that Nicaragua is in violation of international law" in its support for

The committee acted after meeting behind closed doors with CIA Director William Casey and Assistant Secretary of State Thomas Enders.

Despite the setback in the House, congressional sources said Reagan apparently has the votes to turn back a similar attempt in the Senate Intelligence Committee. After a two-hour meeting, the Republican-dominated panel put off action until

Friday on an amendment by Sen. David Durenberger, R-Minn., to terminate funding.

Rep. C.W. Young, R-Fla., a committee member, said sarcastically the vote made it "an exciting day in Managua for the Sandinistas — a great morale boost."

The bill, against which the Reagan administration lobbied vigorously, also will be considered by the House Foreign Affairs Committee and then will be voted on by the full House.

Rep. Wyche Fowler, D-Ga., chairman of the House Intelligence subcommittee overseeing CIA covert actions, said the committee's vote could effectively force an end to U.S. support for attacks against Nicaragua.

"I feel that the impact of the committee's action makes that (continuation of the covert activities) difficult," Fowler said.

Although the bill calls for cutting off the covert aid, the committee deleted a 45-day time limit for withdrawal.

Boland said the bill retains a time limit for extricating CIA-supported

forces from Nicaragua, but the time span will be included in a classified part of the bill.

Fowler said that change was made to permit a safer withdrawal of CIA-backed forces.

Fowler said the covert actions had only served to "strengthen internal and international support for the Sandinistas."

In one change, the committee dropped a flat prohibition against the United States taking any military action "against" Nicaragua. Fowler said that restriction was deleted to permit, for instance, the United States to assist Honduras in the event of a Nicaraguan intrusion into its territory.

The administration insists that its actions in the area are intended to stem the flow of weapons from Nicaragua to leftist rebels in El Salvador, and are not intended to overthrow the Nicaraguan government. However, some CIA-backed insurgents have declared openly that their goal is to oust the Sandinistas from power.

The administration pressed the committee to approve something short of an outright ban on assistance to the Nicaraguan rebels.

Asked about the legislative battle, Speaker Thomas P. O'Neill Jr. said, "We ought to have lived up to the Boland amendment. That was a compromise bill at that time."

Nicaraguan soldiers crush new rebel offensive. Page 6A.

leftist insurgents in El Salvador. But he added the committee felt the covert action was not the way to respond to it.

House Panel Votes to Stop Aid to Rebels in Nicaragua

By ELLEN HUME and DON SHANNON, *Times Staff Writers*

WASHINGTON—In a move designed to force President Reagan to scale back U.S. activities in Central America, Democrats on the House Intelligence Committee on Tuesday pushed through a measure that would cut off covert funds for U.S.-backed anti-Sandinista rebels in Nicaragua.

The measure, approved 9 to 5 on a straight party-line vote despite a last-minute appeal by CIA Director William J. Casey, is expected to win approval by the full House next week. But it faces an uphill battle in the Republican-controlled Senate.

As a result, the stage may be set for the first real test of congressional sentiment since President Reagan's speech to a joint session of Congress a week ago. Reagan warned that the failure to approve continued aid for U.S.-supported governments in Central America could lead to Communist takeovers there.

"I believe and I hope that because of the strong statement in this bill . . . (the Administration) will re-evaluate their policies," Rep. Wyche Fowler Jr. (D-Ga.) said after the vote.

But Republicans on the committee expressed a different view: "It's an exciting day in Managua for the Sandinistas, a great morale booster," said Rep. C.W. Bill Young (R-Fla.). Young opposed the bill and favored instead allowing the covert operations to continue until a verifiable agreement could be reached that no Sandinista arms would be exported to other nations in the region. His proposal was defeated by voice vote in the committee Tuesday.

Casey argued Tuesday that the

U.S.-funded covert operations in Nicaragua are essential to the United States' credibility in Central America. In their heavy lobbying against the bill, Administration officials had contended that two Central American governments—Honduras and El Salvador—might fall if the U.S. covert actions are discontinued.

Violation of OAS Charter

The measure approved by the committee authorized \$30 million in fiscal year 1983 and \$50 million in fiscal 1984 for overt funding to Central American nations to assist them in impeding arms shipments from Nicaragua, Cuba or other nations. But no funds could be spent for military or paramilitary operations inside Nicaragua.

The United States now is understood to be supplying covert aid to anti-Sandinista guerrillas operating inside Nicaragua. The Reagan Administration has argued that U.S. funding of such covert activities in Nicaragua is needed to counteract what they charge is the Sandinistas' Marxist-Leninist effort to overthrow the government of El Salvador.

But critics have charged that the U.S.-backed covert activities are improper and violate the charter of the Organization of American States, which forbids any member to fund any group attempting to overthrow a sovereign government in the Western Hemisphere.

"What this committee has done is in the interest of our government. I think that what we were doing in that (covert) area was counterproductive," House Intelligence Committee Chairman Edward P. Boland (D-Mass.) said after the vote.

Fowler said U.S. funding of the forces seeking to overthrow the Sandinista regime has actually backfired and is strengthening the Sandinistas' popularity in Nicaragua.

'An Orderly Disengagement'

Although the measure, co-sponsored by Boland and House Foreign Affairs Committee Chairman Clement J. Zablocki (D-Wis.), originally would have cut off the covert funding within 45 days of the bill's passage, a secret new cutoff date was set by the committee Tuesday.

Fowler explained that the date would remain classified because the committee wanted "an orderly disengagement . . . by such forces that might be in Nicaragua."

The committee-approved measure, which is expected to win approval in the House Foreign Affairs Committee and the full House as early as next week, states:

"None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual."

The measure allocates the \$80 million—subject to action by the Appropriations Committee—for overt aid provided by the President to the governments of any "friendly country in Central America" to prevent the transfer of military equipment "from or through Cuba or Nicaragua" to groups seeking to overthrow a Central American government.

A similar measure cutting off covert aid and establishing \$80 million in overt aid, sponsored by Sen. Dave Durenberger (R-Minn.), is pending in the Senate Intelligence Committee, where it faces an uphill vote.

ARTICLE APPEARED
ON PAGE 2THE WALL STREET JOURNAL
4 May 1983

House Panel Clears Ban on All Covert Acts By U.S. in Nicaragua, Rebuffing Reagan

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The House Intelligence Committee brushed off high-level pleas from the Reagan administration and passed a bill outlawing all covert operations in Nicaragua.

The bill's passage was a clear sign of concern that the administration has ignored an earlier congressional mandate by covertly helping armed bands try to overthrow the leftist Nicaraguan government.

