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SUBJECT William Colby

LARRY KING: Our special guest in the first hour and a half will be the distinguished American, William Colby, the former Director of the Central Intelligence Agency. He is currently senior adviser to something with the longest name in Washington, Political Risk Assessment and Risk International Business Government Counselors, Incorporated. I think it's so big it didn't even have initials. We'll ask Bill Colby about that in a moment and the Conference on the Fate of the Earth, which was just concluded here in Washington. We'll talk about that and nuclear disarmament.

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KING: We welcome to our microphones William Colby, former Director of the CIA.

What is Political Risk Assessment and Risk International Business Government Counselors, Inc.?

WILLIAM COLBY: It's the application of the intelligence business to the private sector, because intelligence today isn't just the spy business. Intelligence today is the collection of all the information. And we live in an information age, there's lots of it all over the place. You bring it to one place, you look at it, and then you analyze it. And that's the second process, thinking about it, what does it mean, what's the significance of some of the things.

KING: Can you give me like a hypothetical? Company A would use you for what?

COLBY: Sure. Somebody has an investment in the

Philippines. They're worried about what may happen after Mr. Marcos. What's going to happen? Is it going to go left? Is it going to go Moslem? What's going to happen? Are they going to be just thrown out, their money taken away? We're asked to look at it, think about it, see whether they ought to be doing something today to protect themselves against the future, but also to think whether maybe the situation the Philippines won't be terribly different in the next ten years.

KING: You, therefore, have to have your own sources there.

COLBY: You send people out to talk to people who know about the Philippines. You think about it.

KING: What took you to intelligence? You were in the Foreign Service, primarily, in the State Department. Right?

COLBY: Well, I came out of intelligence in World War II. I parachuted into France.

KING: CIA? I mean OSS?

COLBY: OSS. I parachuted into France and Norway and got into intelligence in that time. Then I went back into it after the Korean War and served in various places around the world in intelligence jobs.

KING: Was Donovan, Bill Donovan, equal to his reputation?

COLBY: Yes. He was a fine fellow. I knew him quite well. I didn't really know him during the war, but I worked for him after the war in his law firm. And he was a very courageous, intelligent, thoughtful, probing man. He really was looking for the answers all the time.

KING: Didn't fit that nickname. Right?

COLBY: No. He was a very mild fellow, very quiet fellow, walked through a room carrying a drink or something. Never drank it, but carried it. And he just sort of walked around and was very soft and mild with everybody. But enormous courage. Medal of Honor, Distinguished Service Cross, Distinguished Service Medal, all the tickets.

KING: Were you surprised when they asked you to head the CIA?

COLBY: Yes, because I was a career officer, and normally career officers don't end up in the head of the CIA,

just as military officers don't end up as the Secretary of Defense. You put a political officer in, normally. But there was a particular set of circumstances that they came down to me.

KING: It was Gerald Ford. Right?

COLBY: Mr. Nixon nominated me.

KING: But Ford kept you on. Right?

COLBY: For a while.

KING: Were those happy days?

COLBY: Very interesting, stimulating, enormously exciting, challenging days. Yes.

KING: Before we talk about the fate of the earth and nuclear disarmament, I would be remiss if I did not ask you, Bill, about one thing in current events. And that's security at embassies. What's going on?

COLBY: Well, terrorism is a tough subject. But -- and you do the best you can to penetrate into the groups that are planning these things. But they're normally very small groups and there are very few people in them. They keep their activities very secret, so it's hard to get a man inside. And the great technological intelligence that we have doesn't help you very much, because the satellite photographs don't show you some saboteur with a bomb.

What I think you have to do is prepare yourself for the eventuality, set up your protective devices, just as we've set up the screening systems in the airports and all the rest. And obviously, there was a failure in that in the last thing in Beirut.

KING: The Washington Post said today, what about simply no trucks within 300 yards of an embassy, period?

COLBY: Well, that's one way. The other way is to make a truck stop, back up, and then go in. I mean set up the blocks so that you can't just wiggle back and forth to get through, but that you have to physically stop and then back up in order to get access to another place.

There are all sorts of gimmicks you can use like that.

KING: That wouldn't cost any money, would it?

COLBY: Well, you can put big dump trucks around so that you can't get through them without conforming to their

directions.

KING: This is the real world, huh?

COLBY: It's the real world. It's unfortunate. It makes an American Embassy look like a fortress, which we don't like. But nonetheless, in these days in some parts of the world, we really have to anticipate that these crazies are going to do this sort of thing.

KING: One other thing. George Will said today that someone had to be to blame for this. There had to be some warnings, there had to be some fears. And there never seems to be blame assessed when these things happen. They seem to happen and they go away, and we worry about it again when the next thing happens.

COLBY: Well, in the old days, when people made a mistake or something happened wrong, they relieved people, they fired them, they kicked them out. We haven't been kicking enough people out. I think we ought to kick a few people out now and again, just to encourage the others.

KING: Obviously, somebody goofed here. Right?

COLBY: Sure.

KING: Bill Colby is our guest. We'll talk about this Conference on the Fate of the Earth, his thoughts on nuclear disarmament.

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KING: What was the Conference on the Fate of the Earth?

COLBY: It was a discussion of the necessity to do something to protect ourselves from being destroyed.

KING: In any way?

COLBY: By nuclear warfare.

KING: That was primarily its emphasis.

COLBY: Primarily. Primary, yes.

The fact is that we have these weapons nowadays, we have 25,000 nuclear bombs in the United States and about 25,000 nuclear bombs in the Soviet Union, any one of whom is bigger than the one that destroyed Hiroshima or Nagasaki.

KING: Any one.

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COLBY: Any one.

Now, this is a situation which we've lived with for a while, and we think that it's been fairly stable. Both countries have been very careful about them. We haven't had any get loose by mistake or anything. But the fact is that the weapons are getting increasingly more sensitive and more dangerous. The flight times are going down. We now, here in Washington, are 30 minutes away from a nuclear missile in the middle of the Soviet Union. Now, that gives 30 minutes from the time that one lifts off until it lands here. That sounds like a long time. You might think it's a short time, but in real terms...

KING: I think it's a short time.

COLBY: ...it's a fairly long time for the machinery to pick it up, identify it, be sure that it's really a weapon coming here, and all the rest; then go to the President, get the President's approval to shoot ours in retaliation before they're destroyed by the ones landing here. Now, that's fine.

But the recent change is that in the European theater, the Soviets have put in the SS-20s, we've put in the Pershings. Those weapons have a flight time of seven minutes. There's no way you can go through the process of identification, confirmation, making sure there isn't a false alarm, going to the President, getting his approval, and shooting the answer. You've got to turn it over to the computers.

Now, we've had a lot of computer alerts that have been force. We have a screening system that selects them out and makes sure that we don't react wrongly when there is a false alarm. But with this time of a short fuse, you're getting near to the situation where you could conceivably destroy the world through computer error.

KING: So this conference hoped to do what, discuss these things, [unintelligible] and discuss them?

COLBY: Primarily, to start the process of limiting and stopping the further growth of these weapons.

First, I happen to believe in the nuclear freeze, mutual and verifiable. Not a unilateral one, not just we stop and hope that the Russians will be nice and they'll stop, not that; but a deal between us that we both stop. Now, the Soviets have already indicated that they're ready to accept that. We have not because we have some false idea that, somehow, they're ahead of us and we have to catch up, when in reality we both have more than enough to do the job of deterring the other. So the important thing today is to stop building new ones.

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KING: Was there opposition to that at this conference?

COLBY: No. No, the conference was obviously most people that are sympathetic to it.

KING: Dedicated to it.

COLBY: Yes.

KING: Do you think most of the public would agree with that too?

COLBY: Well, 60 percent of the delegates at the Republican National Convention in Dallas did agree with that. Now, that's an amazing fact, because the Republican National Convention was fairly conservative, to put it mildly.

KING: All right. Let's say we both had this, the panacea, we both say we stop. They stop, we stop, all building stops. That doesn't take away this seven-minute computer error, does it? That's still there.

COLBY: Well, it limits the further growth of it. It stops at where it is. Then we can begin to negotiate about how to reduce it. And it's a very complicated business, because there's some things that they're a little stronger than we are, there are some things we're a little stronger than they are. And the computation of how to make it even on both sides and reduce it evenly is a very complicated negotiation. But at least you're not building new ones while you're negotiating.

KING: Then, I gather, also, while you're building, it's very hard to negotiate to reduce when you're building.

COLBY: Well, it's impossible because the one gets ahead and the other says, "Oh, I got to catch up." And that's been the history of it the last few years.

KING: Is this new thinking for you, Bill?

COLBY: No, I've been thinking about this for a long time. I happen to think that the purpose of intelligence is to understand what's happening in the world. We have had some miracles of increase in knowledge of the world, thanks to intelligence: the satellite photographs, the electronics, all the rest of it. We now know things that we couldn't have dreamed of knowing of a few years ago.

We don't ask a spy to slink out of Hong Kong and work his way up to the Manchurian border and tell us what may be going on there by some great difficult communications system. Instead we look down there. We see the troop units on both sides. We

count the number of planes, tanks, artillery. We see them move from time to time. We know exactly what's happening with a precision and a scope of knowledge that we wouldn't have had in a million years a very few years ago. And the purpose of that is so that we can make wise decisions on a basis of knowledge.

KING: Were you encouraged by President Reagan's U.N. speech?

COLBY: I think the spirit that he indicated, that he wanted to move toward negotiations, is certainly to be commended. I don't think there was much content in it in terms of a clear indication that he was prepared to make some very clear concessions to the Soviets to match their concessions so that we could make a deal. A deal has to be on both sides, not just on one side.

KING: Those opposed to a mutually verifiable freeze say what: If we stop, they have more than us and they're going to plan something sneaky and win?

COLBY: No. They say, basically, that they're ahead of us in certain regards, and therefore they're stronger, and therefore they can impress us if we stop. And the fact is that that's nonsense because we have more than enough to counter anything that they do. Our retaliation capability is absolute. There's no question about it, that if anyone used a nuclear weapon against us, we could retaliate with overwhelming force.

Now, even the Scowcroft Commission that looked into this a year ago said, well, yes, they have some heavier ones and they have some that are different from ours; but there's no question about it, we have the submarines, we have the bombers, our retaliation is total.

And therefore, we're both stalemated on this. So why don't we stop building new ones?

KING: It is a kind of insanity, isn't it?

COLBY: It's an adolescent, it's playing king of the mountain. You know, I want to get higher than you. And meanwhile you build up these terrible amount of terrible weapons, oceans of them, 25,000 on each side, and you take the risk that it get out of control.

KING: Do you buy the scenario -- a psychologist offered this -- that if one side keeps building and the other side keeps building, and the other builds and the other builds, one day a rational head of state will first-strike?

COLBY: No, I don't think a rational head of state would

first-strike, because, again, the retaliation is absolute. A first strike, theoretically, knocks out our land-based systems. But we have submarine-based, we have airborne systems, we have cruise missiles, we have many ways of retaliating.

KING: Therefore, you don't think it's ever going to happen.

COLBY: No, it's not going to happen.

KING: But this is a better preventative than the other?

COLBY: What I'm not worried about is a World War II scenario, where a Hitler or a Tojo decides to conduct a Pearl Harbor. No, that's impossible today.

KING: What are you worried about?

COLBY: What I worry about is a World War I scenario, where the various nations in World War I began the process of mobilization, putting their forces into position to move, began to shoot at each other, and sooner or later they were all in a big war. Now, that war lasted four years, it killed 20 million people, and nobody knows what the war was all about.

KING: Still don't.

COLBY: The politicians lost total control to the mechanistic systems of general mobilization and of the military there.

KING: What about a third party with a nuclear weapon?

COLBY: Not a great problem yet. The fact is that if a third party had a nuclear weapon -- there are a few that do. But if a Mr. Qaddafi used a nuclear weapon on Cairo or something, it certainly would be disastrous for Cairo, but it wouldn't be the end of the world.

KING: It'd be the end of Libya, wouldn't it?

COLBY: Well, it'd be the end of both Egypt and Libya, perhaps, but it wouldn't be the end of the world.

What I'm mainly concerned about is the massive arsenals of the Soviets and ourselves. That's the problem.

KING: You told me before we went on -- I just asked you off the cuff, are you optimistic or pessimistic? And you said optimistic. That makes me feel better because you know a lot more than I do about what's going on. But after what you've just

said, with all these arsenals, how can you be optimistic?

COLBY: Well, because they're stalemated for the moment, and I happen to think that there's enough good sense in the American people and various of the other peoples in the world that they're going to insist that this sort of madness be constrained, be controlled, be reduced. And I think that's the process.

I think the President's speech the other day at the United Nations is an indication of his recognition of the strength of this feeling in the American people that he must lead us to some kind of a decent arms control relationship to the Soviet Union.

KING: I guess if we could have a worldwide referendum with the simple question of a mutually verifiable freeze of the superpowers...

COLBY: It would win hands-down.

KING: It would be a joke. The public don't want this.

COLBY: It would win hands-down.

But Madame Gandhi said something rather interesting, you know, when people were telling her not to develop a nuclear weapon. She said, "Look, don't you great powers give me sermons about nuclear weapons until you get yours under control." And I think that makes a lot of sense, that if we will show the example, the Soviets and ourselves, of putting our nuclear systems under control and not continuing this kind of madness, then we can insist on the others adhering to that kind of a system.

KING: Are you concerned that the two men currently involved in this are both in their mid-seventies and are not likely to be affected by it?

COLBY: No, I'm not concerned, because they're both responsible leaders of their countries. And as I say, the Soviets have indicated that they're prepared to move to a freeze. They're very concerned at the continuation of this race. They're very upset at the President's Star Wars idea because they have enough respect for the American technological capability that they're convinced that if we really wanted to do it, we probably could do it.

Now, there are a lot of scientists who say we can't do it, but the Soviets are not sure of that. And so they're frightened of the possibilities.

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KING: You say we've had a couple of misses, the computer was wrong or something. Are we accident-free?

COLBY: We have a whole series of controls, checks, cross-checks, all the rest of it, to make sure that the false indicator that comes in is not then used immediately as a response. We have fail-safe systems and all the rest of it. And they've worked to date. Even though we've had the false alerts, the confirmation requirements have been such that we have not gone to war by mistake.

