

excerpts from the book
CIA Diary
Inside the Company
by Philip Agee
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... what the Agency [CIA] does is ordered by the President and the NSC [National Security Council]. The Agency neither makes decisions on policy nor acts on its own account. It is an instrument of the President.

... the question of Congressional monitoring of intelligence activities and of the Agency in particular. The problem resides in the National Security Act of 1947 and also in its amendment, the Central Intelligence Agency Act of 1949. These laws charged the DCI [Director of Central Intelligence] with protecting the 'sources and methods' of the US intelligence effort and also exempted the DCI and the Bureau of the Budget from reporting to Congress on the organization, function, personnel and expenditures of the CIA - whose budget is hidden in the budgets of other executive agencies. The DCI, in fact, can secretly spend whatever portion of the CIA budget he determines necessary, with no other accounting than his own signature. Such expenditures, free from review by Congress or the General Accounting Office or, in theory, by anyone outside the executive-branch, are called 'unvouchered funds'.

By passage of these laws Congress has sealed itself off from CIA activities, although four small sub-committees are informed periodically on important matters by the DCI. These are the Senate and House sub-committees of the Armed Services and Appropriations Committees, and the speeches of their principal spokesman, Senator Richard Russell, are required reading for the JOT'S.

There have been several times when CIA autonomy was threatened. The Hoover Commission Task Force on Intelligence Activities headed by General Mark Clark recommended in 1955 that a Congressional Watchdog Committee be established to oversee the CIA much as the Joint Congressional Committee on Atomic Energy watches over the AEC. The Clark Committee, in fact, did not believe the sub-committees of the Armed Services and Appropriations Committees were able to exercise effectively the Congressional monitoring function. However, the problem was corrected, according to the Agency position, when President Eisenhower, early in 1956, established his own appointative committee to oversee the Agency. This is the President's Board of Consultants on Foreign Intelligence Activities, whose chairman is James R. Killian, President of Massachusetts Institute of Technology. It can provide the kind of 'private citizen' monitoring of the Agency that Congress didn't want. Moreover ... the more Congress gets into the act the greater the danger of accidental revelation of secrets by indiscreet politicians. Established relationships with intelligence services of other countries, like Great Britain, might be complicated. The Congress was quite right at the beginning in giving up control - so much for them, their job is to appropriate the money.

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In addition to discovering ordinary state secrets, the CS is responsible for obtaining the most complete and accurate information possible on the global manifestations of Soviet imperialism, that is, on local communist parties and related political groups. The exceptions to the world-wide operating charter of the CS is the agreement among the US, the United Kingdom, Australia, Canada and New Zealand whereby each has formally promised to abstain from secret operations of any kind within the territory of the others except with prior approval of the host government. The governments of all other nations, their internal political groups and their scientific, military and economic secrets are fair game.

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The most important liaison operation of the CIA is with MI-6, whose cryptonym is SMOTH. It has been almost ten years since Burgess and Maclean disappeared, and SMOTH has apparently tightened its loose, 'old boy', clubby security practices. The inner club also includes the services of Canada, Australia and New Zealand although the CIA receives relatively little from these. Liaison with the Dutch is considered excellent because they facilitate support operations against targets of mutual interest, as do the Italians who tap telephones and intercept correspondence for the CIA station in Rome. The West German services are considered to be thoroughly penetrated by the Soviets while liaison with the French has become difficult and sensitive since the return of de Gaulle.

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Psychological and paramilitary, known as PP or KUCAGE, operations differ from those of PI or CI because they are action rather than collection activities. Collection operations should be invisible so that the target will be unaware of them. Action operations, on the other hand, always produce a visible effect. This, however, should never be attributable to the CIA or to the US government, but rather to some other person or organization. These operations, which received their Congressional charter in the National Security Act of 1947 under 'additional services of common concern', are in some ways more sensitive than collection operations.

They are usually approved by the PP staff of the DDP, but when very large amounts of money are required or especially sensitive methods are used approval may be required of the OCB (Undersecretary level), the NSC or the President himself.

PP operations are, of course, risky because they nearly always mean intervention in the affairs of another country with whom the US enjoys normal diplomatic relations. If their true sponsorship were found out the diplomatic consequences could be serious. This is in contrast to collection operations, for if these are discovered foreign politicians are often prepared to turn a blind eye - they are a traditional part of every nation's intelligence activity. Thus the cardinal rule in planning all PP operations is 'plausible denial', only possible if care has been taken in the first place to ensure that someone other than the US government can be made to take the blame.