But the measure faces an uncertain future in Congress. It still must clear the full House and Senate before it can be signed into law. Support for the bill is lower in the Republican-controlled Senate, and even if it passed there it could be vetoed by President Reagan.

The House committee passed the bill after two long, closed-door meetings yesterday. William Casey, director of the Central Intelligence Agency, and Thomas Enders, assistant secretary of state, appeared before the panel to argue against passage of the bill.

But the bill passed anyway, after only minor modifications. The vote was 9-5, with all Democrats in favor of the measure and all Republicans against it.

The bill goes well beyond a measure Congress passed late last year, which allowed covert activities in and around Nicaragua but specified that the activities couldn't be aimed at helping overthrow Nicaragua's government. That left the administration free to conduct covert operations designed to cut off the flow of arms from Nicaragua to leftist rebels in El Salvador.

Administration officials insist that aid being given to dissident Nicaraguan paramilitary groups is provided only so those groups will help in arms interdiction. But anti-government rebels have been openly attacking the Nicaraguan regime in recent weeks, raising congressional suspicions that U.S. aid was being used in an overthrow effort.

The bill approved by the House panel bans any covert support of groups conducting military campaigns against Nicaragua's government. Instead, the bill authorizes the administration to begin an open, public arms-interdiction effort by enlisting the help of friendly governments in the region.

Under the open effort, the president would be empowered to give aid to friendly countries in Central America so they can try to cut off shipments of arms from Nicaragua, Cuba or elsewhere to rebels trying to topple with U.S.-backed government in El Salvador.

The bill authorized \$30 million for this new arms-interdiction effort this year, and an additional \$50 million in fiscal 1984, which begins Oct. 1.

The committee approved the bill after defeating a Republican-supported amendment offered by Rep. C.W. Young of Florida that would have modified it significantly. Rep. Young's amendment would have required Nicaragua to sign a verifiable agreement stating that it isn't arming, training or aiding rebels in El Salvador before covert activities would be cut off.

Mr. Young complained afterward that the committee's bill will give "quite a moral boost" to Nicaraguan-supported rebels in El Salvador.

The Senate Intelligence Committee has been considering similar proposals to cut off covert activities in and around Nicaragua. The panel met in closed session yesterday, but staff members said the issue wasn't decided.

The committee is likely to meet again Friday, and it may act on the Nicaraguan issue then. Sen. Barry Goldwater (R., Ariz.), chairman of the Senate panel, has said he is convinced the administration's court actions aren't aimed at overthrowing Nicaragua's government. But other panel members want at least to tighten up restrictions on covert actions.

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THE WASHINGTON POST
4 May 1983

Panel Votes Halt Of Covert Aid for Nicaragua Rebels

By Patrick E. Tyler
Washington Post Staff Writer

The House Permanent Select Committee on Intelligence yesterday defied the Reagan administration and voted along party lines to stop financing and to prohibit by law any U.S. involvement with guerrilla forces fighting the leftist government of Nicaragua.

The vote of nine Democrats against five Republicans followed five hours of closed committee deliberations and a last-minute warning from CIA Director William J. Casey that forcing the CIA to stop supporting the guerrillas inside Nicaragua could lead to a "bloodbath."

Republican and Democratic committee members said later that Casey offered no evidence to support his warning. Rep. Wyche Fowler Jr. (D-Ga.), chairman of the panel's oversight subcommittee, said the committee took great care to give the administration time to provide for an "orderly disengagement" from about 3,000 to 4,000 guerrillas currently making hit-and-run raids against targets inside Nicaragua.

At a reception for the diplomatic corps last night, Reagan told reporters: "What we're doing is perfectly proper. We'll keep right on fighting. If they [the committee members] want to be irresponsible, that's their business."

As introduced last week, the bill would have cut off funds for the CIA operation 45 days after passage of the legislation.

But it was amended yesterday to substitute a period slightly longer than 45 days, which would remain secret to prevent the guerrillas from being routed by Nicaraguan government forces.

The legislation would amend the 1983 budget bill "to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided, to governments of countries in Central America, to interdict the supply to military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America."

The intention, according to Democratic committee members, is to provide El Salvador and Honduras with open assistance to stop any illicit flow of arms to leftist insurgents from Nicaragua while ending covert support for the guerrilla campaign against Nicaragua's Sandinista government.

The CIA has claimed the covert operation is succeeding. But critics said it is driving the Nicaraguan government toward greater repression and is harming U.S. credibility in the region.

The Senate Select Committee on Intelligence met for two hours yesterday afternoon to consider similar legislation, but recessed without taking action. Committee sources said that the administration appears to have enough support there to defeat the measure, which could leave Congress split over one of the administration's most sensitive foreign policy ventures.

After the House committee vote, chairman Edward P. Boland (D-Mass.) said, "What this committee has done, what the majority of the members believed had to be done, was to cut off covert operations in Nicaragua."

Boland said CIA pressure on the Sandinista regime to stop supporting the leftist insurgency in El Salvador had become "counterproductive" and against

The legislation, sponsored by Boland and House Foreign Affairs Committee Chairman Clement J. Zablocki (D-Wis.), now will be referred to Zablocki's panel, which would have jurisdiction over the "overt" arms interdiction assistance provided in the bill, amounting to \$30 million in this budget year and \$50 million in the budget year beginning Oct. 1.

Boland said he expects quick action in the Foreign Affairs Committee, which would put the bill next week on the House floor, where a secret session has been authorized by House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.). At a meeting with reporters yesterday, O'Neill endorsed the Boland-Zablocki proposal.

In reporting the bill, the House intelligence committee rejected an amendment by Rep. C.W. (Bill) Young (R-Fla.) that would cut off covert funding for the anti-Sandinista guerrillas only after it could be determined that the Sandinistas have stopped supporting the rebels fighting the Salvadoran government.

Young said enactment of the legislation would bring about "an exciting day for the Sandinistas in Nicaragua . . . and would give the Sandinista-backed insurgency in El Salvador a real morale boost."

No Reagan administration offer of compromise surfaced during the five-hour committee session yesterday, although Young said Casey brought a "complete rewrite" of the Boland bill ready for introduction. The rewrite would allow the covert operations to continue, Young said.

Casey and Thomas O. Enders, assistant secretary of state for inter-American affairs, spent most of the morning with the committee and then caucused with its five Republicans during a luncheon recess.

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ON PAGE A-1

NEW YORK TIMES
4 MAY 1983

HOUSE PANEL BARS AID FOR THE C.I.A. AGAINST NICARAGUA

SETBACK FOR WHITE HOUSE

\$80 Million Voted for 'Friendly' Nations Blocking Weapons for Salvadoran Rebels

By MARTIN TOLCHIN

Special to The New York Times

WASHINGTON, May 3 — The House Select Committee on Intelligence, in a setback for the Reagan Administration, voted today to cut off funds for the Central Intelligence Agency to conduct covert military actions in Nicaragua.