But as I say, if you get down to shorter terms, then you begin to eliminate the human selection of whether it's right or not and you begin to depend on the machines more and more.

KING: William Colby is our guest.

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KING: Our guest is William Colby, the former Chief of the CIA. He is currently senior adviser to -- we had the old name of that firm. The correct name is International Business Government Counselors, or IBC.'

We're ready to go to your phone calls, and we begin with Fairfax, Virginia.

WOMAN: ...You remember the Phoenix program in Vietnam?

COLBY: Yes.

WOMAN: Did you run that, or was it Robert Komer?

COLBY: No, I ran it. And it was a program to try to improve our knowledge and intelligence on the Communist underground there.

KING: Second question.

WOMAN: I am very glad you've come to the nuclear freeze position. But in Vietnam the war went on so long, with so much loss of life, was there ever any question of using any nuclear weapons there?

COLBY: No. Absolutely not. No.

KING: Never even discussed?

COLBY: Not that I recall. Absolutely not.

KING: Atlanta, Georgia.

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MAN: I have many questions, but I shall limit them to three. One -- and I don't remember the guy's name, but whoever the head of North Korea is, allegedly...

COLBY: Kim Il Sung.

MAN: ...has decided that he is going to, before he dies, take South Korea. The man is old. What's happening there?

COLBY: Well, he'd like to, but he's deterred by a very substantial South Vietnamese [sic] army and an American force that's there. And our government has decided to keep our forces there rather than reduce them. And I think that's an effective deterrence against his ambitions to take South Korea. He's still going to try, but he just has to be stopped.

KING: How old is he, close to 80?

COLBY: No, no. He's around 65 or 70. He's not that old. But his son is going to take over. And he's, if anything, worse than his father.

KING: Second question.

MAN: Second question. Mutual and verifiable. How do you propose to verify?

COLBY: Because our intelligence system these days is telling us what kind of weapons the Soviets has, whether there's an agreement between us or not. It's doing a good job. We know exactly what the Soviets have. We haven't had a surprise for 20-odd years, and we can tell these things long before they become a strategic threat to us.

Now, this kind of intelligence is made easier by a treaty because there are a lot of provisions in the treaty that are designed to facilitate that monitoring.

KING: Because we only have one hour we're going to limit the callers to, tops, two questions each.

We go to Sioux Falls, South Dakota.

MAN: I have a couple of questions here. One, there was a growing concern, I guess, back in 1981 that President Reagan had signed a bill into law allowing the CIA more domestic spying in the U.S. to zero in on subversive organizations and people who are potential John Hinckleys. Now, has this started any? And if so, to what extent or...

COLBY: No, not the CIA. The CIA's job is abroad.

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MAN: It is abroad?

COLBY: It is abroad.

KING: By law, by edict.

COLBY: By law and by presidential directive.

Now, what we did do is relieve certain of the restrictions put on the FBI for some of the activities here in the United States that can be dangerous to our Presidents or to our fellow citizens.

MAN: My second question is regarding the issue in Central and South America. How are we keeping abreast of the troop movements that are by Soviet and Cuban troops? And was the CIA in any way involved in Grenada prior to...

KING: That's two questions. Just the Central America.

COLBY: Well, on the Central America thing, we have a very extensive intelligence coverage of shipping, of aircraft movements, of logistics movements. We cover various kinds of indications from communications, from observers in various places. We have techniques of flying over certain areas and seeing ships that are on the ground there. We have a variety of ways of covering what's happening in that area.

KING: Do former CIA Directors keep in touch with each other and the current CIA Director? Are you pretty much aware of what's going on?

COLBY: No. I don't want to know the secrets because that's no my business these days. I've talked to the present Director, Mr. Casey, and I've been out there a few times. But I let him run his own business.

KING: Toronto, Canada.

MAN: Considering Canada's special relationship with the United States, its involvement in NORAD and NATO, do you see severe diplomatic limitations on what Canada -- what role Canada can play between peace between the U.S.S.R. and the U.S.?

COLBY: Canada and the United States have a very close alliance. We're totally involved with each other. And we have the utmost confidence in the Canadians and the Canadians support to our mutual defense. There are many things the Canadians can do to help us, and there are many things we can do to help Canada. And that's the way it ought to be.

KING: Without acid rain.

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COLBY: Right.

KING: Bethesda, Maryland.

MAN: Mutual assured destruction. Valid or invalid?

COLBY: Basically, valid for a while, although it's a silly way to keep the peace. We'd do better not to have weapons like that. But if the other side has one and we have one, then the two threatening each other mean that neither dares use it. And that's the way the peace has been kept for a number of years. The problem is that it's getting very fragile because the potential for a so-called first strike is coming out of the improvements of technology, and we have to stop this race in these weapons before that happens.

MAN: Well, how about the Soviets' [unintelligible] versus ours. I know that we are not effective in hitting their hardened silos, which they are most effective in hitting ours. And that is the imbalance in the first-strike capability.

COLBY: Well, we have had a greater accuracy than they have for a long time. The fact is, we chose to have small weapons rather than big ones because we had greater accuracy. The problem is that they have increased their accuracy in recent years; and, with their large weapons, they've become dangerous to our silos.

But that's a very esoteric subject. The fact is that these weapons are so dangerous to both sides that neither can use them.

KING: With William Colby, former Director of the CIA.

New York City.

WOMAN: I'm hearing nothing but technology. Luckily, I'm not a technological person. I understand the value of it. So is the inter-human relations of when you have talks. Are you effective -- not you, personally -- but whoever represents the U.S. of A.? We do not have a Churchill nowadays who can drink Stalin under the table.

KING: What's the question?

WOMAN: ...the people all over, including England and America. Now, that's where it's at, as far as I can see, apart from the arguments back and forth, you know, of how many...

KING: What's the question?

COLBY: We have people who speak Russian, who understand

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the Soviet Union, who can deal with them very straight across the top of the table.

WOMAN: Is Solzhenitsyn being consulted, for example?

COLBY: Well, Solzhenitsyn gives everybody his views. I don't think he has been consulted.

KING: We do have Russian experts, although our chief Russian expert has never been there. Does that matter to you?

COLBY: No, not necessarily, because one can study the Soviet Union in great detail. I think he should visit there, and I arranged for a number of our experts to visit the Soviet Union, even as tourists, not to get involved in a particular operation, but to be tourists.

KING: William Colby. He attended and spoke at the Conference on the Fate of the Earth, just concluded here in Washington, speaking in favor of mutual and verifiable freeze. He is senior adviser to International Business Government Council and the former Director of the CIA. By the way, he has been decorated with the National Security Medal, the Distinguished Intelligence Medal, and the Norwegian St. Olaf's Medal, among many others. And he wrote a hell of a book in the late '70s, Honorable Men: My Life in the CIA, which Simon and Schuster published.

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KING: Madison, Wisconsin.

MAN: Mr. Colby, I have a question about the CIA's hiring practices. I was recruited by the Company about a year ago at the University of Wisconsin, and my recruiter was the Deputy Director in the Office of Central Reference. Now, he told me that if I was to be denied employment, that I would not be told what the reasons were. Now, I feel very strongly that I was qualified, but I was denied consideration. I suspect also that I didn't fit the, quote, mind-set that is in the organization.

My question is this: Is it still true, as former CIA administrators have contended that have written about this problem, that the CIA recruits largely either from conservative Ivy League type colleges or from people with conservative political orientations?

COLBY: No, that's not true. The present recruitment is all over the country. When I was in the CIA last, I counted the 12 senior members of the agency around my table in the morning meeting. Ten of them came from non-Ivy League colleges, two of

them came from Ivy League colleges.

The fact is that they don't seek conservatives. We've had liberals. If anything, CIA was known to be kind of a liberal institution for a number of years.

KING: It's known in Washington, first of all, it has more Ph.D.s than any other governmental agency.

COLBY: Well, it probably has enormous number of advanced degrees. But it's neither liberal nor conservative. It's professional.

KING: To Springfield, Illinois.

MAN: I'd like to ask Mr. Colby if the American people will ever know what happened to Nick Shaddren?

COLBY: Well, I don't know that anybody really knows, outside the Soviets, what happened to Nick Shaddren. There have been several books written about it, several investigations. But I don't think -- I certainly don't know what happened to him, and I don't think anybody really knows, other than perhaps the Soviet Union.

MAN: So you think they grabbed him in Vienna?

COLBY: I suspect that may have happened. Yes.

KING: We go to Allentown, Pennsylvania.

MAN: Let me first of all say thank you for your dedication and effort.

KING: That's to you, Mr. Colby, not to me.

MAN: Going back to '64, I'm curious what the effect of a Dr. Strangelove had on this, and maybe you personally, and just the system in general.

KING: Did that movie have any effect?

COLBY: No. It was an interesting movie and it was a fictional account, but there are all sorts of fictional accounts, from War and Peace by Tolstoy on up. There are lots of fictions that are very dramatic and they have an impact, but not a direct impact.

KING: I discovered, from having visited the CIA, one looks at the bulletin board that employees look at and put up. It has a great sense of humor, that agency. Most of the cartoons

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critical of it make the billboard there.

COLBY: Oh, sure. Well, you want to tell people what's being said about them.

KING: Atlanta, Georgia.

MAN: I have a seven-year-old grandson that visits me on the weekends. And one night not long ago we were sleeping side-by-side in the twin beds, and he woke up in the middle of the night screaming and crying and yelling, "They're going to kill us all. They're going to kill us all." And I calmed him down and found his teacher had been talking about possible nuclear attack in this country, and she was telling him what to do, you know, get under the desk and get downstairs and all that.

What psychological thing is this going to have on our children, the threat of nuclear attack?

COLBY: Oh, it has a considerable psychological effect, both on our children and on Soviet children. This happened 20-30 years ago when it was believed that if you hid under the desk it would help you. Now it's really pretty well understood that that doesn't help much. But you're getting more dramatic presentations, like the film "The Day After," and so forth, that frighten a number of children who are afraid that they're not going to grow up, that they're going to die in a nuclear attack.

KING: Children of both nations are scared.

COLBY: Of all nations. Yes.

MAN: One more question. What can I do, as an individual, to stop this insaneness of nuclear buildup?

COLBY: I think speak out among your neighbors, speak to your friends. Get involved in some of the programs, the activities, the associations and organizations that are trying to do something about it. You make the choice as to the one that seems to represent what you think, and support 'em.

KING: Brooklyn, New York.

MAN: Mr. Colby, I have two comments, plus a question. One on, supposedly, the arms race and one that's happening in Beirut.

You don't take the fact that they have the ABMs, the Soviets, which would violate the ICBMs, they could also hit us from Siberia within five-six minutes. I mean, you know, the Soviet Communists don't compromise. They only compromise what's in their benefit.

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KING: Then what's your answer, sir?

MAN: I'll say something about that after I finish.

In Beirut, why don't the CIA try and infiltrate the Islamic Jihad, these crazies?

COLBY: I am certain the CIA has tried to infiltrate it. It's very tough to infiltrate a small terrorist group. On some occasions, I think we have infiltrated them and we stopped the operation. Now, that doesn't get much publicity because you don't brag about it. You just stop it and that's the end of it. The time you fail, they run the attack. Therefore you have to have a protective device in addition to intelligence.

KING: One of the great problems with the CIA is we don't know of its successes.

COLBY: Well, President Kennedy said that your successes are silent and your failures are heralded. And that's a fact of life in the intelligence business.

KING: Our guest is William Colby, the former Director of the CIA.

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KING: Bethesda, Maryland.

MAN: Mr. Colby, are you familiar with the core of the KGB's military headquarters in Moscow, Department 8? I was told by a Jewish emigre that they have one thousand soldiers in almost an impenetrable fortress that guards the military communications of the entire military command in the Soviet Union and if there were a coup or someone in the Politburo were to assassinate someone for a military coup. Could you explain? Do you think that would be a problem on a fictional basis -- I mean on a reality?

COLBY: Well, the KGB is responsible for the security of the leadership of the Soviet Union. The KGB is not the opposite number of the CIA, it's the opposite number of the CIA, the FBI, the Secret Service, the border police, everything else, the Bureau of Prisons and so forth. They even have full divisions. And one of their jobs is the protection of the senior leadership against coups. And their job is to protect the communications line, also, to the outlying districts of the Soviet Union.

KING: When people complain that the KGB is much larger than us, they don't take into consideration that it encompasses all of those.

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COLBY: That it has all those jobs, yes. Although its foreign operations are also larger than our foreign operations.

KING: How well are the Russian embassies protected? Nothing ever seems to happen to Russian embassies.

COLBY: Well, they don't -- occasionally you get a terrorist or something against a Soviet Embassy, but not very often. They take their security very, very carefully. They have lots of protection around their embassies.

KING: Chicago, Illinois.

MAN: Three quick questions, yes or no. Do we have any operatives, active agent operatives still within the Soviet Union?

COLBY: I hope so.

MAN: Second question. How much did Stansfield Turner hurt the CIA when he took over?

COLBY: I don't think he hurt it. I think he changed a few things, like any Director does, and he was controversial in some respects. I was controversial on other respects. Bill Casey is controversial. Any leader is going to be controversial about various things he does.

MAN: Third questions. The real hangup about a mutually verifiable freeze is the question of mutually verifiable. And hasn't that been the real crux, the Soviets' unwillingness to allow on-site inspection?

COLBY: Well, your right that the crux has been the verifiable question. The fact is, I think that the freeze is verifiable. Now, if you accept the fact that you're not asking that we get the last item of evidence for a court of law, but that we're really interested in protecting our country, then I can guaranty that any substantial threat to our country will be identify long before it becomes actual and give us plenty of time either to negotiate about it or to react and counter it. That's the fact of verifiability.

KING: Winnetka, Illinois.

WOMAN: Mr. Colby, considering the fact as far as stopping this nuclear insanity on the part of this Administration, particularly, but on both sides of the aisle, when it comes up talking about these arms, the senator and the representative are always for that limit -- I mean are often for that limitation, except when it's in his constituency and it

means jobs and votes. Do you not think that is a problem?

COLBY: It's a problem, but there was a congressman down in Arkansas who voted against the resumption of the manufacture of poison gas, even though the factory was going to be in his district. I think he deserves a great deal of credit for that.

KING: Is there a lot of that, though?

COLBY: Yes, there is considerable of that kind of a --it's the people in Utah and Nevada who stopped that idea of the racetrack protective device for our MX missiles.

