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MOST IMPORTANT POINTS IN THE SECRET REPORT ABOUT THE  
INTELLIGENCE SERVICES

The Pike Committee's report about the CIA and FBI mainly is not a new Pentagon report. But the document is probably the most important that yet has been written about the CIA, and its information may very well turn out to be of greater importance for the understanding of the future than the Pentagon report. The report's 350 pages differ from earlier reports by not being characterized by a prejudiced pro-CIA attitude.

The following review concentrates on the report's chapter 2, which is about the cost, effectiveness and risk of intelligence work. Chapter 1 is a review of the obstacles that the Pike Committee encountered.

A. The Cost

The Committee began its work by following the appropriations through the system.

"The investigation was both fruitful and interesting. When it was over, the auditors lent to the Committee by GAO had reached the conclusion that the budget for intelligence activities with regard to foreign countries is three to four times larger than Congress had been informed... Total amounts do not tell everything. It was found that Congress' and executive power's insight in these budgets was somewhere between superficial and non-existing. The intelligence services' own control of the expenses was also often insufficient, which a couple of examples show:

- A CIA station in a small country used \$41,000 for liquor during one year.

- The taxpayers' money was used to provide female companionship for heads of state and to pay people with a questionable reputation to make pornographic movies for blackmail purposes...

- An enormous arsenal of weapons and ammunition has been built up by the CIA, so the organization now has a force that exceeds most armies in the world..."

The Committee describes how the officially independent auditors are closely tied to and dependent on the intelligence services.

"All in all a handful of people use more than ten million dollars without much independent supervision; the supervision is insufficient, there is even less auditing, and there is profusion of secrecy."

As far as domestic intelligence activities are concerned, the expenses are more than five times as large as the organizations concerned reported.

The Committee also points out that there are considerable coordination problems between the organizations.

Agents stationed overseas have a sum placed at their disposal to pay salaries, for instance. An agent may have up to ten local agents in his service, who get from \$50 to \$3,000 per month in cash.

"Besides purchasing goods and services for its own use, the CIA also provides supplies for foreign governments, officials, agents, and others."

In this way they get a considerable discount.

"In one case a foreign official told the station chief about his son's enthusiasm about model planes. The foreign official wanted three model planes and even told the CIA official exactly where the planes could be bought in the U.S.A."

More advanced goods such as armored luxury cars and electronic espionage equipment is also cheaply available via the CIA.

Contracts amounting to several millions dollars are made every years with industry and universities for research purposes.

"In 1967 "Rampart's Magazine" disclosed CIA support of the National Student Organization. As a result of this, President Johnson issued a clear order prohibiting secret support of educational institutions, but the CIA reserved the right to deviate from the President's order - and they do - when they find it necessary."

B. Productivity

"The most important questions are whether the expenses described have fulfilled our needs satisfactorily, whether American citizens have gotten enough for their money, and whether the cost that cannot be made up in money has exceeded the usefulness sometimes... Let events speak for themselves."

First the CIA's effectiveness during the Vietnam War was investigated. The organization was under strong pressure from the Government to deliver material that proved that we were on the right way.

"Right up to the last days of South Vietnam, certain blinkers prevented objective reporting from the field and an accurate evaluation from Washington of the situation."

During the crisis in Czechoslovakia, the Soviet Army disappeared for the CIA during the two decisive weeks.

"The intelligence services had understood and reported about the fundamental questions in the confrontation between the Soviet Union and Czechoslovakia while it was developing, and they had concluded that the Soviet Union was able to start an invasion any time.

"The intelligence services did not succeed, however, in warning about the fact that the Soviet Union had decided to intervene with force. President Johnson did not hear about the invasion until the Soviet Ambassador Dobrynin visited the White House and told him about it."

The Middle East: The System Is Breaking Down

"The war in the Middle East gave the intelligence services a real try-out of their efficiency when all their best technological and human expertise are concentrated around a world-known focus. They failed."

The Department of State intelligence service had reported on 31 May 1973 that outbreak of war in the fall was likely. But in the course of the summer all organizations reached the conclusion that Egypt was not able to attack.