Instead, by a party-line vote of 9 to 5, the committee authorized \$80 million for overt aid to "any friendly country in Central America," to help interrupt weapons flowing through such nations from Cuba or Nicaragua to El Salvador.

The committee action may prove more symbolic than real. It is attached to a fiscal 1983 authorization bill, which may expire before Congressional action is completed, in the face of an expected Presidential veto. The committee would then have to vote again on the ban, in the 1984 authorization bill, but today's action indicated that a renewed ban would be preordained.

Six Days After Reagan Speech

The measure provides that "none of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual."

The committee's action came six days after Mr. Reagan addressed a joint session of Congress on Central

America, in a speech intended to strengthen support for Administration policies in Central America.

Republican Effort Rejected

"What this committee has done is in the interests of our own Government," Representative Edward P. Boland, Democrat of Massachusetts and chairman of the committee, said after the vote. "What we were doing in that area was counterproductive."

Mr. Boland said he would seek a closed session of the House of Representatives, already requested by Republicans on the intelligence panel, to discuss the measure and provide classified information used by the committee in reaching its decision.

Representative Bill Young, Republican of Florida, said sarcastically after the vote, "It is an exciting day in Managua for the Sandinistas — a great morale booster."

The committee previously rejected, 9 to 5, a Republican effort to continue the covert aid, which the Administration contended was needed to interrupt the flow of weapons into El Salvador.

Last fall it was disclosed that the Administration, through the C.I.A., had been supporting a force of 2,000 Nicaraguan rebels. This action was undertaken with the knowledge of the House and Senate Intelligence committees.

The disclosures elicited widespread Congressional concern, and fear that the United States was becoming involved in another Vietnam. Last December, Congress adopted a measure that prohibited the United States from providing covert aid to military groups "for the purpose of" overthrowing the Sandinist Government in Managua.

Congressional concern continued to mount, however, and Mr. Boland declared last month that the Administration had been in "apparent violation" of the Congressional prohibition, setting the stage for today's action.

The vote in the closed session came after a day of deliberation in which the committee heard last-minute appeals by William J. Casey, Director of Central Intelligence, and Thomas O. Enders, Assistant Secretary of State for Inter-American affairs.

The authorization for overt aid will now be considered by the Foreign Af-

fairs Committee, before it reaches the House floor. On Friday, the Senate Intelligence committee is scheduled to discuss a similar measure, proposed by Senator David Durenberger, Republican of Minnesota.

As originally drafted, the measure would have banned operations "in or against" Nicaragua, but the phrase "or against" was deleted. The purpose of the deletion, committee members said, was to permit such operations in the event that the Sandinists invaded another nation.

Also, the draft measure provided that the prohibition "shall take effect 45 days after the date of enactment of this session." But, by amendment, the effective date was classified.

Representative Wyche Fowler Jr., a Georgia Democrat, said the reason for the classification was that "the committee wanted to do everything possible to prevent prior notification that might make an orderly disengagement impossible."

The political complexion of the committee's Democrats, all of whom are moderates, heightened the impact of the resolution. Committee members said they believed that the Administration would heed the committee's action. "The impact of the committee's action, the strength of that action and the reasons for that action indicate that the committee will be listened to," Mr. Fowler said.

In a final modification, the committee inserted the phrase "or any other country" in the provision that read, "The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the Government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country to any individual, group, organization or movement which the President determines seeks to overthrow the Government of such friendly country or the Government of any other country in Central America."

The committee members stressed that they shared the Administration's objectives in Central America, but disagreed with Administration policy.

ARTICLE APPEARED
ON PAGE A-3WASHINGTON POST
3 MAY 1983

House Rallies Resistance to Reagan's Central American Policy

Frustrated liberals ordinarily do not look to the House Permanent Select Committee on Intelligence for relief. But that group may be about to vote the first formal interdiction of President Reagan's Central American policy by closing down the CIA's dirty little war in Nicaragua.

Just how this silent consensus built up against a covert activity, which was made public a year ago, cannot be detailed because of the iron rules under which the committee operates. House members hate to defy a president on foreign policy, particularly when he has warned them he is prepared to charge them with "losing" El Salvador.

What gives them courage on "a long-smoldering thing" is the lopsidedness of public opinion against Central American adventurism and a widespread skepticism about Reagan's readiness to undertake the negotiations which have been urged on him by our Latin neighbors and most recently by the distinguished Inter-American Dialogue, a group headed by former ambassador Sol Linowitz.

The success of the rebellion in the House derives in part from its sponsorship. The committee chairman, Rep. Edward P. Boland (D-Mass.), whose name is on the current amendment to forbid the CIA from trying to overthrow the Nicaraguan government, is known in the House as a patriotic conformist, not given to giving grief to the agency.

But when evening television began showing Nicaraguan "contras" publicly thanking the United States for its help in bringing down the Sandinistas, Boland's concern for the House's reputation, as well as his own, came into play. He shocked his colleagues when he stood up to Secretary of State George P. Shultz and CIA Director William J. Casey. Shultz called him the other day, from the Middle East, but Boland is now beyond reach.

Mary McGrory

REBELS

One of Boland's staunchest allies is Majority Leader James C. Wright Jr. (D), a defense-minded Texan who says he feels personally betrayed by the Sandinistas, whom he once befriended. Wright is predicting that the House will follow the committee's lead and shut down the overt-covert operation.

Never suspected of any radical taint, Wright last week refurbished his establishment credentials by praising the president's Latin American speech and taking exception to the Democratic response of Sen. Christopher J. Dodd (D-Conn.).

The third-out-front leader of the revolt is Rep. Wyche Fowler Jr. (D-Ga.), a junior member of the committee, who made an Easter trip to Nicaragua and came back saying, with typical southern circumlocution, that he thought "the law was not being fully adhered to."

Fowler, who likes to describe himself as "a flaming moderate"—he says that "any liberal type activity can make you a com-symp" in his part of the country—volunteered for the on-site inspection because he is a bachelor, and didn't have to take any children to an Easter parade or an egg roll. Boland was facing increased pressure from committee members who protested that the situation was out of hand.

Fowler, a lawyer, took particular exception to the "insulting, shameful legal jingoism" of administration apologists, such as U.N. Ambassador Jeane J. Kirkpatrick, who claim that our only purpose is to stop the flow of arms from Nicaragua to El Salvador and that we are not responsible for the intentions of the riflemen who are shooting up the hills of Nicaragua.