KING: Two very conservative states.

COLBY: Yes.

KING: Alexandria, Virginia.

MAN: Mr. Colby, there's a great deal of talk about the necessity for the President retaliating in the case of terrorism. One of the things that is essential is very precise and accurate intelligence. Now, what do you feel -- I'd be very interested in your viewpoint on what the CIA, that is constantly being undressed in public, requires in the way of protection in order to provide that kind of intelligence so we can act, or rather react, in a way that is effective and expeditious, such as we've seen in the case of Israel, for example.

COLBY: Well, I would say that the first point is that we ought to protect our national sources, just as our journalists insist on protecting their sources. That doesn't mean we have to protect everything about the CIA or make it totally secret, but we do have to protect our sources.

Secondly, with respect to retaliation, I happen to think that if somebody is my declared enemy, he declares it, and I get hurt, then I can retaliate quite legitimately at him without having to prove beyond a reasonable doubt that he actually did the deed. Because if he stands up and says -- states his hostility, then he's responsible for anything that happens to me.

KING: A fair assumption.

Burlington, Massachusetts.

MAN: Mr. Colby, my question is, what courses of study would you suggest or recommend for any future recruitment candidates?

KING: Good question.

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COLBY: I think a course of study of foreign affairs, languages. We have a crying need for languages: Arabic, Chinese, Soviet -- Russian, all that sort of thing.

MAN: I see. But I speak Serbian and German fluently.

COLBY: Great.

MAN: And I'm interested in the Foreign Service. I took a test last year, in December, and I missed it by a couple of percentage points, as far as the grade that's required for consideration. And the intelligence community has interested me for many years, through reading and through the newspapers. And I was hoping someday, that if not one, the other.

COLBY: Well, there are advertisements in some of the press that give an address for one to send in one's application to the CIA. And the DIA is recruiting people. There are a lot of different agencies that recruit people for intelligence work.

KING: His languages help him. Right?

COLBY: They help a great deal.

MAN: The average age, sir, of...

COLBY: Generally a little over the normal hiring age. In other words, they like to take people who have done something, not just gone to school.

KING: Twenty-five?

COLBY: Twenty-eight, 29.

MAN: I'm 26, so that would give me three years to get...

COLBY: Sure.

KING: We have a half-hour to go with William Colby.

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KING: We're going to go right back to your calls.

Houston, Texas.

WOMAN: Bill, I'm a longtime admirer and friend. I just think that any hope for world peace can only be done and augmented by the support of someone with your experience and stature and ability. And I just want to say thank you for your

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efforts in this.

COLBY: Well, thank you very much. It's awful nice of you.

KING: Nice when you get compliments, huh, Bill?

Buffalo, New York.

MAN: I'm pleased with your positions on nuclear freeze. My question is this: In view of the fact that the Western European countries spend a much smaller part of their GNP on military, is it possible that they take over the lion's share of defending Europe to save us some of the expense?

COLBY: Well, the Germans, for example, do contribute considerable. Some of the other countries do not, but some of the other countries will point out to you that they have the draft and we don't, which makes a big difference in some of them.

It would be preferable that they contribute more. It probably would be preferable that we contribute more to the conventional level of defense there. But at the moment we're at about a balance point, not as good as we should be, and we ought to do better.

KING: Norfolk, Virginia.

MAN: With the number of Russian atomic submarines patrolling the East and West Coast of the United States, and considering the amount of trouble that they've had, what do you think would be the effect on both the government and the people near the coast if one of these submarines would explode with a force of about ten megatons, either accidentally or by design?

COLBY: Well, if they blew up out at sea where they are, several hundred -- a couple hundred miles out at sea, not very much on the initial stage, although you'd have a fallout problem. On the West Coast that fallout would come toward the coast. On the East Coast the fallout would go out into the Atlantic.

MAN: What do you think the response of the government would be?

COLBY: Of our government?

MAN: Yes.

COLBY: If it were an explosion and not a direct attack, then I think we would try to work our way around the explosion rather than take it as an attack.

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KING: We would treat it as an accident.

COLBY: Right.

KING: Williamstown, New Jersey.

MAN: Sir, a question to a great American patriot, whom I missed meeting on your recent visit to Southern Pines.

COLBY: Oh, thank you.

MAN: I asked my mentor, General William P. Yarborough, this question, and he did not know. Are you the man who led the remarkable 50-man Norwegian operations group for OSS during World War II?

COLBY: I read -- yes, I did lead a group up into Norway, operations group for OSS there. It was not the so-called heavy water operation. It was an operation against a railway in Northern Norway. We went in in the spring of '45 and blew up the railroad a couple of times.

KING: Is that what won you the Norweigan St. Olaf's Medal?

COLBY: Yes.

MAN: Sir, you might be interested in knowing, in a book that's going to be coming out entitled The Devil's Bodyguard, that operation will be mentioned.

COLBY: Oh, thank you.

KING: Minneapolis.

WOMAN: It seems unconscionable that the CIA funded experiments on unsuspecting Canadian mental patients.

COLBY: It is unconscionable.

WOMAN: And one must -- well, I must then question whether similar experiments that use things like ECT -- shock treatments, in other words -- drugs, or behavior modification techniques were also done on United States psychiatric patients. And I'm wondering whether you would care to comment on this possibility.

COLBY: During the investigations of CIA ten years ago, a few cases showed up where CIA was involved in some tests of various kinds of people, the potential use of drugs and so forth. The motivation was to find out what those drugs did so that we

could protect ourselves against a hostile use of them, and sometimes the possibility of using them in our interest.

Now, it is totally unconscionable that those were used in a violation of the standards on experiments, medical experiments. The rules have been made very clear since that time that CIA will stick to the rules proper to the medical profession for experimentation on patients.

KING: We'll be right back with William Colby.

* * *

KING: Canton, Ohio.

MAN: First I'd like to say that Mr. Colby is white-washing the CIA, and I think it's a criminal organization, a secret police for the transnational corporations. I do believe that this doubly underscores the absolute necessity and credibility of a nuclear freeze and how mild as milk such a policy would be. And even the fact that most people don't realize that the Soviets have refused to ever strike first, they've officially renounced that. We have not renounced that. They've called for a nuclear freeze. We have refused that nuclear freeze. They've said they'd get rid of all of their nuclear weapons within Europe if we counted the British and French weapons which could destroy the Soviet Union. And Reagan has refused to do this.

KING: What's the question?

MAN: Do you believe that most people don't realize this? I think because much of the media are not bringing it to their attention. And yet they support even a unilateral freeze within this country. Do you think this could be strengthened if these facts got out to the people with the help of a media that is, I think, fronting for Reagan and the military.

KING: Rather than make a speech, if you ask a question it's much more effective.

COLBY: I think I got the question. I don't think that the media has misled. I think the subject is so complex that the ordinary citizen has a tough time distinguishing the various positions.

As for the Administration's position, I think they've been a little sticky on a few things, although I give them good-faith concern about the safety of our country. I think we should move ahead to a negotiation of a mutual freeze. And I think the Soviets are ready because it's very much in their interest to achieve it, and it's very much in our interest to achieve it.

KING: It'd be a nice world if we didn't need CIA or KGB?

COLBY: Yes, but we do. The fact is that there are secrets in the world, and the secrets can be dangerous to us, and we have to discover those secrets.

KING: Rockville, Maryland.

MAN: Two questions, please. Mr. Boyce, who handed the Soviets the satellite technologies book in Washington state, could you tell me the extent of damage that did and if it had any effect on the start of the White Horse system or any of the satellite-killer systems?

And the second question. There was an explosion in the North Sea about -- I think it was in early March or April, about 35 percent of the Soviet nuclear missile depot at a naval base was destroyed. Could you tell us -- elaborate on that, please?

COLBY: Well, the explosion was up in the northern part of the Soviet Union. Obviously, a weapons depot got out of control and it was an enormous destructive -- it was an accident, apparently. They are fairly sloppy in the way they handle those sorts of things.

And I think with respect to the Soviet naval activities generally, they are not as efficient as our Navy. There's no question about it.

KING: What about the gentleman in Seattle and the handing over?

COLBY: The movement -- Mr. Boyce's operations certainly did hurt us. I wouldn't say that they put us behind the Soviet Union, but it was one of those things that exposed something that we were using against them that now they can counter fairly easily.

KING: Pittsburgh.

MAN: Mr. Colby, this is a little different, but some of my friends and I were often wondering about this. If you can't answer this question, nobody can. When the Soviet Union invaded Czechoslovakia in 1968, the two prominent Slovaks in power or running the country at that time were Dubcek and Swoboda, I think his name was. What ever happened to them? Were they executed or are they still alive?

COLBY: I can't answer the question, I'm sorry. I just have forgotten. I really don't know.

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MAN: ...find out that out?

KING: I'd call the Czech Embassy.

COLBY: I think Dubcek died, but I'm not sure.

KING: To Springfield, Massachusetts.

MAN: The President likes to speak about the window of vulnerability. Since it's been pointed out on this program that there's a fair amount of parity in weaponry between us and the Russians, I wonder if he's deluding himself. That's my feeling.

COLBY: Yes. There is no window of vulnerability. If there were, the Soviets would exploit it. I don't have any sympathy for the Soviets, and I know they're tough and hard. The fact is, we have the weapons that can prevent the Soviets from using their weapons against us.

KING: Omaha, Nebraska.

MAN: On the strategic defense initiative, how do you think we would deal, or the Russians would deal, with the unfissioned plutonium fuses on the warheads that would theoretically be destroyed?

COLBY: Well, I think the strategic defense initiative, the so-called Star Wars, is probably not really feasible in any realistic sense. It's 25 years ahead, it's \$25 trillion ahead, and it probably wouldn't be more than 90 to 95 percent efficient, which if a thousand missiles came toward us, that would leave 50 or 100 landing on us.

So, the fact is that once we actually hit a number of those in the sky, or in space, you would have the plutonium there. It would have a certain poisonous effect, but it would have a lot less poisonous effect than the weapon landing in the United States.

KING: Marshall, Minnesota.

MAN: I just wanted to call and compliment you on a job that's being well done by the CIA. I really appreciate what you're doing to counter what our enemies are trying to do to us. And that guy who called earlier and called the CIA a criminal organization just doesn't know what he's talking about, you know. I think you guys are doing an effective job.

COLBY: Well, I appreciate that. I've retired from it, but I'm sure the people still in it appreciate your sentiments.

KING: Chicago for William Colby.

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MAN: Mr. Colby, much has been made of the nuclear threat and the danger surrounding nuclear proliferation. Balanced against this possible danger, I think, is the present slaughter of millions of innocents by the Soviet Union and the continuing enslavement of almost a billion human beings by those despotic cretins in the Kremlin.

My question is, how does Patrick Henry's statement, "Give me liberty or give me death," jibe with your support of the nuclear freeze as a method of reducing the possibility of the nuclear threat, and your total disregard, at least on this program, for the sea of human beings which are enslaved right now by the Soviets? We seem to be in frenzied activities to save our own necks. What are we doing for the life and liberty of those poor people?

COLBY: Well, the Soviets and ourselves are both exposed to destruction and the elimination, plus the other countries, by the present nuclear stocks. The fact is that if we had a freeze, we could then begin to communicate with the Soviets and not live in quite so much fear of each other. As we have in the past times, sometimes when we have made a nuclear agreement, as Mr. Nixon did, it has opened the possibility to change in the Soviet Union. When we are in a firm hostility, there's no change in the Soviet Union.

KING: What is your alternative, sir?

MAN: Well, I think that we should make positive plans, first, to defend ourselves and bring ourselves to as large a state of invulnerability as possible.

KING: And then?

MAN: Exert some kind of an economic or a pressure against the Soviet Union.

COLBY: Well, we do have our protections; and there's no question about it, we are going to maintain our protections against the Soviet Union.

As for changing within the Soviet Union, I think the main thing is to open them up. And it is precisely through agreements such as this that one opens their habits and them to outside influences.

KING: Boston.

MAN: Mr. Colby, what do you feel are the full implications of the story that's come out in the last few months that the English Navy threatened to use atomic weapons against

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the Argentine city during the Falkland Islands war, and that's why the Argentines pulled out of the war?

COLBY: The British Government has denied that. And I don't think that the British Government was contemplating the use of nuclear weapons there.

KING: Boston again.

MAN: Mr. Colby, I fully agree with you on the issue of the nuclear freeze. However, in my opinion, the real threat to world peace currently is proliferation. To what extent does CIA try to prevent people like the Islamic Jihad or Muammar Qaddafi from getting an atomic device?

COLBY: Well, in the first place, we try to follow what's happening in this field. We try to see what other countries are developing nuclear possibilities, trying to follow terrorist groups and any plans that they may make.

The fact is that proliferation is a secondary danger. Because if a small country gets a few bombs, it's dangerous to its neighbor but it's not dangerous to the world. The massive stocks that we and the Soviet Union have are dangerous to the world. And Madame Gandhi once said, rather pointedly, I thought, that we shouldn't give her lectures about the nuclear weapons until we got our own arms race under control. I think there's a certain amount of logic to that position.

KING: Toronto, Canada.

MAN: I wanted to ask Mr. Colby two points that I'd like him to respond to. He's been talking very much about verifiability, and all I have to work with is Jane's, and not his immense experience in the field. But given that warhead sizes are now down to about a cubic meter or a little under that, how does he propose that we can keep track of simple swapping operations on things like torpedoes, cruise missiles? It's very difficult to determine whether they're nuclear-armed or not.

And the other point that I wanted to make was you can't verify what's going on in a laboratory by national technical means. The American deterrent seems to me to rest purely on the invulnerability of its submarine base, and not on the missile base. So, if the Russians are continuing to develop anti-submarine technology, what assures -- what enables you to continue and to keep that edge?

COLBY: The fact that the warheads are getting smaller certainly does present a problem, but it's not an insoluble problem, because it's not just the warhead, it's the whole

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support structure that maintains a warhead. These stocks, the depots, the protective places to store them, and all the rest of it, that give indications as to whether nuclear warheads or ordinary warheads are there. And it's that kind of hint that you can get, put little bits and pieces together.

Now, secondly, if it's absolutely impossible, you can adopt a system with the Soviets where you count anything that could have a nuclear warhead as having one. That's what we did with SALT I. Anything that looked like it, had ever been tested with it was counted as having a nuclear warhead. This is a device, but it's a way of handling that kind of a problem.