"One of the reasons for the analysts' optimism can be found in a CIA handbook from 1971 where there is a passage that was repeated and stressed in discussions in the beginning of October 1973. "The Arab soldier, it says, lacks the necessary physical and cultural abilities to be able to do effective military service." The Arabs were considered so clearly inferior that a new attack would be senseless and therefore unlikely."

As late as almost concurrently with the attack, the organization that is responsible for warning about crises met and concluded that there was no imminent danger of war.

"Efficiency did not become measurably better after the outbreak of the war when the total resources of the intelligence services were concentrated about the area."

The analysts drowned in chaos and technical information. They trusted Israel's own intelligence service.

"Misled in this way, the U.S.A. clashed with the better informed Soviets because of their strong reactions after Israelian violation of the cease-fire. Soviet threats to intervene militarily was met with a world-wide state of preparedness for American troops. Thus poor intelligence work had brought American to the brink of war."

The coup in Portugal on 25 April 1974 was a complete surprise to the CIA.

Shortly before India exploded its first nuclear warhead on 18 May 1974, the Defense Ministry's intelligence service, DIA, had written a report with the title, "India: A Program to Develop Atomic Weapons Will Probably not be Started in the Nearest Future."

In connection with the Cyprus crisis the Committee is surprised that the CIA overlooked clear signs of an impending coup. It raises the question of whether the CIA was behind it, but this problem is not analyzed.

The Committee has also examined the effectiveness of FBI's domestic espionage. They conclude, among other things, that despite 34 years of intensive investigation of the Trotskyist Socialist Workers Party, the FBI has not found any signs of illegal activities.

"FBI detectives from the Department of Internal Security made a massive effort to question SWP members' landlords, employers, colleagues and relatives. The FBI also kept intensive watch over most, if not all, SWP members."

C. Risk

"It is clear that America's taxpayers do not get the full profit out of the dollars that are used for intelligence activities. But the price of intelligence work should not only be made up in dollars. Many everyday activities inevitably are a real risk... It is disquieting that the consequences of intelligence activities apparently are not thought much about by those responsible. Even more disquieting are indications that this lack of attention continues even when real danger (as a result of the activities) turns up."

The report then analyzes ten years of covert actions during the period from 1965 to 1975.

"The Committee has investigated covert CIA actions and has considerable evidence that they are approved contrary to regulations, that they are carried out carelessly and at times have been forced on a reluctant CIA by the President and his advisors in national security affairs.

"Covert action can be described as secret activities beyond mere collection of information for the purpose of causing a specific political, military, or economic result... It is believed that the Committee's analysis of ten years of covert activities is unprecedented in Congress or the Executive Branch...

"The total picture does not support an allegation that covert action has been used to further any special principle, any form of government or demonstrable national interest. The course (of ten years of actions) indicates a general lack of long-range planning in the U.S. foreign policy."

"BANDAID"

Covert action has functioned as "sticking plaster" (sic) in situations that needed long-range solutions. Very expensive projects and politically sensitive projects had to be approved by the 40-Committee, which includes five high-ranking members of the National Security Council.

"In practice the 40-Committee has often just functioned as a rubber stamp... The origin of many covert actions is in the luckiest case sinister... Everything indicates that the CIA is far from uncontrolled, but on the contrary has been extremely willing to follow the instructions that the President and his advisors in national security affairs gave. It must, however, be remembered that it is the CIA Director who decides which covert action projects started by the CIA are sensitive enough to require the President's sanction."

The following was written about supporting political parties before an election:

"From 1965 to today, 32 percent of the covert actions that the 40-Committee has approved has concerned some kind of economic support in election situations to foreign parties or individuals... This is the largest category within covert action, and the financing has mainly taken place in developing countries. With a few exceptions the financial support has been given to moderate party leaders who were up for re-election and heads of state."

Twenty-nine percent, perhaps more, of the covert actions have concerned mass media.

"The activities have included support to friendly media, large propaganda campaigns, placement of articles in the local press, and distribution of books and handbills. The biggest receiver by far

has been a European publishing house which has been financed since 1951. Around 25 percent of this program has been turned against the Soviet Bloc in the shape of publication of and secret export and import of oppositional Western and Soviet literature."