His four-day tour of the region convinced Fowler that the military action we are supporting is strengthening the position of the Sandinista government, thereby delaying the democratic reforms we profess to promote. At a White House meeting, where the president made a last-ditch stand to save the operation, Fowler told Reagan that it is "undermining our policy in Central America."

The rebels are offering an alternative to the doomed covert enterprise. It bears the

names of Chairman Boland and of Clement J. Zablocki (D-Wis.), chairman of the Foreign Relations Committee, and it provides open appropriations for El Salvador, Costa Rica and Honduras to help them stop arms shipments into their territories.

Fowler is trying to write in a provision for "diplomatic activity." Reagan, in what sounded like a footnote to his speech, advocated negotiation, then made it a joke by naming former Democratic senator Richard B. Stone of Florida as his chief negotiator.

Stone, who has confronted the Nicaraguans publicly and once worked for the Guatemalans, will, senators mumble on the record, be confirmed. Off the record they give unflattering views. An ex-brother said, "He is a pompous windbag who will not shut up long enough to hear what the other side is saying."

Only House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) blurted out what others were thinking. Stone, he said, is "not up to the job." It was another sign that the House is where you have to go for strong opinions and strong action on Latin American policy.

NBC NIGHTLY NEWS
3 May 1983

CIA/PAPAL PLOT BROKAW: And the Polish government today turned down Pope John Paul's appeal for amnesty for jail supporters of Solidarity. For months now, there have been reports that Bulgaria, acting for the Soviet Union, was behind the attempt on the pope's life two years ago. Marvin Kalb reports tonight that in this country the top officials of the CIA are now leaning away from that theory.

KALB: CIA Director William Casey has changed his mind and now believes there may not have been a Bulgarian connection in the papal assassination plot. This change, confirmed by a key CIA source, represents a victory of sorts for Casey's deputies who have not only been skeptical of the connection, they have also worked with their three top agents in Rome to discredit it. When this approach came to light, State Department officials demanded and got an investigation. It was conducted by the CIA, which cleared its agents, a statement department officials later called a whitewash. To build their case, CIA officials point to intelligence from Rome that Serge Antonov, the Bulgarian arrested for complicity in the plot, may soon be released, perhaps as part of a swap for two Italians held in Bulgaria. But checks by NBC News reveal that yes, the Bulgarians have again proposed a swap, but the Italians have said no, that the judicial investigation will continue. CIA officials have also persuaded Casey that Judge Eladio Martella, who's leading the investigation, does not seem to be getting anywhere. Again, checks reveal that Martella believes he is making steady progress and intends to bring Antonov to trial by October. Finally, CIA officials say the New York Times was sold a bill of goods when it quoted a Bulgarian defector as saying he knew about the plot and had informed the French Secret Service. The CIA says the defector was lying because if the French really had that information, they'd have shared it with the agency. But the fact is they had it but refused to share it, leaving the CIA in the dark. Officials of other intelligence agencies tend to believe that either the CIA is trying to cover up some of its activities in Italy or that it's trying to protect a presidential option for a Reagan-Andropov summit within the next year. But one White House source insists the President, despite Casey, supports the Italian investigation no matter where it leads. Marvin Kalb, NBC News, the State Department.

BROKAW: That's Nightly News for this Tuesday night. I'm Tom Brokaw in New York.

MUDD: And I'm Roger Mudd in Washington. Good night from all of us at NBC News.

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UNITED PRESS INTERNATIONAL

3 May 1983

WASHINGTON
AID
BY ROBERT SHEPARD

The House Intelligence Committee rejected administration arguments Tuesday and voted 9-5 to order a cutoff of covert aid to guerrilla forces opposing the government of Nicaragua. President Reagan called the action "irresponsible" and vowed to "keep on fighting."

"What this committee has done, what the majority of the members believed had to be done, was to cut off covert operations in Nicaragua," Chairman Edward Boland, D-Mass., told reporters after the closed meeting.

* * * * *

But Reagan, asked about the vote while he chatted with ambassadors at a White House reception for the diplomatic corps Tuesday night, insisted that "what we're doing is perfectly proper" -- apparently referring to the U.S. interdiction of supply lines into Nicaragua.

"We'll keep right on fighting," he told reporters. "If they want to be irresponsible -- that's their business."

CIA director William Casey, also at the party, said, "I don't talk about that." National security affairs adviser William Clark sidestepped the question, saying, "I'll read about it in The Post."

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EXCERPTED

ASSOCIATED PRESS

3 May 1983

MIAMI

FEDERAL OFFICIALS SAY CIA AIDS IN DRUG WAR

The Central Intelligence Agency is aiding federal efforts to seal off borders to drug smugglers, a Miami coordinator for the vice presidential task force on South Florida crime said Tuesday.

CIA Director William Casey is participating in a Cabinet-level group, chaired by Vice President George Bush, to improve drug interdiction efforts along U.S. borders, said task force coordinator Charles Rinkevich.

The nation's spy agency regularly provides "strategic" information on crop production for marijuana, cocaine and opium, Rinkevich told a meeting of Miami Citizens Against Crime.

"We don't have any comment on what the CIA role is in this group," said CIA spokeswoman Kathryn Riedel.

"The information they have, they make available to us," a spokesman for Bush told The Miami Herald. "I can't really give specifics. It's not our policy to do that."

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"As you know, they work close to the chest," he said. "We cannot elaborate."

The CIA activities appear to have increased, according to a statement last December by acting DEA administrator Francis M. "Bud" Mullen Jr.

"We're meeting on a regular basis and they're doing some very good work for us," he said. "They're doing very much more now than they did a year ago.."

3 May 1983

MIAMI

FEDERAL OFFICIALS SAY CIA AIDS IN DRUG WAR

The Central Intelligence Agency is aiding federal efforts to seal off borders to drug smugglers, a Miami coordinator for the vice presidential task force on South Florida crime said Tuesday.

CIA Director William Casey is participating in a Cabinet-level group, chaired by Vice President George Bush, to improve drug interdiction efforts along U.S. borders, said task force coordinator Charles Rinkevich.

The nation's spy agency regularly provides "strategic" information on crop production for marijuana, cocaine and opium, Rinkevich told a meeting of Miami Citizens Against Crime.

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3 MAY 1983

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Reagan Seeks to Avert Shutdown of Covert Aid To Nicaragua Guerrillas

By Patrick E. Tyler
and Lou Cannon

Washington Post Staff Writers

The Reagan administration yesterday sought an 11th-hour compromise to avert a congressionally ordered shutdown of covert CIA assistance to guerrilla forces operating against the leftist Sandinista government in Nicaragua.