On the submarine situation, we are far ahead of the Soviets in anti-submarine warfare. There's no question about it. We are going to keep on. The fact is that our submarines are one of the ways we have to retaliate. One is the land-based missiles, one are the bombers, and one now are going to be cruise missiles. So you have a variety of ways to retaliate, if necessary.

KING: Last call for William Colby. St. Petersburg, Florida.

MAN: Mr. Colby, a quick hypothetical question for your regarding employment. I don't know how far you were aloof from the employment at the CIA. But let's say a person was approached and eventually filled out the applications for employment, you know, in the electronics end of it, and a couple of months later he received notification that he was wanting to -- they wanted him to fly to Washington. What are the possibilities of employment?

COLBY: Well, if they've gone that far, to invite you to fly to Washington, then I think the chances are pretty good. It'll depend on the interview, but they've obviously looked at the background, they think there's enough there to make it attractive, and they want to see the person and look into him. They then will have a security clearance. They then will have a psychological test to see about stability, to make sure that we don't hire people that are unstable. There are a number of other tests. But if you've been invited to fly there, the chances are pretty good.

MAN: Thank you very much.

KING: Bill, I want to thank you very much. It's been a great pleasure meeting you. I've admired you for many years.

COLBY: Thank you. It's a pleasure to be with you, Larry. Thanks a lot.

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US prepares new concessions, new initiatives on arms

ABM debate revived as both sides seem poised to break treaty

By Brad Knickerbocker
Staff writer of The Christian Science Monitor

Washington

On Oct. 3, 1972, it seemed as though half the nuclear arms race had been halted.

That is when a treaty between the United States and the Soviet Union limiting antiballistic missile systems went into force. In essence, as Henry A. Kissinger said at the time, the idea was to give offensive missiles "a free ride to their target" and thereby ensure that both nuclear powers retained their retaliatory force.

Today, though, many arms-control doubters — including some key Reagan officials — wonder whether the ABM treaty ought to be changed, if not scrapped.

They look at the continuing buildup in nuclear weapons on both sides (which the ABM treaty was supposed to slow), the big advances in technology since then, and the allegations that the USSR is violating the

ABM treaty in fashioning a nationwide missile-defense system. They wonder if the 12-year-old treaty has not outlived its usefulness, if the US should not use its technological edge to defend against Soviet missiles.

In response, many nuclear strategists and former arms-control and defense officials have mounted a vigorous defense of the ABM treaty. They view President Reagan's controversial strategic defense initiative ("star wars") as a direct threat to what some see as the most successful superpower agreement in the nuclear age.

"The American people are being misled into believing there is a magical solution to the nuclear predicament," says Gerard C. Smith, the Republican who negotiated the first US-USSR strategic arms agreement as well as the ABM treaty.

"A US 'star wars' effort will prompt a similar effort by the Soviets," says Ambassador Smith, and "compel both sides to accelerate their race in offensive weapons, and increase the risk of nuclear war."

The essence of the 1972 ABM agreement (and its 1974 protocol) is that the superpowers should be limited to a single defense system of no more than 100 interceptor missiles around the national capital or one ICBM (intercontinental ballistic missile) field. These defensive mis-

siles may not have more than one warhead, nor may their launchers be rapidly reloadable or mobile. Both countries also agreed not to develop, test, or deploy sea-based, air-based, space-based, or mobile land-based ABM systems, although research in these areas is allowed.

The treaty was an acknowledgment of the overwhelming destructive force of nuclear weapons.

"It is a *realpolitik* approach, not an ideal one," says Sidney Drell, physicist and codirector of the Center for International Security and Arms Control at Stanford University. "The ABM treaty is the formal recognition that mutual destruction could not be escaped if the superpowers were drawn by accident or design into nuclear war. . . . It accepts deterrence as a present necessity and objective condition, not as an active threat which would be intolerable."

Today's debate over missile defense — prompted by President Reagan's controversial speech last year — echoes the one heard in this country in the late 1960s. But there are several important reasons for its revival.

First, as even critics of the President's initiative acknowledge, there has been remarkable progress in those technologies (sensors, computers, directed energy, and ways to transport things into space) that could be part of an advanced defensive system.

Second, fears about the possibility of nuclear war — due in large measure to the lack of significant progress in limiting weapons of mass destruction — have heightened public interest in pursuing protective measures. Opinion surveys (including polls taken a few months before Reagan's "star wars" speech in March 1983 before the conservative Heritage Foundation) consistently show

more than 80 percent of the public favoring strategic defense.

And third, there is mounting evidence that the Soviets may be positioning themselves to "break out" of the ABM treaty by deploying systems not allowed under the agreement. Among these is a large phased-array radar (which can track many targets at once), advanced mobile antiaircraft missiles that could possibly be used against other missiles as well, and ABM launchers that US intelligence sources suspect can be quickly reloaded.

The United States in the mid-1970s built its allowable ABM system (called Safeguard) around 150 Minuteman strategic nuclear missiles in North Dakota. But it was dismantled a few months later because of its high cost and the realization that Soviet missiles probably could penetrate it.

The Soviet Union has kept its Galosh missile defense facilities around Moscow and now is building an improved ABM-X-3 system with better interceptors and radars.

Critics of the President's strategic defense program are quick to point out that the US also may now be test-

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Real Spies Shoot Down Spy Movies

By LESLIE H. GELB

WASHINGTON Spies generally don't like spy movies. They say it is not because of gadget envy or envy of James Bond's females, and I believe them. It is, well, because they don't like being thought of or portrayed as "spies" — those skulking or bionic creatures engaged in feats of super-human hunches or violent acrobatics that you tend to see on film.

They see themselves as intelligence agents, with the accent on intelligence. Their idea of fun is watching grass grow into an odd insight or, better still, a trend. If any fictional spy is heroic to them, it is George Smiley of John le Carré fame, portrayed by Alec Guinness in the BBC's "Tinker, Tailor, Soldier, Spy." Even that television portrayal was a bit racy by their standards. "The book was much better," said Ray S. Cline, a former head of covert operations in the Central Intelligence Agency, because it was even more leisurely and complex.

After talking with a dozen or so former and present American spies about spy movies, I get the feeling that even the name of the organization, C.I.A., is not good enough. They seem to prefer the name used for the organization in World War II, the Office of Strategic Services, or better yet, Mensa.

To them, spying is a cerebral exercise, and they see themselves as scholar/investigative reporters piecing together bits of puzzles. George Smiley's unfaithful wife understands this all too well when she says to him at the end of the last episode: "Poor George, life's such a puzzle to you, isn't it?"

To hear them tell about their trade/craft, there is precious little adventure, no naked lady spies of American vintage, although the Russians are said not to share our Puri-

tanism, no karate lessons for those being sent into the field, hardly any killing or gore, and few gadgets for escape because they are too expensive. In other words, no fun for the moviegoer.

To William Colby, former Director of Central Intelligence or America's top spy, a real spy has to be "a gray man who has a hard time catching the eye of a waiter in a restaurant." As a result, "I still have a hard time catching a waiter's eye in a restaurant." Better yet, he has to blend into whatever background he lives in and role he plays. To the real spies, the only one who did this successfully was Richard Burton in the film based on Mr. le Carré's "Spy Who Came In From the Cold."

The spies consider the recent crop of spy movies, in particular, to be terrible. That includes James Bond in "Never Say Never Again" and in "Octopussy," the Russian detective who gets involved in spying in "Gorky Park," the female Sam Spade in "Trenchcoat," "The Osterman Weekend" that is so bad it defies description, and the spy spoof by the title of "Top Secret." At least "Top Secret" had one good line, delivered by an East German who says that he had an uncle born in the United States "but he escaped during the Carter Administration — in a balloon."

It is not that the real spies object to spy movies as entertainment; it is just that they are not entertained. To Walter Pforzheimer, 42 years in the intelligence business and one of the men who helped bring about passage of the 1947 act that established the C.I.A., their careers are "too serious" for the screen or even most books.

There is about them a quality of apartness which both inheres in their business and which they cultivate, something that cannot be readily dra-

matized let alone Hollywoodized. Their secrets make them feel different. They can talk only about what they are doing to each other, and even then, on a special need-to-know basis. "You can't come home from work and tell your neighbors or your wife, 'I met the nicest spy you ever saw at the office today,'" explained Mr. Pforzheimer. Only a few movies, like "The Human Factor" based on the Graham Greene novel, convey this isolation.

To Mr. X, a former agent-in-the-field and top manager of covert operations, it is more than that. "There is a different kind of camaraderie from other trades, the fact that you're dealing with people on a one-to-one basis, particularly in espionage and counterespionage. It is the case officer and his agent. You're not reporting to a multitude. It's only a handful of people who know who your agent is. It's an exclusive basis. You feel more exclusive." The exclusivity of most spy movies derives from sexual and physical prowess — not the feeling of specialness that comes from secret knowledge.

Theirs is a life that is hard to share. The spies I talked to had some of that feeling from Thames Television's most recent spy venture, "Reilly: Ace of Spies," based on a real person. Reilly, born Sigmund Rosenblum, a spy for Britain and whoever paid him, does have more than his share of close calls and women. But of greatest importance to the real spies is that no one really knows him. They like that.

This is more than remaining anonymous. That, too, is very important to them and something moviemakers are not terribly interested in conveying. Almost all the movie spies are instantly recognized as soon as they arrive on the scene. Sean Connery's James Bond in "Never Say Never Again" is even attacked while on a rest cure at a spa. Even Michael Caine in his deft portrayals of a Brit-

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ARTICLE APPEARED
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SHOULD THE U.S. FIGHT SECRET WARS

Almost from the moment the first "contra" was issued his Army made combat boots, the Reagan Administration's secret war against Nicaragua has been embroiled in a vociferous if somewhat bizarre public debate. Congressmen proclaim their outrage, editorialists voice their misgivings, while officials in Washington are running the war—blandly "decline to comment on intelligence matters."

Secret, or covert, wars are an honored tradition in postwar U.S. foreign policy, having enjoyed the height of a golden age in the 1950s, when they discreetly shuffled governments in Iran, Guatemala, and the Philippines. But the "controversial secret war" is a paradox peculiar to our post-Vietnam, post-Watergate democracy. At the root of the furor over Nicaragua lies a conflict that has obsessed America's public life for the last fifteen-odd years: the people's right to know versus the stated demands of national security.

Can any democracy effectively fight secret wars? Should the United States fight such wars? If so, by what moral right and in what circumstances? To consider these dilemmas, *Harper's* recently brought together intelligence officers, politicians, and diplomats who have confronted them firsthand and found them no less easy to resolve.

Continued

ARTICLE APPEARED ON PAGE 1

Australian Mystery Fall of a Banking Firm Spotlights the Roles Of High U.S. Officials Frank Nugan's Violent Death Opens Lid on Odd Traffic In Dope, Foreign Funds Politicians Charge Cover-Up

By JONATHAN KWITNY

Staff Reporter of THE WALL STREET JOURNAL

SYDNEY, Australia—At 4 a.m. Sunday, Jan. 27, 1980, a police sergeant and a constable, according to their testimony, were patrolling a lonely stretch of highway 90 miles from here when they spotted the parking lights of a Mercedes on an old road off in the woods. Inside the car, slumped across the front seat in a puddle of blood, was the body of a 37-year-old man with a new rifle in his hands.

They searched his pockets and found the business card of William Colby, the former

This is the first of a series of articles.

U.S. director of central intelligence. On the back of the card was the itinerary of a trip Mr. Colby planned to make to Asia in the next month. The two policemen also found a Bible with a meat-pie wrapper interleaved at page 252; on the wrapper were scribbled the names of Mr. Colby and U.S. Rep. Bob Wilson of California, then the ranking Republican on the House Armed Services Committee.

All this might sound like the beginning of a Hollywood spy movie, but the studios would have to assign their most imaginative scriptwriters to produce a tale as startling as the real-life events that have followed that grisly discovery more than two years ago. The body was quickly identified as that of Frank Nugan, the chairman of a group of companies affiliated with the private Australian banking concern of Nugan Hand Ltd. Since then, investigations have pieced together a picture of an amazing swindle that spanned six continents and bilked investors out of millions of dollars.

A Political Issue

More perplexing yet, evidence has turned up that Nugan Hand bank was deeply involved in moving funds about the world for big international heroin dealers and also might have been involved in the shady world of international arms traffic. To cap it off,

the offices of Nugan Hand and its affiliates were loaded with former high-ranking U.S. military and intelligence officials (see story on Page 22).

This has convinced many Australians that the company was involved in secret work for the U.S. government. Despite official denials from Washington, the issue has refused to die and has become one of the central debating points in Australian politics.

The issue of U.S. investment may be hard to resolve because many of the essential records were destroyed. Within hours after the discovery of Frank Nugan's body, telephones began ringing urgently all over the world. One was on the desk in Manila of three-star U.S. Gen. LeRoy J. Manor, the recently retired chief of staff for all U.S. forces in Asia and the Pacific. After his retirement, Gen. Manor had been on secret duty for the Air Force and at the time of Mr. Nugan's death he was helping run Nugan Hand's Philippine office.

Ransacking the Files

According to Nugan Hand's public-relations man, Tony Zorilla, Gen. Manor called him and told him to stop the wire services from reporting Mr. Nugan's death. Mr. Zorilla says he replied that this would be unethical and impossible, and he refused. (Gen. Manor would describe his activities with Nugan Hand only in general terms, and he wouldn't discuss this incident.)

Halfway around the world, Rear Adm. Earl P. "Buddy" Yates, the recently retired chief of staff for strategic planning for U.S. forces in Asia and the Pacific, heard the news and immediately jetted to Sydney, Nugan Hand's main office. Adm. Yates was the president of Nugan Hand, though he lived in Virginia Beach, Va. En route to Sydney, he met Nugan Hand's vice chairman, Michael Hand, a highly decorated Green Beret during the Vietnam War and a former U.S. intelligence operative, coming from London. They raced to the Nugan Hand office and with a few other insiders began ransacking the files.

According to witnesses, enough records to fill a small room were fed to a shredder. Others were packed in cartons, with everyone helping, and carried at night to the back room of a butcher shop owned by Robert W. Gehring, a former Army sergeant in Vietnam. Mr. Gehring worked for Maurice Bernard Houghton, a mysterious Texan who has owned several bar-restaurants in Sydney and who had played an active role in Nugan Hand's affairs since its inception in 1973.