PP programmes are to be found in almost every CIA station and emphasis on the kinds of PP operations will depend very much on local conditions. Psychological warfare includes propaganda (also known simply as 'media'), work in youth and student organizations, work in labour organizations (trade unions, etc.), work in professional and cultural groups and in political parties. Paramilitary operations include infiltration into denied areas, sabotage, economic warfare, personal harassment, air and maritime support, weaponry, training and support for small armies.

Media Operations

The CTA'S role in the US propaganda programme is determined by the official division of propaganda into three general categories: white, grey and black. White propaganda is that which is openly acknowledged as coming from the US government, e.g. from the US Information Agency (USIA); grey propaganda is ostensibly attributed to people or organizations who do not acknowledge the US government as the source of their material and who produce the material as if it were their own, black propaganda is unattributed material, or it is attributed to a non-existent source, or it is false material attributed to a real source. The CTA is the only US government agency authorized to engage in black propaganda operations, but it shares the responsibility for grey propaganda with other agencies such as USTA. However, according to the 'Grey Law' of the National Security Council contained in one of the NSCID'S, other agencies must obtain prior CIA approval before engaging in grey propaganda.

The vehicles for grey and black propaganda may be unaware of their CIA or US government sponsorship. This is partly so that it can be more effective and partly to keep down the number of people who know what is going on and thus to reduce the danger of exposing true sponsorship. Thus editorialists, politicians, businessmen and others may produce propaganda, even for money, without necessarily knowing who their masters in the case are. Some among them obviously will and so, in agency terminology, there is a distinction between 'witting' and 'unwitting' agents.

In propaganda operations, as in all other PP activities, standard agency security procedure forbids payment for services rendered to be made by a CIA officer working under official cover (one posing as an official of the Department of State, for instance). This is in order to maintain 'plausible denial' and to minimize the danger of embarrassment to the local embassy if anything is discovered by the local government. However, payment is made by CTA officers under non-official cover, e.g. posing as businessmen, students or as retired people; such officers are said to be working under non-official cover.

Officers working under non-official cover may also handle most of the contacts with the recruited agents in order to keep the officer under official cover as protected as possible. Equally, meetings between the two kinds of officer will be as secret as may be. The object of all this is to protect the embassy and sometimes to make the propaganda agents believe that they are being paid by private businesses.

Headquarters' propaganda experts have visited us in ISOLATION and have displayed the mass of paper they issue as material for the guidance of propaganda throughout the world. Some of it is concerned only with local issues, the rest often has world-wide application. The result of the talks was to persuade most of us that propaganda is not for us - there is simply too much paperwork. But despite that, the most interesting part of propaganda was obviously the business of orchestrating the treatment of events of importance among several countries. Thus problems of communist influence in one country can be made to appear of international concern in others under the rubric of 'a threat to one is a threat to all'. For example, the CIA station in Caracas can cable information on a secret communist plot in Venezuela to the Bogota station which can 'surface' through a local propaganda agent with attribution to an unidentified Venezuelan government official. The information can then be picked up from the Colombian press and relayed to CTA stations in Quito, Lima, La Paz, Santiago and, perhaps, Brazil. A few days later editorials begin to appear in the newspapers of these places and pressure mounts on the Venezuelan government to take repressive action against its communists.

There are obviously hosts of other uses to which propaganda, both black and grey, can be put, using books, magazines, radio, television, wall-painting, handbills, decals, religious sermons and political speeches as well as the daily press. In countries where handbills or wall-painting are important media, stations are expected to maintain clandestine printing and distribution facilities as well as teams of agents who paint slogans on walls. Radio Free Europe (RFE) and Radio Liberty are the best known grey propaganda operations conducted by the CIA against the Soviet bloc.

Youth and Student Operations

At the close of World War II, the Communist Party of the Soviet Union began a major propaganda and agitation programme through the formation of the International Union of Students (IUS) and the World Federation of Democratic Youth (WFDY), both of which brought together national affiliates within their respective fields in as many countries as possible. These organizations promoted CPSU objectives and policy under the guise of unified campaigns (anti-colonialism, anti-nuclear weapons, propeace groups, etc.), in which they enlisted the support of their

local affiliates in capitalist countries as well as within the communist bloc. During the late 1940s the US government, using the Agency for its purpose, began to brand these fronts as stooges of the CPSU with the object of discouraging non-communist participation. In addition to this the Agency engaged in operations in many places designed to stop local groups affiliating with the international bodies. By recruiting leaders of the local groups and by infiltrating agents, the Agency tried to gain control of as many of them as possible, so that even if such a group had already affiliated itself to either the IUS or the WFDY, it could be persuaded or compelled to withdraw.