"A compromise is in the works," a high administration official said.

While the precise nature of any compromise was unclear, Rep. C.W. (Bill) Young (R-Fla.), a member of the House Permanent Select Committee on Intelligence, said he had received a telephone call from CIA Director William J. Casey saying that he had proposed a plan that would impose greater restrictions on covert activity in Nicaragua.

Administration sources said the restrictions would be aimed at ensuring that covert activity was limited to interdiction of arms supplies to leftist guerrillas in El Salvador. While this is the supposed purpose of the present covert activity, some administration critics have charged that it is aimed at destabilizing or overthrowing the Sandinista government.

Young said that Casey told him his compromise plan was outlined in a letter last week to Committee Chairman Edward P. Boland (D-Mass.) and J. Kenneth Robinson (R-Va.), the panel's ranking Republican.

Legislation by Boland and Rep. Clement J. Zablocki (D-Wis.) to cut off funds for all covert activity in Nicaragua is scheduled to come up in the committee this morning, but Young said he and Robinson had asked for a delay because of scheduling conflicts.

Young has proposed an amendment that would cut off the funds 45 days after it was determined that Nicaragua was no longer aiding the leftist guerrillas in El Salvador.

When the Senate Intelligence Committee meets at 2 p.m. today it also will have legislation before it to shut down covert aid. The bill, proposed by Sen. David F. Durenberger (R-Minn.), was first considered two weeks ago but was put over because of poor attendance at the session.

Congressional sources said yesterday that there are only "five hard votes" on the Senate committee to cut off covert aid, with eight needed. Two senators, William S. Cohen (R-Maine) and Walter D. Huddleston (D-Ky.), are regarded as undecided.

Efforts to cut off funds for covert activity have divided both parties and provoked lively debate within the administration. The president and his national security advisers have made it known that they prefer no additional restrictions, but they have been told by friendly congressmen that they must make some concessions or face the possibility of a House-voted cutoff on covert assistance.

But the issue also has deeply divided congressional Democrats, risking the fragile unity they appear to have achieved in the House on major domestic legislation.

Last week House Majority Leader James C. Wright Jr. (D-Tex.) delivered a stinging rebuke to the nationally televised response of Sen. Christopher J. Dodd (D-Mass.) to Reagan's speech on Central America before a joint session of Congress.

Wright accused Dodd of "florid rhetoric" and "hyperbole," adding: "I believe in a bipartisan foreign policy. We've got one president."

Some Democrats have privately expressed political concerns that they would be held responsible if the leftists won in El Salvador after Congress cut off funds for covert activity. "I don't want to see the funds he has requested for outright military assistance.

"There are pressures on both sides for a compromise," one administration official said yesterday. "The Democrats don't want to be held responsible for what happens if they cut off the funds. And some of our hard-liners are beginning to realize they're going to have to accept some more restrictions in order to save the package."

The administration is most concerned about winning congressional approval of \$60 million in military aid funds that have been bottled up in both houses of Congress. Last week a House Appropriations subcommittee voted to give the administration half of its request.

"Getting the full appropriation is most important to us, but we'd like to keep the covert activity, too, in some form," said an administration official. "It's a tool we'd like to have."

ABC WORLD NEWS TONIGHT
3 May 1983

CONGRESS/
NICARAGUAN AID

BRINKLEY: In Congress today, the first vote on the Central American question since the president's speech about it last Wednesday asking support. In today's vote, he did not get it. ABC's Charles Gibson at the Capitol.

GIBSON: House Intelligence Committee members headed for their session today predicting the vote would be nine to five, a straight party line vote against the president, a vote to stop covert aid to Nicaragua, and Republicans worried that might undermine all anti-Communist governments in Central America. REP. BILL YOUNG (R-Fla.): And that'll give the government troops of El Salvador a real morale kick in the butt and make them wonder if there's any chance for them to prevail.

GIBSON: CIA director William Casey came to the Capitol to make a plea for compromise and support for the president. He changed no minds, and as predicted, the vote was nine to five against the president's policy. REP. EDWARD BOLAND (Intelligence Cmte. Chmn.): I hope that this proves that there is some concern on the part of the American people and those who represent the American people that we were concerned with the actions in that area.

GIBSON: What the committee is trying to do is cut off the nearly \$19 million now flowing covertly to anti-Communist guerrillas in Nicaragua, and instead the measure would openly provide \$30 million this year, \$50 million next year for any friendly Central American nation to try and stop the flow of arms out of Nicaragua and into their countries. This move by the Intelligence Committee now goes to the full House for consideration, and when it gets there, it'll be taken up in a rare secret session, only the third such secret session in 150 years. Charles Gibson, ABC News, Capitol Hill.

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WASHINGTON TIMES

3 MAY 1983

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CIA: consensus languishes, Andropov profits

ARNOLD BEICHMAN

The Central Intelligence Agency is recovering slowly from its self-inflicted wounds and from the wounds inflicted by the congressional investigations of the 1970s, a period during which it can be said with little exaggeration that many CIA activities ground to a halt.

Under William Casey, the Reagan-appointed CIA director, there has been the beginning of a recovery. However, it has been only a beginning, because:

1. Casey has refused, following his near-fatal mistake in appointing the controversial Max Hugel as his deputy, to risk taking into the CIA outsiders — non-career professionals — as is done frequently in the diplomatic service.

2. Making changes in career executive positions in a well-entrenched bureaucracy like that of the CIA is exceedingly difficult. There are only a handful of new faces in the top echelons of the Reagan-Casey CIA.

3. A large number of congressmen are unable to accept the need for a functioning CIA, let alone the need for a full-service intelligence agency. For them, technological means, like "spy-in-the-sky" satellites over Soviet air space would be sufficient.

4. Other congressmen, opposed to President Reagan's foreign policies but unwilling to risk a confrontation with the White House, use the CIA as the punching bag to express their disapproval of Reagan.

A weakened CIA — and that phrase describes its condition during the past decade — means a weakened America, especially so when the Soviet KGB has been operating in a free-swinging fashion in the West, specifically in the United States.

Under the direction of Yuri V. Andropov, KGB chairman from 1967 to 1982, and now general secretary of the Communist Party of the Soviet Union, there began a mass infiltration of Soviet and

Soviet bloc secret agents into the United States. Their assignment: steal America's high-technology secrets and manipulate politics. What infiltration occurred was not so much a tribute to KGB skill as it was to the decline in counterintelligence capability of both the CIA and the FBI, a direct result of congressional action aided in part by the exposé of civil liberties abuses by both agencies against American citizens. The resultant reforms pushed by Congress and embodied in Department of Justice

guidelines were positively catastrophic for U.S. intelligence organization and activity.