A Lawyer's Advice

Mr. Houghton not only joined the rape of the files, but also brought his lawyer, Michael Moloney, to direct it. According to the testimony of Stephen K. A. Hill, a Nugan Hand director who joined the record-ripping that week, Mr. Moloney urged the group on by warning, "I am fully aware of what has been going on. You all face jail terms of up to 16 years."

According to burly Mr. H. Mr. Moloney fore the law rible things will be cut and pieces."

Mr. Moloney in a recent interview said, "Sure, I advised Hand to take documents out of the office. I was told there were serious deficiencies in the accounts. Everything I did I talked about with Yates first." (Adm. Yates refuses to discuss any part of his activities with Nugan Hand.)

A few months later, on April 11, 1980, Nugan Hand went into liquidation. And the secrets that were so frantically being destroyed after Frank Nugan's death began to be reconstructed. Exposed to view, like maggots, were dozens of affiliated corporations, with little or no real assets, that Nugan Hand had set up to help its clients avoid taxes and move money overseas secretly and often illegally. Mr. Nugan had boasted that \$1 billion a year passed through these companies.

Still unanswered is the question of why so many high-ranking U.S. military and intelligence officials were working for the company. The CIA has denied involvement, and the State Department says that Nugan Hand wasn't in any way a U.S. government operation. But liquidators of the company and various Australian law-enforcement officers express anger and bewilderment that the CIA, the FBI and the U.S. Customs Service, all of which have information on Nugan Hand, have refused to release it to help in the current criminal and civil investigations.

"It has obvious overtones that somebody is covering something up," says the court-appointed Australian liquidator, John W. O'Brien.

From its base in Sydney, Nugan Hand had opened at least 22 offices around the world, including four in the U.S. After the company failed, anguished messages poured in from individuals who had invested money at above-market interest rates in securities sold by Nugan Hand and who now stood to lose everything. Liquidators say the official shortfall could reach \$50 million. The victims include many Americans, not only on the U.S. mainland but also at construction sites in Saudi Arabia and at military bases and legations throughout the Far East, Hawaii and the Philippines.

Nugan Hand carried out its operations with intense secrecy. Cables and interoffice messages were in code and often were marked "Destroy After Perusal." Company employees and customers were referred to by coded serial numbers rather than by name, and even references to foreign currencies were disguised: "Oats" stood for Swiss francs, "grains" for U.S. dollars and so forth down to "berries" for Portuguese escudos.

CONTINUED

ARTICLE APPEARED
ON PAGE 22

WALL STREET JOURNAL
24 AUGUST 1982

Admirals, Generals, Ex-CIA Men Took Prominent Roles in Nugan Hand Bank

By G WALL STREET JOURNAL Staff Reporter

SYDNEY, Australia—Enough top-ranking U.S. military and intelligence officers worked for Nugan Hand to run a small-sized war. The list includes:

ADM. EARL "BUDDY" YATES, a 1943 graduate of the U.S. Naval Academy, Legion of Honor winner in Vietnam, and commander of the aircraft carrier USS John F. Kennedy. Then he was the chief of staff for plans and policy of the U.S. Pacific Command, in charge of all strategic planning from California to the Persian Gulf, until his retirement in July 1974. He became the president of Nugan Hand bank early in 1977, recruited by Maurice Bernard Houghton, who apparently is an old friend.

GEN. LEROY J. MANOR, the chief of staff for the entire Pacific Command until he retired in July 1978 to undertake new duties that the Air Force says are so secret that it can't talk about them. These duties are generally known to have included negotiating the 1979 agreement with the Philippine government for continuance of the U.S. military bases there (which Gen. Manor used to command) and investigating the failed hostage rescue raid in Iran in 1980 (an assignment that apparently stemmed from his having designed and commanded the 1970 raid on a North Vietnamese prison camp that failed to find any U.S. prisoners). A much-decorated Air Force three-star general, he also had been the special assistant to the Joint Chiefs of Staff at the Pentagon for "counterinsurgency and special activities." He joined Nugan Hand's Manila office, allegedly to run it (which he denies), in 1979.

GEN. EDWIN F. BLACK a 1940 graduate of West Point. He entered the Office of Strategic Services (OSS), which later became the CIA, and was the OSS commander in Berlin. He was the chief administrative aide to and frequent chess opponent of Allen Dulles, who became the head of the CIA. He was the wartime boss and then tennis partner of Richard Helms, who also became the head of the CIA. He was on the National Security Council staff under President Eisenhower and later the commander of all U.S. troops in Thailand during the Vietnam war, before becoming assistant Army chief of staff for the Pacific. He retired in 1970 to become executive vice president of the Freedoms Foundation in Valley Forge, Pa., a group promoting conservative politics. He also worked for LTV Corp., an important CIA contractor. In 1977, he became the president of Nugan Hand Inc., Hawaii, and special representative of the overall organization, making frequent trips to Asia. He says he was recruited by Adm. Yates and another admiral.

GEN. ERLE COCKE JR., whose entry in Who's Who in America says that during World War II he was "prisoner of war three times, actually 'executed' by a German firing squad and delivered the *coup de grace* but survived 1945." He held various posts with the Defense Department and as an executive with Delta and then Peruvian airlines. He is a former national commander of the American Legion, honorary commander of the Nationalist Chinese Air Force and holder of the French Legion of Honor and top medals from Spain, the Philippines and Italy. Now listed as a retired general with the U.S. National Guard and a consultant. His consulting office served as Nugan Hand's Washington office.

WILLIAM COLBY, the U.S. director of central intelligence, 1973-76. He ran intelligence programs in Vietnam during the war. In 1979 and 1980, as a lawyer with the Wall Street firm of Reid & Priest, he worked for Nugan Hand on a variety of matters—tax problems; the Foreign Corrupt Practices Act; an abortive project to relocate Indochinese refugees on an island in either the Caribbean or the Pacific; an attempt to take over a Florida bank; the operations of Nugan Hand's mysterious Panama branch, and the problems surrounding Mr. Nugan's death. Mr. Colby submitted \$46,000 in bills, which weren't paid. A \$10,000 check for his retainer was issued but never cashed.

WALTER McDONALD, a career CIA officer since 1975 and deputy director in charge of economic research from 1972 to 77. Then, while still in the CIA, he helped his former boss, onetime CIA Director James Schlesinger, set up and run the U.S. Energy Department. He served on the National Foreign Intelligence Board, the senior advisory group in the intelligence community. He announced his retirement in 1979, went into consulting and almost immediately by his own account began spending most of his time with Nugan Hand, traveling in the U.S. and Europe with Mr. Nugan and talking with him daily.

GUY PAUKER, a Rand Corp. staff member who has advised the CIA and other government agencies since the 1950s, although he denies reports that he is a career employee of the CIA. Mr. McDonald, whom he calls his "good friend," once said that Mr. Pauker has long had frequent personal access to White House national security advisers, including Henry Kissinger and Zbigniew Brzezinski. Mr. Pauker went to work as a consultant to Nugan Hand after Adm. Yates introduced him to Messrs.

Nugan and Hand. He, in turn, introduced them to Mr. McDonald. Mr. Pauker says he wasn't involved in any completed deals for the bank.

DALE HOLMGREN, a former U.S. Army officer in Taiwan who became manager of flight services for Civil Air Transport, a CIA-run airline in the Far East. He then went into business in Taiwan. He opened the Nugan Hand branch in Taipei in 1978 as a one-man representative. Adm. Yates once said that Mr. Holmgren had long worked with the U.S. military in Taiwan to develop "within the social structure of the Chinese in Taipei a close relationship with the U.S. military forces and the business and government community." Adm. Yates also said that Mr. Holmgren had worked for Nugan Hand without pay at least for a while because he had an independent income.

ROBERT "RED" JANSEN, a former CIA station chief in Bangkok who advised Thai governments through almost daily meetings with the prime minister in the early 1970s, according to persons close to them. He worked for Nugan Hand there in 1978, although he apparently severed his relationship that year (according to a colleague, because he was warned by the U.S. embassy that his presence at the bank had aroused suspicion). Mr. Jansen apparently has an unlisted number and couldn't be reached for comment.

What limits should CIA have?

By ROBERT WALTERS
Newspaper Enterprise Association

WASHINGTON — Should the CIA conduct clandestine paramilitary operations in other nations to destabilize their governments and otherwise meddle in their internal affairs?

Although the CIA has engaged in covert operations in dozens of nations throughout the world for almost four decades, the debate over their legitimacy, propriety and efficacy continues unabated.

A panel of eight experts, assembled here recently by Harper's Magazine to explore the subject, failed to resolve the issue but offered some intriguing new perspectives on the controversial practice.

The CIA insists that a principal requirement of a covert operation is that, by definition, it must be conducted in secrecy — and therein lies a seemingly insoluble conflict for the democracy that sponsors those activities.

"In the CIA, we learned to do things by deceit," says Ralph McGehee, who served in the CIA for 25 years in various Asian posts.

McGehee says the deception extended to congressional briefings that "had nothing to do with reality" but instead were "a complete white-wash job."

That allegation, frequently voiced by other CIA critics, is especially troublesome because failure to fully inform the appropriate officials of the executive and legislative branches of the federal government is nothing less than an abuse of the Constitution.

Former CIA Director William Colby insists, however, that the CIA does not engage in covert activities without approval from higher authority.

"We've had two clear cases where Congress rose up and said stop a covert action, in Angola and Nicaragua," says Colby. "That shows you that covert activities are subject to the will of the American people."

The public, however, invariably is not privy to the information given to a select group of governmental leaders. "Our government — if it's a covert action stimulated and organized by the CIA — consciously lies to the American people," says John Stockwell, who served as a CIA case officer in various African posts for 12 years.

In Angola, where the CIA was "creating support for an operation that was killing people in the Third World," says Stockwell, "the greatest liability (perceived by the CIA) was that the American people would find out the truth."

But Sen. Daniel P. Moynihan, D-N.Y., vice chairman of the Senate

Intelligence Committee, says "Congress is satisfied that if an act is legal, it need not be public."

What is particularly striking about the CIA's contemporary covert operations, however, is the extent to which they have informally become a matter of public knowledge — a marked departure from the rigid secrecy of earlier decades.

For example, the public did not learn about this country's involvement until many years after the CIA organized and directed the 1953 coup that overthrew the government of Iranian Premier Mohammed Mossadegh.

Similarly, there was no concurrent public knowledge of the CIA's covert operation that toppled the Guatemalan President Jacobo Arbenz Guzman.

Today, however, the CIA's extensive covert operations in Central America have become a legitimate subject of public debate. In addition, experts in the field claim knowledge of other covert activities currently under way in Chad, Libya, Cambodia, Cuba and Afghanistan.

Notwithstanding the CIA's penchant for secrecy, we may have reached an informal accommodation that perpetuates covert operations as an intermediate measure between diplomatic initiatives and military involvement, but requires at least some measure of public disclosure.

Taking Steps To Contain Terrorism

By William E. Colby

WASHINGTON — Terrorism is having yet another periodic revival as a major political issue.

President Reagan and Secretary of State George P. Shultz have denounced state-supported terrorism and insisted at the economic summit meeting in London that the industrialized democracies collaborate better to bring this under control. Debate is raging over the implications of the Italian prosecutor's report on the attempted assassination of Pope John Paul II, which implies that the Bulgarian Government, and perhaps even the Soviet Government, were behind the attack. A bill has been submitted to Congress that would impose criminal sanctions on Americans assisting or training terrorists identified by the Secretary of State. Behind these problems looms the nightmare of possible nuclear terrorism.

Such concern is hardly new. We heard much the same unease and the same call for a definitive remedy after the Palestine Liberation Organization attack on the Munich Olympics in 1972, the Red Brigades' kidnapping and murder of the former Italian Prime Minister Aldo Moro in 1978, the attack by the Japanese Red Army at Lod Airport in Israel in 1972, and on back to concerns about the Bolsheviks in the 1920's. None of this concern is unwarranted, but we should beware of undue alarmism and unrealistic hopes for a comprehensive solution.

In fact, the more grave the terrorist threat, the more certain it is that it will be suppressed before it causes serious disruption, threatening the state or the public order. Today, the Red Brigades are impotent, the Bader-Meinhoff gang, in West Germany, has been suppressed and the Japanese Red Army is hardly existent. The extensive terrorist actions in the 1960's by the Argentine Montoneros and the Uruguayan Tupamaros were brutally but effectively suppressed by the military of those countries. India's crackdown on the Sikhs

is the latest demonstration of a state's ability to crush such a threat to its authority.

Besides, in most cases, the drama of terrorism grossly exaggerates its real effect. Thus, Irish Republican Army terrorism has made essentially no progress against British rule in Northern Ireland. Che, Guevara's romanticism brought concern over possible mass insurgency in Latin America but little change in its political or social systems. Certainly, the Symbionese Liberation Army and the Weathermen had little effect upon the ordinary American citizen's life, compared to many social problems we tolerate with equanimity such as the 23,000 Americans who die each year from handgun misuse or the 25,000 killed by drunken drivers.

What exactly is terrorism? It is a tactic of indiscriminate violence used against innocent bystanders for political effect — and it must be distinguished from the selective use of violence against the symbols and institutions of a contested power, which is unfortunately a norm of international life.

The difference is critically important: Without it, there is no way to distinguish "your" terrorist from "my" freedom-fighter or to differentiate aid to terrorists from covert support of friendly forces like the Nicaraguan contras, or counterrevolutionary fighters. Aid to friendly guerrilla forces, from the American colonists to the Afghans today, is a regular part of the international contest, whereas the indiscriminate use of violence can be denounced on a solid moral basis.

We probably cannot eliminate terrorism, but we can take steps to contain it. Intelligence is the first arm of defense against the terrorist, identifying him, his cause and his supporters. Such intelligence can provide tips about general plans or specific tactics that can lead to the frustration or capture of the terrorist. Along with the careful accumulation and collation of data, it may often include exchanging information with other friendly nations and occasionally launching risky and difficult missions to infiltrate terrorist groups.

This requires resources, but it also requires that the intelligence services not be hamstrung in their operations by great public exposure or excessive legalistic restraints. Obviously, the innocent citizen must be protected from excessive governmental intrusion, but reasonable protection can be obtained by legislative and judicial supervision.

