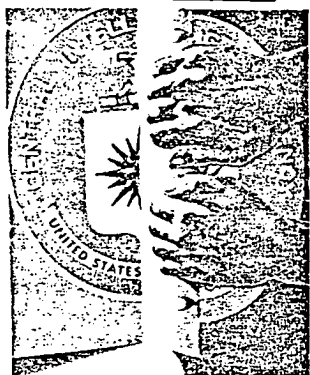


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Special Report

INSIDE CIA

What's Really Going On?

Covert actions, such as mining of Nicaraguan ports, make the headlines. But developments elsewhere in America's secret spy agency are even more far-reaching.

After a four-year program to beef up the Central Intelligence Agency, the results can now be seen—a spy service with new muscle and influence to match.

Flush with money and manpower, the CIA is back at work worldwide, operating on a scale not seen since the Vietnam War.

Even its mission has been expanded. On top of espionage, intelligence analysis and covert operations, the agency has joined the wars on terrorism, international drug traffickers and Soviet theft of U.S. technological secrets.

One thing has not changed. CIA involvement in covert operations still stirs passions and controversy. Congress is threatening to bar funds to finance the "secret war" against the Sandinistas in Nicaragua.

The turnaround, pushed hard by President Reagan and CIA Director William J. Casey, has elevated the spy unit from a state of disrepute during the 1970s to a newfound position of power and influence on foreign policy.

Central to the agency's changing fortunes is Casey, whose close political and personal ties to Reagan give the CIA the kind of White House access—and credibility—it has not had for years. The despair that gripped the organization during what were called "the troubles" has lifted.

But some critics fear that the revitalized agency is becoming too influential and that Casey has too much say in the shaping of U.S. policy. Others warn that covert actions will drag America into combat.

Congress, while attempting to keep a tight rein on the CIA, actually began pushing the buildup of the organization even before Casey took over and has strongly supported it since. This backing stems in part from a need for better intelligence about a growing Soviet military capability. The CIA is also seen as providing America with a means of intervening in world crises without sending in combat units.

Headquartered in the Washington suburb of Langley, Va., the supersecret agency, with up to 18,000 staffers, has long been embroiled in controversy. While most concern has focused on covert activities, these are by no means the most important part of a broader mission.

Clandestine Wars Return

Nowhere is Casey's influence more apparent than in the revival of covert action—missions

some of them filled

The effects of this being felt around the

■ In Afghanistan, support for Moslem tion forces. Annual the like—now is said

■ In El Salvador, t political groups in the Jesse Helms (R-N.C.)

in the victory of José Napoleón Duarte.

All told, says one official with access to inside information, the agency is engaged in about half a dozen large-scale covert operations overseas. The CIA may conduct as many as 50 minor secret projects. That number, while far smaller than in the CIA's peak years, nonetheless marks a significant increase in covert action under Reagan.

Far and away the most eye-catching operation is in Nicaragua. Under Casey, officials report, some 73 million dollars has been spent to build up anti-Sandinista *contra* forces to 12,000 rebels.

The CIA has coordinated airlifts, planned attacks and built a sophisticated communications network for the largest paramilitary action since the Vietnam War—activities that have sparked charges that the agency's covert operations have gotten out of hand once again.

But Senator David Durenberger (R-Minn.), a member of the Senate Intelligence Committee and a frequent critic of the CIA, says: "The question is: Did Reagan leap in to start up operations? And the answer is no. While the inclination to use covert operations is stronger, there's still a great deal of care."

Even within the staff at Langley, Casey's enthusiasm for

CIA Director Casey on Capitol Hill for hearings on secret operations.