These reforms and guidelines for intelligence activity during the 1970s led to a more serious decline in the appreciation of the need for a full-service intelligence agency. By "full-service," I mean an agency with the capacity to conduct covert activities; to engage in clandestine collection of information; to prevent the United States from being manipulated by foreign intelligence services — most notably the KGB — through effective counterintelligence; and, last, to train analysts who, on the basis of the input from the first three functions, can supply U.S. policymakers useful, reliable and unpoliticized estimates of the intentions of friendly or enemy countries.

During the years before the CIA probes, there was little public interest, except from James Bond fans, in the meaning of a full-service intelligence agency. Following the congressional hearings into U.S. intelligence, and the dissemination of hitherto secret documents about the activities of the intelligence community, a number of academics

set up in April 1979, with private foundation funding, what they called a Consortium for the Study of Intelligence under the auspices of the National Strategy Information Center. Among the academics were Robert Nisbet, Richard E. Pipes, Paul Seabury, James Q. Wilson, Adda B. Bozeman, John Norton

Moore, and others drawn primarily from law and the social sciences.

The basic purpose of the consortium was to provide "an institutional focus for a balanced, coherent understanding of the role of intelligence in a free society," to quote the CSI's founding statement. A second and more technical purpose, technical, that is, in professorial terms, was to encourage objective, scholarly, unclassified research into the relationship between intelligence, foreign affairs and U.S. decision-making.

Prior to establishment of the CSI, no educational, policy-oriented institute existed in the United States to examine the complex issue of intelligence in a democratic society in a balanced manner and to serve as an information source for university teachers and

journalists who might wish either to teach or to write about intelligence as a significant variable in decision-making.

Since 1979, the consortium has sponsored a series of six interrelated policy-oriented research colloquia which examined the organization and process of intelligence. The CSI brought together scholars, senior intelligence officials and policymakers from the United States and abroad, as well as journalists, to consider the complex issues associated with intelligence.

Five books have been published and a sixth is on the way, under the rubric "Intelligence Requirements for the 1980s," edited by Roy Godson, professor of government at Georgetown University. The series defines each element of intelligence and explains how each is symbiotically related to the others. More than 40 university faculties make use of the series of books, among them Yale, Penn State, Stanford, and Georgetown.

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ARTICLE APPEARED
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2 MAY 1983

Point Man Speaks Out About Central America

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, May 1 — Nestor D. Sanchez, Deputy Assistant Secretary of Defense for Inter-American Affairs, comes as close as anyone can to being the soul of the Reagan Administration's policy toward Central America.

Mr. Sanchez, a descendant of conquistadors who arrived in this hemisphere 400 years ago, Mr. Sanchez was born in New Mexico, is fluent in Spanish and lived in Latin America for eight years while working for the Central Intelligence Agency.

That background makes him more knowledgeable about Central America than most of his colleagues. It also makes his interest in the area more than academic. Mr. Sanchez is fervent about defeating the spread of Communism that he says is threatening to engulf the region.

"If we didn't nickle-and-dime it, we could win this struggle," Mr. Sanchez insisted. "We could stop the Communist advance. Time is on their side. We can't fight a prolonged war, they can. If we feel we can live with Marxist-Communist countries in the area, that's fine. But I don't think we can."

Mr. Sanchez is one of half a dozen key Government officials who are responsible for making and carrying out United States policy toward Central America. Others, like Thomas O. Enders, the Assistant Secretary of State for Inter-American Affairs, and William J. Casey, the Director of Central Intelligence, have received more attention.

But Mr. Sanchez, as the Pentagon's point man on Central America, has played a central role in devising the Administration's strategy and is directly responsible for one of its key elements, providing American military assistance to pro-American governments. Unlike the military officers who have been silent on the issue, he believes the time has come to speak out in behalf of American intervention.

'Paternalistic Attitude' Cited

These days he is campaigning to persuade Congress to approve the Administration's request for \$110 million in emergency military aid to El Salvador. So far Congressional reaction hasn't been favorable, and the doubts on Capitol Hill clearly trouble Mr.

Sanchez. "We have to give the Salvadorans the means of protecting themselves," he said in a recent interview. "Training is the basic element that the Salvadoran military lacks. If Congress approves our aid request, and gives us a similar amount next year, we could train most of their army."

Voluble and volatile, Mr. Sanchez puffed on a large cigar as he spoke and gesticulated with his glasses for emphasis. Describing himself as an optimist, he said he wasn't angered by Congressional resistance, just disappointed. "The American public and Congress are interested in Latin America only when there is a crisis," he said. "We have a basically paternalistic attitude, plus a double standard. We're far more demanding of our friends in Latin America than anywhere else."

Critics of the Administration's policy in Central America see Mr. Sanchez as a quintessential cold warrior, a man imbued with anti-Communism during 30 years of service in the C.I.A. who artificially imposes an East-West conflict on regional and local problems.

While denying that his views were simplistic, Mr. Sanchez makes no effort to disguise his concern about Soviet objectives. "It is obvious that the Soviets and Cubans are attempting to spread the malaise of Marxism to other countries, especially in Latin America," he told the National Security Industrial Association last month.

Cool to Covert Activities

Despite his years in the C.I.A. — he served as chief of station in Venezuela, Colombia and Guatemala — Mr. Sanchez does not appear to be an enthusiastic advocate of United States covert intelligence operations in Central America. In fact, his coolness toward an increase in covert activities is cited by intelligence officials as one reason for his switch from the C.I.A. to the Defense Department two years ago.

Mr. Sanchez approaches the subject with caution. "If you use covert activities," he said, "and I'm not saying we are, you have to have a consensus among policymakers and Congress that they are necessary and the operations have to be successful. In theory, I'm not against covert operations. So long as they are used judiciously, they are consistent with overt policy and they are very carefully conducted."

Other Pentagon officials, however, said that Mr. Sanchez's attitude about covert operations did not stop him from approving the Defense Department's involvement in many of the intelligence agency's secret activities in Central America, including the training and arming of anti-Government forces in Nicaragua.

Mr. Sanchez was born 57 years ago to a cattle rancher's family in Magdalena, N.M., a small town about 100 miles southwest of Albuquerque. The family, he said, can be traced to the conquistadors, although he admitted with a grin that the bloodline was

'If we didn't nickle-and-dime it, we could win this struggle.'

—Nestor D. Sanchez,
Department of Defense

broken by his great grandfather, an Irishman named Patrick Higgins.