The second major step to protect against terrorists involves security practices that make their task more difficult. The barriers around public

buildings, the electronic screening of crowds, irregular schedules for multinational executives and effective police work can all be carried out with minimum inconvenience to the public but maximum deterrence against the would-be terrorist.

But finally — and this may be the most important rule for any government hoping to protect itself and its citizens from terrorists — success against terrorism can be achieved only if the public supports the effort. The difference between a public that reports evidence of terrorists to the authorities, even at some personal risk, and one giving covert support or even cowed into silence, can mean the entire difference between success and failure.

In this, international public opinion can also be enormously important. The international rejection of the South American tactic of "disappearances" severely weakened those governments who practiced such abduction and arbitrary killing. The death squads, in Central America have made it difficult for international friends to support the governments in some of those nations.

Moreover, the best way to insure public support is to insist that the rule of law be fully applied in the fight against the terrorists. The French use of torture in Algeria in the 1950's was widely repudiated by French public opinion, greatly undermining what had been a successful strategy against the National Front for Liberation.

Why is the rule of law so important? The most successful tactic against the guerrilla or terrorist is to recruit him, not shoot him. To do that, he must be confident that he will benefit from any amnesty that is offered and be subjected only to a coherent rule of law. The terrorist also must be turned from his belief that violence can advance a cause valuable to his compatriots by a demonstration that a better result lies in the programs and policies of a government determined to ameliorate the lot of its people and to treat even its enemies with justice, even if this must be stern in some cases. If terrorism is the indiscriminate use of force against innocent bystanders, it is clear that a government resisting terrorism must be discriminate in its use of force to insure the safety of its bystanders.

William E. Colby, who was Director of Central Intelligence from 1973 to 1976, is senior adviser to International Business-Government Counselors Inc., a firm that analyzes country risks for possible investors.

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WASHINGTON POST
20 June 1984

U.S. Close to Violating ABM Treaty, Panel of Security Specialists Says

Associated Press

By pushing development of its "Star Wars" missile defense system, the Reagan administration is close to a clear U.S. violation of the 1972 anti-ballistic missile (ABM) treaty, a panel of security and arms control specialists said yesterday.

The panel is beginning what it calls a "national campaign to save the ABM treaty" by attempting to persuade Congress to refuse to provide funds for the new defensive system that would be partly based in space.

The campaign's 46 sponsors include former President Carter, former secretary of state Dean Rusk, former defense secretary Robert S. McNamara, retired Army Gen. Maxwell D. Taylor and former CIA directors Stansfield Turner and William E. Colby.

If the new strategic defensive system is deployed, it will intensify the nuclear arms race with the Soviet Union and lead to decades of nuclear instability, the group contends.

Signed by President Richard M. Nixon and the late Soviet President Leonid I. Brezhnev, the 1972 ABM treaty bans all space-based ABM systems or any nationwide defense against missile attack. The theory is that the best preventive against nuclear war

is the knowledge that it would be mutually destructive.

The treaty's supporters say its ratification paved the way for all subsequent negotiations aimed at reducing U.S. and Soviet nuclear arsenals.

Gerard C. Smith, the chief U.S. arms negotiator at the time the ABM treaty was signed, said at a news conference at the Carnegie Endowment for International Peace that he believes—as he did in 1972—that the deployment of an effective, nationwide ABM system by one superpower would produce irresistible pressure on the other to deploy enough missiles to penetrate it.

That would lead to a tremendously increased arms race that would destroy arms control efforts, Smith said. "It seems to me we are on a slippery slope," he said. "We are already in an anticipatory breach of contract."

Smith, a former director of the Arms Control and Disarmament Agency, said the group leading the new campaign favors continuing research on advanced ABM systems as a hedge against a possible Soviet "breakout" from the terms of the 1972 accord.

"What we are objecting to is an American breakout," by the actual development and deployment of a space-based ABM system, he said.

U.S./USSR/
ABM TREATY

MACNEIL: A high level group of former officials, said today that President Reagan's so-called Star Wars proposal for missile defense, would breach a major treaty with Moscow. It is the ABM treaty negotiated by the Nixon administration in 1972 to limit anti ballistic missile systems. The group, calling itself The National Campaign to Save the ABM Treaty, says development of Mr. Reagan's missile defense system, quote, 'will end the most significant arms control agreement in existence.' The group includes former President Carter, former secretaries of state Russ, Vance and Muskie, and two former CIA directors, Colby and Turner. One of those presenting the argument at a Washington News conference was Gerard Smith, chief U.S. negotiator at the talks which produced the ABM Treaty. GERARD\SMITH (Former Arms Control Negotiator): Now the Star Wars proposal of last year, in its essential element is cause for a nationwide defense. The heart of the ABM Treaty is a flat ban on nationwide defenses. And that, it seems to me, is the central contradiction, that one should think of. There are all sorts of arguments about what the treaty permits in the way of development and what it permits in the way of research. But the central contradiction is that our, explicit national goal now is in complete opposition to the flat ban in the ABM Treaty. The administration talks about the possibility of amending this treaty to permit the sort of thing they're going after. And to my mind, that's like talking about amending the *Bolstead Act of prohibition days to permit the sale of liquor. It's just a legal nonsense.

* * * * *

EXCERPTED

7 June 1984

'Spookdom' Is Haunting Lawlor's Run

By SALLY JOHNSON

LUDLOW — Bruce Lawlor calls it "spookdom." By that, he means the years he spent as a Central Intelligence Agency operative with the Phoenix program in Vietnam. Spookdom is the kind of word that spooks tend to use among themselves.

Those years are coming back to haunt Lawlor, 36, now that he is running for attorney general. The issue never came up when the Springfield Democrat was running for the Vermont House in 1980 and again in 1982. He has never hidden it.

But Lawlor's career as a Phoenix operative from 1971-1973 did not become widely known until he contributed an oral history to a book compiled by Al Santoli. The book is called "Everything We Had: An Oral History of the Vietnam War by Thirty-Three Soldiers Who Fought It."

In it, Lawlor describes the Phoenix program: "If we were going to win the war, what we had to do was get in and eliminate the ability of the VC to control or influence the people. That's what pacification was all about. The buzzword was 'root out.' We tried to go in and neutralize their political structure."

Further on, he speaks of the brutal side of Phoenix: "It was an extermination program as well. I mean, there's no sense in trying to make a rose out of whatever. That objective of the program was to eliminate VC influence in the village, and each person, I guess, had objectives that they pursued in running or administering their portion of it."

In an interview in Ludlow Tuesday, Lawlor elaborated on his role as an operative in Vietnam. Phoenix, he said, "was one part of the overall pacification program. The first part was the Census Grievance Program. We went into villages to find out what was bothering the people, what was eroding support for the GVN (Government of South Vietnam).

"With that information, we set up the Rural Development Cadre Program. We did everything — built toilets and sanitation facilities, dams, schools. We tried to teach them improved agricultural methods. One time, I remember, we flew over a bull from the United States and airlifted it from Danang. It was just before a holiday, so the villagers killed the bull and ate it. It cost us about \$50,000 and they ate the damn bull."

And then there was Phoenix.

In an April issue of Burlington's Vanguard Press, the reporter quotes from a book by MIT professor Noam Chomsky and Edward S. Herman: "Phoenix

... succeeded in 'neutralizing' some 84,000 'Viet Cong infrastructure' with 21,000 killed, according to one set of reported official figures. The Saigon government claims that under Phoenix, 40, 994 civilians were killed from its inception in 1968 through the middle of 1971."

A month later, Will Miller, associate professor of philosophy at UVM, wrote a letter to the Vanguard, accusing candidate Lawlor of continuing "to defend this sort of CIA version of Murder, Inc." Miller went on to say that "bounties were given for killings, torture was routinely used, and angry neighbors settled grudges by 'identifying' those they were angry at as members of the NLF (National Liberation Front)."

To Miller, Lawlor's association with — and continued defense of — the program means that Lawlor "should not be elected. He was part of a complex network of war crimes. There is no one to try those people, but we should at least take it into account when we elect people to office.

"This is not a personal vendetta," Miller continued, "but when the occasion arises, I will mention the inappropriateness of his candidacy."

The anti-Lawlor campaign escalated at the State Democratic Convention in late May. Andy Webster of Brattleboro, a Lawlor supporter, was approached by a young woman.

"She came up and said, 'Do you realize Bruce Lawlor worked for the CIA for six years? Were you aware that he worked in Vietnam as a spy?'" Webster recalled. "I was wearing a Bruce Lawlor sticker. She said, 'I think you should take it off.' She said the same thing to a lot of people."

Former CIA Director William Colby, the man who was in charge of Phoenix at the time, insisted the intent of the program was to pacify, not to kill. He calls the accusations against Lawlor "baloney."

Although he did not know Lawlor, Colby said he "might call him to see if I can help him out."

In an interview from his home in Washington, Colby said Wednesday Phoenix was "designed to improve intelligence and understanding of the communist party apparatus. We identified the leaders. Then we arrested them and offered them amnesty.

"The sensationalism got loose in 1971 when I gave testimony to Congress," Colby continued. "I said we had captured 28,000 communist leaders and given 17,000 of them amnesty. I also said that 20,000 were killed. That doesn't mean they were executed. Most of them were killed in military action. I'm the guy who issued the directive that said this is not an assassination program."

Lawlor described Phoenix much the same way. He said it was "an effort to neutralize VC influence in the villages. We set up the Chu Hoi (amnesty) program. All it required was public renunciation of the communists. Then we would give them land, money, anything.

Continued

Resistance Fete Rejoins 200 Who 'Killed and Vanished'

By DREW MIDDLETON
Special to The New York Times

PARIS, May 31 — Their names are Mike and Elmer and Nigel and Pierre. They are retired insurance salesmen and farmers and real estate salesmen. Forty years ago, some were in German-occupied France and others were parachuted in just after the Allied invasion of Normandy on June 6.

They were underground agents known as Jedburghs, whose strategy was "surprise, kill, vanish."

But it is hard to imagine a more peaceful group than the 200 or so Jedburghs who gathered Wednesday night at the Hotel George V to celebrate the 40th anniversary of their operations in support of the French Resistance in the German Army's rear areas.

Many of the Jedburghs have lived their postwar lives at quiet jobs in small towns, but not all of them. The master of ceremonies Wednesday night was William E. Colby, a former Director of Central Intelligence. And at the head table sat Jacques Chaban-Delmas, the youngest general in the French Resistance and later Prime Minister of France.

Group Was Formed in '44

The Jedburghs originated early in 1944, when the American Office of Strategic Services and the British Special Operations Executive established a joint enterprise to be known as Special Force Headquarters, which was to organize all underground resistance in France in support of the invasion.

The program called for large-scale paramilitary activity, the maximum delivery of arms and supplies to the French and a major attack on the Germans on and after D-day. Thereafter, the Resistance was to raid German communications, ambush troops and convoys and prevent the demolition of key installations when the Germans withdrew.

To integrate Free French activities with the Allied operations, several three-man teams, called Jedburghs, were to be trained and parachuted in uniform into France, Belgium and the Netherlands to direct and coordinate the operations of the resistance forces in those countries.

Jedburghs? No two men could agree on the origin of the name. One thought it derived from a Scottish castle. Another was sure it had its origin in a forgotten commando-type operation in the Boer War.

The members were chosen carefully. Elmer Esch, a farm boy from Iowa, remembers that he was headed for duty at a camp for German prisoners of war when he was tapped for a special service. He did not know what it was, but "anything sounded better than that assignment," he said. So he was shipped to Milton Hall, an Elizabethan mansion 100 miles north of London, where he joined 240 other volunteers, most of them American and British but also including French, Belgian and Dutch.

At Milton Hall, they practiced silent killing in sunken gardens, dropped in training harnesses onto quiet lawns, fired demolition charges on the golf course and practiced the Morse code on hand-powered wireless sets. It was all, as they said in those days, "very hush, hush."

It also was very intensive. Their parachute training concluded with a night drop after three days. At Fort Benning, Ga., where American paratroopers had been trained, troops did not do a jump until they had six weeks of training.

Putting together three-man teams that would work effectively was a problem. Ultimately, it was decided that teams that formed by mutual consent were likely to be more efficient. So an Englishman and an American or a Frenchman and an American would, in their words, decide to become "engaged" and ultimately "married." A radio operator, usually an enlisted man, would be added, and the group would be given its code name, Harvard or Ammonia or Ronald.

Led Hit-and-Run Attacks

In May 1944, the first Jedburgh teams were sent to North Africa to be dropped behind the German lines in southern France. Six more teams were dropped in Brittany in June. From there, they radioed intelligence about German troop movements to the Allies in the Normandy beachhead.

By the end of August, after the Allies had broken out of the beachhead, all the remaining teams had been dropped into France, Belgium and the Netherlands. About them, they gathered Resistance fighters and led them in hit-and-run attacks and in the destruction of German depots.

They were not without honor. Of the 82 Americans who participated, 53 received the Distinguished Service

Cross, the Croix de Guerre, the Legion of Merit, the Silver Star, the Bronze Star or the Purple Heart. Their British, French and other colleagues were similarly honored.

On Wednesday night, they sat in the resplendent Salle de Paix in the hotel, all of them older but with a few exceptions remarkably trim. Their wives said they had never known about that episode of their husbands' lives until a few years ago, when reports of the Jedburghs' operations began to leak out.

Their operations did not end with the end of the war in Europe. Some were shipped to China and Burma for the last actions of the Pacific War. A few moved from the O.S.S. to the Central Intelligence Agency, and one or two — they were growing old now — operated in Vietnam.

Tonight, they participated in a ceremony at the Resistance Monument at Mont Valerien outside Paris. And on Friday night, they will relight the flame at the Arc de Triomphe.

At the dinner Wednesday night, the stories, in no way diminished by time, passed back and forth across the dinner tables:

"Remember those Brittany fishermen?"

"The Germans were more scared than I was, which is saying something"

"Met an Englishman who was on my team. Hadn't seen him for 40 years. Fine guy. Never knew he was a lord."

As a guest left the hotel, the doorman asked who the old fellows were. Told, he shrugged his shoulders. It was not his war.