Twenty-three percent of the approved projects are of military type:

"Secretar armies; financial support to groups involved in war activities; para-military training and counseling; shipping of weapons, ammunition and other military equipment... By far the most interesting and important condition that was discovered was that these covert action projects were suggested by parties outside the CIA... At times the CIA has been used as a tool for supplying weapons for the purpose of avoiding Congress' knowledge..."

"A profusion of foreign interest groups, religious groups, profession groups and trade union organizations have received support from the CIA. It has not been concentrated on any geographic area..."

The Committee concludes that it is unlikely that there has been any decline in the number of covert actions during the past years.

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#### FOR WHOM ARE THE CIA SCANDALS HIDDEN?

The Real Espionage Budget - the Russian Army Disappeared  
for the CIA - Covert Action as Sticking Plaster in Foreign  
Policy Without Perspective - a People Sacrificed as Favor



By Joergen Dragsdahl

At a ballot in the House of Representatives on 29 January it was decided that a report about the intelligence services which an investigation committee had prepared should not be made public. The majority thus followed a request from the White House and the CIA. The Director of the CIA at that time, William Colby, felt that publication of the report would harm national security.

The result of the ballot was surprising for several reasons. The Committee that had prepared the report wanted it to be made public. And a great deal of the central information had already been leaked to the press.

However, towards the end of February 1976 the report came out anyway, since a weekly in New York, "The Village Voice," brought most of it.

In reading through the pages it is difficult to find anything that KGB, for instance, can make use of. More likely is the weekly's own explanation: "Once more the White House has tried to protect the American population against reading part of its own history."

The so-called Pike Committee does not believe that the American people is protected by the CIA's activities. The Tet offensive in Vietnam, the Soviet invasion in Czechoslovakia, the war in the Middle East in 1967, the coup in Portugal, India's atomic armament, and the Cyprus crisis have been investigated. In all cases the CIA work was misleading.

But not only does the warning service not function. CIA work in itself is a risk to civic rights and national security.

In the first part of the report it is documented how the White House, the CIA, the Department of State and the FBI tried to obstruct the work of the popularly elected. "To judge from the Committee's experience during recent months, the intelligence services that must be supervised by the legislators in Congress today outside the range of the legislators as far as insight is concerned."

Material that was requested was delayed, denied, or censored so strongly that it was impossible to understand. On one page only the TOP SECRET stamp was left.

One witness was looked up by two FBI men who cross-examined him for six hours about the evidence he had given and afterwards forced him to sign a retraction of his allegations. However, afterwards the witness stuck to his first explanation again.

Henry Kissinger especially is attacked in the Pike Committee's report. He allegedly has a "passionate craving for secrecy" and he has made statements that "deviated from the facts."

The CIA Director, William Colby, has called the report "gross slander," and continued, "I think that it gives a completely distorted picture and it is a disservice to our nation." Colby went on to say, "We gave a lot of information to this committee on basis of the condition that secrets would be protected... The Committee has apparently neither been able to keep secrets nor its promises."

His annoyance is apparently especially over the fact that details about CIA activities in Italy, Angola, and Iraq have come out. There is also anger over the fact

(b)(3)

- 11 -

The Chairman of the Committee, the Democrat Otis Pike from New York, is not known for leftist liberal views. His district is conservative and dominated by armament industry. He has been strongly attacked because of his efforts. In the beginning of March he accused the CIA of conducting a campaign against him personally to lead the attention away from the report. "Pike is going to pay for this. Just wait and see - we are going to destroy him because of this," a high-ranking CIA man, [redacted] allegedly (b)(3) said to one of the Committee's assistants. [redacted] denies having (b)(3) made this statement, however.

The man who gave the report to "The Village Voice" has also been attacked strongly. His name is Daniel Schorr, he is a journalist at the TV company CBS and has covered the FBI and CIA misuse of power for years. Now he has been suspended from his work and is the target of a number of official investigations.

"The happiness of martyrdom is strongly exaggerated," he assured his colleagues recently.