Mr. Sanchez did his undergraduate work at the New Mexico Military Institute and received a master's degree in geopolitics from Georgetown University.

Whenever public criticism of the Administration's policy mounts, Mr. Sanchez finds solace in his origins. "I know the leaders and the people in Latin America," he said. "Sometimes they get frustrated by the way the United States acts and they tend to lose faith. But in the end, they say you have to lead us."

STAT

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2 MAY 1983

INTERNATIONAL

A Policy Comes Under Fire

The president scrambles to counter congressional opposition on Central America.

The momentum against Ronald Reagan's Central America policy mounted day by day. The House Foreign Affairs Committee rejected the president's plea to send more money to El Salvador. The intelligence committees of both houses of Congress were poised to cut off funds for the secret war against Nicaragua. And the chairman of a powerful congressional subcommittee vowed to block additional military aid to Guatemala. In an 11th-hour effort to save his crumbling policies, the president tried to regain the offensive. This week Reagan will argue his case for Central America before a joint session of Congress—the first time a president has made such an appeal solely on a foreign-policy issue since Jimmy Carter came to Capitol Hill to talk about SALT II in 1979.

The White House announcement froze congressional action and gave Reagan a few days of wriggle room. But the president's basic dilemma was unchanged. He has committed himself to the kind of military solution in Central America that gets minimal support among Congress and the American people. Reagan will argue that Central America is too important to abandon, that America's prestige is at stake and that the United States cannot afford to let the Soviet Union get another foothold in the region. But that was going to be a hard sell not only in the United States but with America's moderate allies in the region. Secretary of State George Shultz, who spent two days talking with Mexican officials last week, returned with only a vague communiqué agreeing that violence is bad.

From Reagan's point of view, there was some good news from the south. U.S. officials finally succeeded in nudging out El Salvador's defense minister, Gen. José Guillermo García—although his successor's spotty human-rights record might only make Congress more skittish. In Brazil, authorities seized four Libyan planes bound for Nicaragua with tons of arms and explosives. Reagan planned to use that incident as evidence of the Sandinistas' military build-up—and of outside interference in the region. And when Salvadoran guerrilla leader Salvador Cayetano Carpio reportedly committed suicide after Nicaraguan officials claimed that a trusted aide masterminded the assassination of his second-in-com-

mand, U.S. officials felt encouraged. "It's pretty clear that gang warfare has broken out among the insurgents," said State Department spokesman Alan Romberg.

Rebel Advances: The Reagan administration saw García's resignation as an especially promising sign. As defense minister for almost four years, García was a pragmatist who allied himself with moderates such as interim President Alvaro Magaña and former President José Napoleón Duarte. He was also the most powerful man in the country. But rebel gains this year troubled his fellow generals—and American officials. García was hurt by an Army officers' revolt three months ago and then threatened by a new mutiny from the Air Force. U.S. officials decided that García was not a good enough military commander for the job. "I give him an A-plus for pushing reforms and keeping this place together," said one senior Western official in San Salvador. "But it was time for someone else to come in and win the war."

The American Embassy supported President Magaña's nomination of Gen. Carlos Eugenio Vides Casanova to be the new defense minister—despite some obvious drawbacks. Some soldiers derisively call him "Señorita Casanova" because he lacks combat experience. As commander of the National Guard since 1979, Casanova developed a reputation for honesty, but his troops have been accused of routinely murdering civilians. Five guardsmen were charged with killing four American churchwomen; two others were arrested for murdering two American agrarian-reform experts. Casanova will have to unify the mutinous armed services if he is to turn the war around. But with presidential elections scheduled for December, some soldiers may already consider him a lame duck. He cannot improve the Army without removing some unsuitable officers, but they are unlikely to go quietly. "He's not the enemy of anybody now," said one Salvadoran businessman who has known Casanova since childhood. "But when he starts making hard decisions he will be."

For Ronald Reagan last week, Congress was the principal enemy. In their push to cut off funds, powerful congressmen who control the flow of money that supports Reagan's programs cited massive public

Central America. "I got a thousand letters in a one-month period," said Democrat Clarence Long of Maryland. "Only seven were supportive of the president's policies." For the White House, that was just the beginning. The rest of the news from Capitol Hill last week was equally bad:

- The House Foreign Affairs Committee voted 19 to 16 to reject \$50 million in additional military aid for El Salvador this year.
- Long's Appropriations Subcommittee stonewalled an administration request to divert an additional \$60 million to El Salvador. Long said he would hang tough until the administration gave him promises—in writing—that it would seek a peaceful solution in El Salvador and appoint a special envoy to try to bring dissident factions into December's elections.
- Sen. Christopher Dodd, a member of the Senate Foreign Relations Committee, demanded a rare secret session of the entire Senate to hear intelligence information before he would agree to consider any further aid to Central America.

- Except for a last-minute lobbying blitz by the administration, the House and Senate intelligence committees would have voted to restrict covert activities in Central America. Senate Intelligence Committee chairman Barry Goldwater insisted that "the facts about Central America all show clearly that there is no [American] intent to overthrow the government of Nicaragua." But most of his colleagues disagreed, and so did the House Intelligence Committee chairman, Edward Boland. The Senate delayed a vote until after Reagan's speech in deference to Goldwater and the president. The House panel put off a decision after hearing from Shultz and CIA Director William Casey, who offered a guided tour of the front. Several members accepted the invitation, which many colleagues believed was part of a softening-up process before Reagan's speech.

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Approved For Release 2005/11/28 : CIA-RDP91-00901R000400080002-7
ON PAGE 9BOSTON GLOBE MAGAZINE
1 MAY 1983

WEBSTER'S MISSION:

Burying
Hoover's ghost

BY JOHN DINGES AND JEFF STEIN

JOHN DINGES IS COAUTHOR OF ASSASSINATION ON EMBASSY
ROW, AN INVESTIGATIVE ACCOUNT OF THE ORLANDO LETELIER
MURDER. JEFF STEIN IS EDITOR OF THE WASHINGTON WEEKLY
CITY PAPER.

For six years a white marble bust of deceased FBI director J. Edgar Hoover had presided Caesar-like over the suite of offices occupied by his successors. It was there during the shaky tenure of Acting Director L. Patrick Gray, who had caved in to President Richard Nixon's pressures to help cover up Watergate, and the brief term of Acting Director William Ruckelshaus, and the four years of Director Clarence Kelley, the former Kansas City police chief. Until 1978, the scowling presence of Hoover reviewed each visitor to the director's office as outside political machinations and ugly disclosures of past FBI wrongdoing rattled the agency from top to bottom.