ARTICLE APPEARED
ON PAGE A-4WASHINGTON POST
24 May 1984

CBS Asks Dismissal of Westmoreland Suit

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By Eleanor Randolph
Washington Post Staff Writer

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Libel lawyers for CBS argued yesterday that sworn statements from almost 40 military and intelligence analysts from the Vietnam war years prove the network's charge that the U.S. military command in Vietnam lied about enemy troop strength to bolster political support for the war in the late 1960s.

In a motion asking U.S. District Court Judge Pierre Leval to dismiss a \$120 million libel action against CBS by retired Army Gen. William C. Westmoreland, network lawyers said that "few broadcasts have been as thoroughly researched" as a Mike Wallace program called "The Uncounted Enemy: A Vietnam Deception," which ran in January, 1982.

Included in the CBS brief are quotations from letters that a former Army analyst sent his wife.

"You should have seen the antics my people and I had to go through with our computer calculations to make the February strength calculations come out the way the general wanted them to," one read. "We started with the answer and plugged in all sorts of figures until we found the combination the machine would digest."

The writer of the letter, James Meacham, now a journalist in London, has said recently that he was merely dissatisfied with his work and did not mean the letters to be construed years later as evidence of a conspiracy.

The CBS brief also quoted Richard Kovar, a 30-year CIA veteran who now writes President Reagan's daily CIA briefing, as saying that the CBS documentary is "a great service to the intelligence process."

The network brief also contended that Kovar said it should be broadcast annually on the anniversary of the Tet offensive "so that no intelligence analyst, soldier or citizen who watches it will ever let anything like this happen again."

Ronald Smith, a 25-year CIA intelligence officer and analyst who is at the Department of Energy, said that for CBS to call efforts to hold down enemy troop estimates a "conspiracy . . . accurately describes the concerted effort undertaken by military officials to distort and suppress critical intelligence information about the enemy we faced in Vietnam."

Drawing from almost 400,000 pages of court documents that have made the case an unusually detailed chronicle of one of the most crucial periods in the war and an important case for the media, CBS used a rare tactic in this pre-trial stage of a libel case, saying that the documentary is true and thus is not libelous. Such an assertion normally awaits the findings of the court as a result of the trial.

As a fallback to a more standard legal position in such cases, CBS lawyer David Boies also argued

that First Amendment protections of a free press in this country should warrant dismissal of Westmoreland's "attempt . . . to impose a price on criticism of the way in which our government's highest officials exercise their official powers" by his filing of the libel suit.

Boies acknowledged that the broadcast has flaws, some of which were the subject of a highly critical article in TV Guide last year and a recently released book charging that CBS set out to "smear" Westmoreland.

But Boies argued that "none of those flaws implicates either the truth of what the broadcast says or CBS' belief in it."

Don Kowet, author of a controversial new book about the documentary, "A Matter of Honor," and Sally Bedell, now with The New York Times, wrote the an article in TV Guide, "Anatomy of a Smear—How CBS Broke the Rules and 'Got' Westmoreland."

After the story, CBS conducted an internal investigation that criticized the network for re-interviewing some witnesses unfairly, for not identifying former CIA analyst Sam Adams on the air as a paid CBS consultant and for failing to prove that there was a "conspiracy" by the military to "cook" the figures, as such manipulations are sometimes called.

In June, 1983, CBS suspended the show's producer, George Crile, for taping telephone interviews with former secretary of defense Robert S. McNamara and others without their knowledge. The tapes and the internal CBS investigation have become a part of the voluminous record.

Westmoreland's lawyer, Dan M. Burt, said he could not comment in detail on a motion he had not read. He labeled as "ridiculous" a CBS argument that Westmoreland cannot sue for libel be-

Continued

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FOR PUBLIC AFFAIRS STAFF

STAT

PROGRAM Take Two

STATION CNN-TV

DATE May 22, 1984 12:00 Noon CITY Atlanta, Ga.

SUBJECT The CIA

CHRIS CURLE: Right now we want to continue our series of reports on the CIA, the Central Intelligence Agency. The agency has been criticized in the past for covert activity. Charges of engineering foreign coups, assassination attempts in foreign lands, and most recently the mining of Nicaragua's harbor. In today's report, CNN's Gene Randall looks at the ethics of the CIA's covert activities.

GENE RANDALL: Nicaraguan rebels, Contras fighting the Sandinista government with money and weapons from the Central Intelligence Agency, covert action. It is one way the CIA does the Reagan Administration's bidding in Central America, though covert action has been around since the CIA was founded in 1947. It is defined by the agency as a special activity abroad in support of United States foreign policy objectives and executed so that the role of the United States Government is not apparent or acknowledged publicly.

In the case of Central America, onetime National Security Council staff member Morton Halperin says the Reagan Administration has substituted covert action for policy.

MORTON HALPERIN: If, for example, the Reagan Administration thinks that the government in Nicaragua is a threat to the security interests of the United States and needs to be overthrown, then it needs to defend that publicly and try to get a consensus for it.

RANDALL: Of course, the White House has never said its aim is to bring down the Nicaraguan regime. But that is the Contras' goal, and we are supporting the Contras.

Former CIA director says the agency has its place but must be able to justify activities

By VANESSA WILLIAMS
 St. Petersburg Times Staff Writer

Calling past attempts by the U.S. government to assassinate Cuban leader Fidel Castro "not just wrong but stupid, and worse than that," former Central Intelligence Agency Director William F. Colby said Monday that the spy agency should not get its hands bloodied by taking part in coups and assassinations.

Yet the government should not stand idly by while "ruthless terrorists" and "brutal dictators" reign in countries of vital interest to U.S. security, said Colby, who spoke at Eckerd College in St. Petersburg.

Rather than resorting to "mere diplomatic demarche . . . or sending in the Marines," to resolve such dilemmas, Colby said, the government should call on the CIA.

"If you have a situation where there is a ruthless terrorist who does not like us on one side and on the other side there is a brutal dictator whom we don't like, we should be compelled to do something. We should find someone we can live with and help them gain power," Colby said. But, he said, that help should not include CIA-led coups or assassinations.

"THE REAL TEST is: Is the operation one that you can justify to the American people if it ever comes out?" Colby asked. "Assassination does not fit that criteria."

Colby, who headed the U.S. spy agency from 1973 to 1976, rankled his peers in 1975 when he revealed details of CIA covert activities to a Senate committee. Now an international lawyer with a Washington, D.C. firm, Colby said Monday that "bringing the intelligence agency under the Constitution" was a good move.

Overview of the intelligence-gathering

"The real test is: Is the operation one that you can justify to the American people if it ever comes out? Assassination does not fit that criteria."

— William F. Colby

agency's activities by the President and the Congress "has given the CIA more strength than weakness. If (the CIA) makes a mistake it will be an American mistake rather than a CIA mistake."

Colby, 64, who began his intelligence career in World War II parachuting behind German lines to work with French and Norwegian resistance forces, told the group that spying is much more sophisticated today. Through advanced audio and visual technology, Colby said, the CIA is able to see and hear activities miles above and away from its targets.

"WE HAVE the best intelligence in the world," Colby said at the close of his speech to Eckerd students and members of the college's Academy of Senior Professionals, the group that sponsored the lecture.

Colby joined the CIA at the onset of the Korean War, and during the Vietnam War was in charge of covert operations in Laos. At the height of the Vietnam conflict he was criticized by antiwar groups for thousands of killings during covert operations.

Despite his support of constitutional overview of CIA activities, Colby said, the CIA should retain the right to protect the anonymity of its sources, and he also said he thinks the President should be allowed to appoint the CIA director.

"You do need the career expert to help manage the place, but the chief should be someone who has the president's personal confidence," Colby said, responding to a question on whether the CIA director should be a political appointee or a career spy. Colby also said that the deputy director's position is best filled by a career expert.

TO A QUESTION of CIA involvement in the death of Chilean President Salvador Allende in a 1973 military coup, Colby said, "It's a good story, but it just doesn't happen to be so."

Colby said that the CIA had been involved in trying to oust the Castro-supported Allende from power, but that it was doing so only by providing support to the democratic parties. But the Democrats ran two candidates and split the vote, which gave the election to Allende, pending his ratification.

Colby said that then-President Richard Nixon "was very upset" and ordered the CIA to go back into Chile to try to undermine Allende's ratification, again by politically organizing the opposition parties. Frustration rose when Allende won again and, Colby said, while the CIA was aware of the pending coup, Nixon's order to CIA agents was, "Watch, but do not get involved."

"And that's the truth. We did not have anything to with the coup" or Allende's death, Colby said.

There's No Need for the Risky MX Missile Would Promote Hair-Trigger Posture Dangerous to All

By WILLIAM E. COLBY

Congress is about to decide whether the United States will continue or halt production of the controversial MX missile. Funding to build the first 21 missiles was narrowly approved last November; to allow production to continue would be a serious mistake.

The MX should be stopped for three important reasons: It is an ineffective weapon; it is a dangerous step in our relationship with the Soviet Union, and its suspension could serve as a useful signal to encourage a reopening of arms-control negotiations.

More than 30 basing modes have been considered for the MX. All have proved faulty. The Administration's current plan is to deploy it in existing Minuteman silos, which are vulnerable to Soviet attack.

Thanks to existing U.S. forces—such as our submarine fleet, bombers and new cruise missiles—the United States now possesses an absolute capacity for retaliation in the event of any nuclear attack. The MX thus adds no additional deterrence to what is in force today. The Scowcroft Commission, established by President Reagan a year ago to come up with a basing mode for the MX, recognized that it is not necessary to a sound defense, but declared that we should produce it anyway to show national will and determination.

There are better ways to show will and

determination than by producing a useless and vulnerable weapon. The \$30 billion to \$50 billion that the MX will cost could better be spent to reduce our federal deficit, now soaring to almost \$200 billion. The money could also be used to strengthen our conventional forces or to reduce existing threats to our security by bringing about political, social and economic change in threatened nations—especially in our own hemisphere.

The increased accuracy of the MX, and the destructive power of its 10 warheads, moves the United States toward a "first-strike" capability. While we know that we would not launch such a strike, the Soviets would no doubt react to our development of that capability by accelerating their own development of an equivalent power.

The tension created by such a surge in the arms race was described in congressional testimony by Gen. John W. Vessey Jr., chairman of the Joint Chiefs of Staff: With such a mutual first-strike capability, he said, the Soviets would have to assume that we might launch upon notice of an attack to protect our missiles from destruction, rather than wait for them to fall on us.

With intercontinental flight times of only 30 minutes, the United States would have to rely on automatic indicators and responses to possible attack—indicators that could prove wrong. The Pentagon has already

received false alarms of nuclear attack from our highly computerized warning systems more than 100 times.

While we will incorporate such safeguards and redundancies in our warning and response systems as we can, we must assume that they will pick up more such false alarms in the future. And because of the launch-on-warning approach dictated by the MX, the possibility exists of a tragic nuclear launch through computer error, generating a certain retaliation by the Soviets. The MX is thus more than merely a wasteful weapon: It will threaten our own country as much as it threatens the Soviet Union.

The "bargaining-chip" theory, upon which prior decisions to go ahead with the MX were taken, has little relevance in the current stalemate in U.S.-Soviet negotiations. While we should not make unilateral concessions to the Soviets, abandoning this useless and dangerous weapon can be justified in our own interest independently of the Soviets. Halting the MX, along with vigorous diplomatic initiatives for negotiation, could provide the Soviets with the face saving they demand after the defeat of their campaign to block deployment of the Pershings and cruise missiles in Europe.

Of course, we should seek a reciprocal action by the Soviets, but they have made a series of statements indicating receptivity to further arms-control agreements. These include their acceptance of a nuclear freeze, their offer to renegotiate the totals of intermediate nuclear forces in Europe, and their willingness to go ahead with the Peaceful Uses and Threshold Test Ban treaties if the United States will ratify them.

We have entered a new age in which more weapons do not mean greater protection. The MX is a frightening example of a weapon that will imperil its possessors rather than offer us greater security. Whether or not we have the wisdom to curtail such a dangerous program will be determined this week when the House of Representatives votes to stop or continue MX production.

William E. Colby served as director of the Central Intelligence Agency during 1973-76.



"Would you believe our dumb luck? Not one missile hit an MX site!"

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ON PAGE C-3

WASHINGTON POST
7 May 1984

Personalities

By Chuck Conconi

The Royal Viking Line has scheduled two Holy Land cruises with "great men of knowledge to advise you," and the great men will be NBC correspondent Bernard Kalb, aboard the Oct. 6 cruise, and former CIA director William Colby, aboard the Oct. 19 cruise. Both men, according to an ad in the Sunday New York Times, will be there one day each: Kalb "to answer your most probing questions about the Middle East," and Colby "just in time for an inside scoop on the elections." And some people think cruising the Mediterranean is like riding the Love Boat...

UNITED PRESS INTERNATIONAL
7 May 1984

FORMER CIA DIRECTOR TO SPEAK
ST. PETERSBURG, FLA.

William E. Colby, former director of the Central Intelligence Agency, will speak at Eckerd College in St. Petersburg May 14.

Colby's lecture on "The Proper Role of The CIA," will be sponsored by the Academy of Senior Professionals at Eckerd College.

Colby was director of the CIA from 1973 to 1976. He currently is an attorney in a Washington law firm, where he specializes in international legal matters.

DALLAS NEWS (TEXAS)
29 April 1984

CIA director speaks softly

Casey's mumbling contributed to furor over Nicaragua mining

By Richard Whittle

Washington Bureau of The News

WASHINGTON — When William Casey talks, members of the House and Senate Intelligence committees listen — but some say they often can't hear.

The CIA director, who turned 71 last month, speaks in a voice as wispy as his thin white hair. Like the Allied agents he helped infiltrate behind German lines as a World War II officer in the Office of Strategic Services, Casey's words have a way of fading murkily into the ether.

"I think I am not being unkind to say (that) Mr. Casey is not known for having high marks in elocution; that it's not always clear what exactly is being said when he is talking," said Sen. William S. Cohen, a Maine Republican who sits on the Senate Intelligence Committee.

Waxing unintelligible is so much Casey's trademark that even President Reagan has joked about it. He has said that one of Casey's assets as head of the nation's top spy agency is that he requires no electronic "scrambler" to garble his telephone conversations as a guard against interception.

Far from just an amusing quirk, Casey's mumbling has been a factor in his dispute with members of the Senate Intelligence Committee over whether he properly informed them of the CIA's direct role in mining Nicaragua's harbors.

Casey took the extraordinary step of paying personal "fence-mending" calls on committee members last week and even signed a formal memorandum of apology at the behest of Sens. Lloyd Bentsen, D-Texas, and Richard Lugar, R-Ind.

But Casey, who declined through a spokesman to be interviewed, was slow to admit any error. At first he had CIA officials issue statements saying he had complied with the 1980 Intelligence Oversight Act, which requires him to keep Congress "fully and currently informed" of any "significant" intelligence operations.

As a result, before his apology, Casey's relations with the Senate committee had grown sour that some members were suggesting that he resign.

Though it is not likely that Reagan would ask him to quit, it is less likely that Casey would volunteer to leave a job that has let him delve again into the mysterious world of secret intelligence operations, which by his own past admission he came to love as a young OSS officer.

Whatever the course of his future dealings with Capitol Hill, it is widely agreed that the episode has raised the ghost of the sinister, headstrong image the CIA acquired after 1970s revelations of past CIA assassination plots and coups.

It is no secret that Casey has a special bond with the clandestine service — the arm of the organization that plots and implements covert programs in the realms of propaganda, political intrigue and paramilitary operations — based on his experience in the kind of work they do. It is said that he has even gone into Central America himself, traveling in unmarked planes, to check on the progress of his agency's operations.

For that reason, said a former intelligence official who has worked with Casey personally, the director is unlikely to change his ways without direct orders from Congress. The former official asked not to be identified.

"Running the clandestine service," the official said, "well, he just loves to do it."

Some of Casey's supporters disagree that his affinity for covert action has hurt the agency's image. Former CIA Director William L. Colby, for one, said the congressional furor reflects no distrust of Casey but merely a lack of consensus on whether the CIA's Nicaraguan operations are wise.

But the controversy appears to have killed whatever chances the administration had of getting the House to approve \$21 million to resupply the CIA-backed rebels, known as *contras*, who are warring against Nicaragua's Marxist Sandinista government.

Cohen and other Senate committee members are still saying that while Casey may have referred during March briefings to mines being placed in Nicaragua's harbors, the words he used and his customary mumbling prevented the committee from understanding the CIA's role in placing them.

• CIA 1.04 Simmons, Rob.
• CIA 2.04.1 ^{contin}
• CIA 2.06.2
• CIA 1.03 Greaney, John
• CIA 4.01 Covert Action

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PHILADELPHIA INQUIRER
22 April 1984

CIA returns to cloak and-dagger

By James McCartney
Inquirer Washington Bureau

WASHINGTON — A new anti-terrorist policy adopted by the White House includes plans for infiltration of secret operatives into terrorist organizations on a large scale in the Middle East, Central America and the Caribbean, according to sources in the U.S. intelligence community.

The new, aggressive plan to fight terrorism, these sources said, is part of a major administration effort to give the cloak and dagger back to the Central Intelligence Agency by rebuilding the agency's clandestine services.

The United States is going back into the spy business in a way that was largely abandoned during the Carter administration, using what the CIA calls "human collection" techniques — as opposed to technological intelligence-gathering through such means as spy satellites — the sources said.

The CIA's role in the mining of Nicaraguan harbors and attacks on oil facilities, exposed in recent days, illustrate part of the rebuilding program — but only part — according to several sources, some of whom have participated in secret briefings.

New agents have been hired by the score: more than 800 clandestine positions cut by Carter have been restored. New CIA offices have been opened around the world. And new plans have been laid for supersecret projects built on human intelligence techniques, involving spies, saboteurs, guerrilla warfare experts and many other kinds of secret operatives.

Some details of the get-tough policy on fighting terrorism came to light during interviews with present or former officials who have directed or monitored U.S. intelligence activities. They agreed to discuss the topic on the condition that they not be identified.

Aided in part by the close friendship of CIA Director William Casey with President Reagan, the CIA has become the fastest growing part of the federal government, expanding at a rate even faster than the Penta-

gon budget, according to sources.

Casey, 71, who was Reagan's 1980 campaign manager, has said that "the government turned its back on intelligence, and the process of gathering it" in the Carter administration. "I want to restore the earlier, good days," he has said.

Under Casey, the CIA budget now soars over \$1.5 billion, a substantial increase, and the amount apportioned to clandestine services increased from about 2 percent or 3 percent to about 10 percent, according to sources who helped draw up the budget.

The exact amount of the CIA budget has always been a closely held government secret. The CIA money is buried in the Pentagon budget, and only a handful of top administration officials know how much it is.

Today, the major projects are the secret war against Nicaragua, to which about 150 agents have been assigned, and the new anti-terrorist campaign.

The key to anti-terrorism, say several current or former officials, will be infiltration, even though problems raised may skirt the edges of the law and raise new controversies for the frequently embattled CIA.

"It is the only way you can penetrate," one longtime intelligence specialist said.

"You've got to get your own people on the inside of terrorist organizations to find out what plans for terrorist action are. That means they may have to participate in some pretty hairy activities to establish their credentials. They'll have to go along on the small stuff so that they can be around when big action is planned.

"Some of our people may have to be a part of low-level assassinations and will have to keep their mouths shut to protect their cover."

A congressional source suggested another possible indirect U.S. role in assassinations.

Castro may be target

For example, this source said, Cuba's President Fidel Castro — once a specific target of CIA assassination attempts — may again be a potential target, this time of non-Americans

but possibly with the unspoken acquiescence of the CIA.

Asked about this possibility, a CIA spokeswoman, Pat Volz, said the CIA would adhere strictly to a presidential executive order signed by Reagan on Dec. 4, 1981, which says: "No person employed by or acting on behalf of the U.S. government shall engage in or conspire to engage in assassinations."

Casey said in a recent interview: "We don't engage in assassinations."

The administration's anti-terrorist campaign will include pre-emptive strikes and direct reprisals, and has been modeled on Israeli techniques, according to both administration and congressional sources.

"President Reagan has studied the Israeli approaches and likes what he sees," a source said. "He likes it because he thinks it works."

"The next time there is a terrorist attack on the U.S. we'll handle it like the Israelis handle theirs. We'll strike back."

A counterterrorism strike force, of about 100 to 150 people, has been built on the Israeli model and set up in the Defense Department.

Team for terrorism

The CIA also has established small teams to deal with terrorist incidents. Casey all but openly acknowledged the U.S. plan in a recent interview with U.S. News and World Report.

"There's a question of deterring terrorism by sending the message that if the terrorists attack there will be retaliation," he said. "The Israelis, for example, send the message: 'If we're hit from your territory, that's your responsibility and we're going to kick you in the teeth somehow.'"

"I think you will see more of that — retaliation against facilities connected with the country sponsoring the terrorists, or retaliation that just hurts the interests of countries which sponsor terrorism."

The secret war against Nicaragua, as one former high CIA official describes it, started out as a small operation and got out of control. No one

Continued

WASHINGTON POST
21 April 1984

Security Experts Differ on Effects Of CIA's Mining

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By Joanne Omang
and Walter Pincus
Washington Post Staff Writers

Former national security affairs adviser Brent Scowcroft said yesterday that the CIA's mining of harbors in Nicaragua "is hurting the CIA," harming Reagan administration efforts to deal with the leftist Sandinista government in Nicaragua and reducing the ability of the United States to use covert action as a policy tool.

In addition, Adm. Bobby R. Inman, former deputy director of the CIA and director of the National Security Agency, said that, with few exceptions, such covert operations are a bad idea because they seldom are supported by the American public.

Another senior intelligence community figure, former CIA director William E. Colby, said the degree of agency involvement in the mining of Nicaraguan waters was no different from its participation in other covert paramilitary operations worldwide.

Scowcroft, a retired general who has served over the past two years as a part-time adviser to President Reagan on arms control and strategic weapons, told reporters at a breakfast meeting that the mining controversy has "got in the way of a serious debate over Nicaragua" and that something must be done to limit the Sandinista regime's apparent desire to export revolution.

However, covert action "will be less available in the future" as a policy instrument because of the current debate, he said.

"I think the recent furor is hurting the CIA, and that's too bad," because the agency is just recovering from criticism during the late 1970s of its earlier covert operations, Scow-

croft said. He was a national security adviser to presidents Nixon and Ford.

In fact, he added, if the mining was done "as an act to convince Nicaragua" to stop exporting arms, perhaps "we should have done it overtly" in order to be more effective. Other possible open actions might include "a blockade or a quarantine," he said.

Scowcroft said covert operations should be small in order to avoid discovery. "You employ covert operations to disassociate the United States from the activities," he told reporters. "When they get as massive as this seems to be, then they are more difficult" to keep secret and "tend to be counterproductive," he said.

Inman expressed similar views. "I'm not prepared to cast an absolute vote, but if you are going to decide you've got to do something beyond diplomacy and trade," he said, "do it overtly. Do it large. Do it fast. And get out fast. Don't get involved in one that's going to have a long-term commitment. If it does, that's not going to be sustainable."

Inman, interviewed at the computer research consortium he heads in Austin, said most covert operations start because of frustration with diplomacy and overt action, or for domestic political reasons, not because covert action is the best way to deal with an international problem.

But public consensus that the action is appropriate is essential to its success, Inman said. "If you cannot build a consensus that holds, the policy is in trouble," he said.

Colby, in an appearance taped for broadcast today on Cable News Network's "Newsmaker Saturday," said

that, in actions during the 1960s in Laos and Cuba's Bay of Pigs, agents "were providing logistics, communications, air transport, training, things of that nature, and liaison, coordination, but not going out to the patrols and in the fights."

In Nicaragua, "it was consistent with what I said: CIA officers were more than 12 miles offshore in the boats, providing support for the actual operation going in as distinct from the CIA officer being on the boat going in to lay the mines," Colby said.

Colby, who was CIA director from 1973 to 1976, said members of the intelligence committees in Congress understand the degree of CIA participation in covert actions and that he would have briefed them on the mining "the way I understand it was done on this occasion."

Some committee members, including Senate Intelligence Committee Chairman Barry Goldwater (R-Ariz.), said they were not properly briefed in advance. Both houses of Congress last week approved non-binding resolutions condemning the mining.

Serious questions about White House staff coordination and review of CIA covert operations in Nicaragua also were raised yesterday by a former Nixon aide who asked not to be identified.

This former official said he believed that the "international implications" of the CIA mining operation had not been adequately reviewed "and probably fell through the cracks" in the White House staff. Internal competition and conflicts among presidential advisers and Cabinet members, this former aide said, had led to a breakdown in the review process that had worked in previous administrations.

FORMER CIA CHIEF DEFENDS US ROLE IN NICARAGUA MINING
WASHINGTON

Former CIA Director William E. Colby on Saturday defended the spy agency's support role in the mining of Nicaraguan harbors as consistent with past U.S. paramilitary covert operations, including the Vietnam-era "secret war" in Laos.

"Covert actions should be used carefully, but I think there is a role for covert action in the political area and there is also a role in the paramilitary area," said Colby, who served as chief of the CIA in 1973-76.

Both the Senate and House earlier this month approved non-binding resolutions condemning the Nicaragua mining operation, carried out by anti-Sandinista rebel forces with the support of CIA personnel offshore.

Colby, interviewed on Cable News Network, likened U.S. covert action against Nicaragua's Sandinista regime to the CIA's support of Hmong mountain tribespeople in Laos during the Vietnam war, as well as the abortive 1961 Bay of Pigs operation in Cuba.

"I think the agency contributed a great deal by running the paramilitary operation in Laos ... which it ran for 10 years, not with American forces involved or Americans out there getting killed, but by helping people who wanted to fight for their country," he said.

Colby noted that "the Bay of Pigs was a disaster. But if it had succeeded, it would have been met with a roar of approval."

With the Nicaragua mining, he said, "I think that's consistent with what I said. In other words, the CIA officers were more than 12 miles offshore in the boats providing support for the actual operation going in. I mean, that's as distinct from the CIA officer being on the boat going in to lay the mines."

Brent Scowcroft, a former White House national security adviser, criticized the mining as ill-advised and likely to damage prospects for utilizing covert operations in the future.

The Washington Post quoted Scowcroft as telling reporters Friday: "I think the recent furor is hurting the CIA, and that's too bad."

If the mining was intended to persuade Nicaragua to stop sending arms to neighboring El Salvador, Scowcroft said, it was possible "we should have done it overtly" in order to be more effective. Other possible actions might include "a blockade or a quarantine," he said.

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PBS MACNEIL/LEHRER NEWSHOUR
17 April 1984

CENTRAL AMERICA/ * * * *
U.S. AID

LEHRER: Yes, the ongoing dispute over what and when the CIA told Congress about mining Nicaragua's harbors continued today as it has for many days. Senate Majority Leader Howard Baker held a press conference in Tokyo, Japan, to defend the intelligence agency. He said the CIA briefed the Senate Intelligence Committee three times about the mining operation. Sunday, the Democratic vice chairman of the committee, Daniel Moynihan of New York, resigned from the panel, protesting what he said was the CIA's failure to do so. Baker said committee members may not have been briefed as thoroughly as possible, but they were told. There was a report late this afternoon about an earlier CIA-backed covert action in Nicaragua about which Congress allegedly was also not properly informed. Judy Woodruff takes the story from there. Judy?

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WOODRUFF: Jim, last October, storage tanks at the Nicaraguan port of Corinto were destroyed in a sabotage raid, sending some 3.2 million gallons of fuel up in flames. Today, it was reported in Washington that the raid was a CIA operation controlled by American agents based on a ship off the Nicaraguan coast. According to the Associated Press, Congress did not learn of the CIA's involvement until Mar. 30, five months after the raid. This report joins the controversy in progress over the CIA's role in the mining of Nicaragua's ports. The mining has already raise the question, what should the CIA be telling Congress about its covert activities? For more on that, we turn to two CIA veterans; former director William Colby, who headed the agency from 1973 to 1976, and former deputy director Ray Cline, who served in the Kennedy and Johnson administrations. Mr. Cline, we saw in the Associated Press report today that sources, administration sources, said that members of the Senate Intelligence Committee had not been told about this latest sabotage incident, just as they had not been adequately informed about the mining. Should they have been told? RAY CLINE (Former CIA Deputy Director): Uh, my view is that the CIA should tell the oversight committees about the programs to carry out U.S. policies covertly. I don't think it is necessary to brief the congressmen on every detail. It would be impossible to do so.

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