The FBI's "abusive techniques," a US Senate committee reported, "included violations of both federal and state statutes prohibiting mail fraud, wire fraud, incitement to violence, sending obscene material through the mail and extortion." The FBI, the closest thing America has to a secret political police, had gained the reputation of a law enforcement agency operating as an outlaw.

Judge William H. Webster, Jimmy Carter's appointee as the third full-fledged FBI director in its sixty-year history, had not been in the office a month when he quietly ordered the bust removed. It was eventually placed with the other relics of the FBI past, the tommy guns and gangster pictures tourists gawk at as they are guided through the cavernous hallways; a position of respect, if not of prominence.

The simple act had the stamp of Judge Webster: tactful, inoffensive, but direct and symbolic of the new, clean, demythologized FBI. Six years after Hoover's death, it occurred to some FBI agents that the biggest shake-up in the bureau's history may have begun with the relocation of the likeness of a dead man. "There's

one agent with twenty-five years' service, "who act like they're receiving orders from heaven. They're still not absolutely certain Hoover won't show up some day and transfer them to Alaska for following Webster's orders."

In the years since the domestic upheavals of the Vietnam War and Watergate called into question the credibility of America's basic public institutions, no agency of the government has cleaned up its public image as quickly and completely as has the FBI Credit

CONTINUED

'Tottering' Surinam worries U.S.

Administration fears nation's ties to Soviets, Cubans

By Janet Battaile

Washington Bureau of The News

WASHINGTON — When President Reagan talks of Soviet-Cuban adventurism in the Western Hemisphere, he often mentions the Caribbean island of Grenada. But another tiny country, whose leader has befriended both Fidel Castro and Grenada's Maurice Bishop has the administration equally worried.

The country is Surinam, a former Dutch colony that CIA Director William Casey calls the Soviet's "first breakthrough on the South American continent."

The peaceful country situated on the northern coast between Guyana and French Guyana seems an unlikely object of Marxist manipulators. Its population, a polyglot mix of Africans, Indonesians, East Indians, Chinese and Europeans, is only 350,000. And 90 percent of the country is covered by rain forest.

Its high standard of living, tradition of democratic government and educated citizenry, furthermore, set it apart from the poverty, despotism and violence of most of its neighbors in Central and South America.

But last December, an event unprecedented in the country's placid history shattered the serenity of life in the capital of Paramaribo.

Fifteen of Surinam's most prominent citizens, all critics of the military government of Lt. Col. Desi Bouterse, were routed out of their beds in the middle of the night, dragged to a red brick colonial-era fort on the riverfront and shot. Their bodies, stuffed in plastic bags and bearing signs of torture, were found at the morgue the next morning.

Bouterse explained the killings by saying the men were arrested for plotting to overthrow him and that they were shot while trying to escape.

But U.S. and former Surinam government and congressional officials familiar with the events say there was no evidence of a coup attempt. They say the men were killed because they belonged to an organization called the Association for the Restoration of Democracy, a resistance movement that began to grow in the wake of a military crackdown that included government curfews, postponement of elections and a takeover of the press.

Now, many Surinamese residents, thousands of Surinamese exiles living in the Netherlands and officials in Washington fear the little country has become a police state. And they worry that its growing ties with the Soviets and Cubans will make it a beachhead on the continent.

"Rapid progress toward Cuban control of Surinam, the first breakthrough on the South American continent," is further evidence of the Soviet thrust in the Third World, CIA director William Casey wrote in an April 22 editorial in the *Wall Street Journal*.

Although some analysts consider that claim exaggerated, saying there are only a handful of Cuban advisers in the country, the State Department and other foreign policy experts see worrisome signs.

"Although it's not clear it has fallen, it's certainly tottering," said a staff member of the Senate Foreign Relations Committee, who asked not to be identified. "The Venezuelans and Brazilians are very concerned about it. It's infiltration of their territory. It upsets the balance. Besides, Guyana and French Guyana have very unstable governments that are ripe for takeover."

Beside the many thousands who have been killed in El Salvador, Guatemala, Nicaragua or Argentina, 15 is a number that pales. But it's more than a statistic, for one can absorb the reality of the lives behind it. They included the country's chief labor leader, Cyrill Daal, head of a federation of trade unions called the Moederbond, and Kenneth Goncalves, president of the local bar association who directed the association for democracy. Others were the dean of economics at the University of Surinam, who was president of the professors union; several journalists, an industrialist and a former congressman.

"It would be the equivalent of lining up 11,700 prominent Americans, like the president of General Motors, James Reston and Lane Kirkland, in RFK Stadium in Washington and shooting them on the spot," said Michael Verdu of the American Institute for Free Labor Development. AIFLD is a Washington-based organization that advises labor unions in Central and South America.

Surinam's former president, Dr. Henk Chin A Sen, traveled to Washington recently to spread the word about Bouterse, whose "group of 16" military leaders took over in a coup in 1980. Chin A Sen led a civilian government that served simultaneously with Bouterse. He resigned in February 1982 when the military government refused to hold elections that had been scheduled for the previous month.

Although Chin A Sen believes that "taking over Central America or the Caribbean is not a grand design of the Russians or Cubans," he says "they use opportunities to step in, like Grenada."

CONTINUED

ARMED FORCES COMMUNICATIONS AND
ELECTRONICS ASSOCIATION

May 1983

Progress in National Intelligence



*William J. Casey
Director, Central
Intelligence Agency*

CONGRATULATIONS to AFCEA on its 37th anniversary. We have been working hard to rebuild our nation's intelligence resources, being keenly aware of our responsibility to provide timely, relevant information to this country's leaders. Ultimately, our peace depends on our anticipating problems around the world and providing our national policy makers accurate assessments so that they can devise effective solutions before problems become crises.

We have paid particular attention to improving the quality and timeliness of our analysis and I believe we have made substantial progress. A new fast track system now produces national estimates on a more timely basis. Our estimates now contain a wider range of judgments from within the intelligence community in order to reflect differing views and to insure standards of integrity and objectivity. We have created new analytical centers at CIA that deal with technology transfer, insurgency and political instability, and international terrorism. These centers allow sharper focus on these critical problem areas and facilitate the integration of political, economic and military analysis. Today there are many places in the world where political or economic destabilization has strategic implications for our government. We have targeted such areas and are keeping a close watch on events as they unfold.

While we have made progress, we will not slacken our efforts. Good intelligence that accurately assesses the capabilities of our adversaries is an important ingredient in getting the maximum value for each defense dollar spent or invested. Thank you for the opportunity to be a part of your anniversary and to share some thoughts on our intelligence efforts. I wish you and all the companies supporting AFCEA and our national security continued success.