The Agency also began to form alternative youth and student organizations at local and international level. The two international bodies constructed to rival those sponsored by the Soviet Union were the Coordinating Secretariat of National Unions of Students (COSEC) with headquarters in Leyden, and the World Assembly of Youth (WAY) situated in Brussels. Headquarters' planning, guidance and operational functions in the CTA youth and student operations are centralized in the International Organizations Division of the DDP.

Both COSEC and WAY, like the TUS and WFDY, promote travel, cultural activities and welfare, but both also work as propaganda agencies for the CTA - particularly in underdeveloped countries. They also have consultative status as non-governmental institutions with United Nations agencies such as UNESCO and they participate in the UN special agencies' programmes.

One very important function of the CTA youth and student operations is the spotting, assessing and recruiting of student and youth leaders as long-term agents, both in the PI and PP fields. The organizations sponsored or affected by the Agency are obvious recruiting grounds for these and, indeed, for other CTA operations. It is particularly the case in the underdeveloped world that both COSEC and WAY programmes lead to the recruitment of young agents who can be relied on to continue CTA policies and remain under CTA control long after they have moved up their political or professional ladders.

Apart from working through COSEC and WAY the Agency is also able to mount specific operations through Catholic national and international student and youth bodies (Pax Romana and the International Catholic Youth Federation) and through the Christian Democrat and non-communist socialist organizations as well. In some countries, particularly those in which there are groups with strong communist or radical leaderships, the Catholic or Christian Democratic student and youth organization are the main forces guided by the Agency.

Agents controlled through youth and student operations by a station in any given country, including those in the US National Students Association (NSA) international programme run by headquarters, can also be used to influence decisions at the international level, while agents at the international level can be used for promoting other agents or policies within a national affiliate. Control, then, is like an alternating current between the national and international levels.

Largely as a result of Agency operations, the WFDY headquarters was expelled from France in 1951, moving to Budapest. The TUS headquarters, on the other hand, was never allowed to move to the free world after its founding at Prague in 1946. Moreover, the WFDY and TUS have been clearly identified with the communist bloc, and their efforts to conduct conferences and seminars outside the bloc have been attacked and weakened by WAY and COSEC. The WFDY, for example, has been able to hold only one World Youth Festival outside the bloc, in Vienna in 1959, and then it was effectively disrupted by CIA-controlled youth and student organizations. The TUS has never held a congress in the free world. More important still, both WAY and COSEC have developed overwhelming leads in affiliate members outside the communist bloc.

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Political-Action Operations

Communist expansion brought forth still another type of PP operation: political action. Operations designed to promote the adoption by a foreign government of a particular policy vis-a-vis communism are termed political-action operations. While the context of these operations is the assessment of the danger of communist or other leftist influence in a given country, the operations undertaken to suppress the danger are pegged to specific circumstances. These operations often involve promotion through funding and guidance of the careers of foreign politicians through whom desired government policy and action can be obtained. Conversely, these operations often include actions designed to neutralize the politicians who promote undesirable local government policy regarding communism. Although political-action operations after World War II began with electoral funding of anti-communist political parties in France and Italy in the late 1940s, they are now prevalent in the underdeveloped countries where economic and social conditions create a favourable climate for communist advance. The obvious human elements in political-action operations are political parties, politicians and military leaders, although agents in other PP operations including labour, student and youth, and media are often brought to bear on specific political-action targets.

In order to obtain political intelligence as well as to develop relationships with potential political-action agents, most stations have continuing programmes for cultivating local politicians from opposition as well as from government parties. Making acquaintances in local politics is not usually difficult because CTA officers under diplomatic cover in embassies have natural access to their targets through cocktail parties, receptions, clubs and other mechanisms that bring them together with people of interest. Regular State Department Foreign Service Officers and Ambassadors as well may also facilitate the expansion of station political contacts through arranging introductions. When a local political contact is assessed favourably for station goals, security clearance and operational approval is obtained from headquarters, and the station officer in contact with the target begins to provide financial support for political

campaigns or for the promotion of the target's political group or party. Hopefully, almost surely, the target will use some of the money for personal expenses thereby developing a dependency on the station as a source of income. Eventually, if all goes well, the local politician will report confidential information on his own party and on his government, if he has a government post, and he will respond to reasonable station direction regarding the communist question.

A station's liaison operations with local security services are also a valuable source of political-action assets. Because of frequent political instability in underdeveloped countries, the politicians in charge of the civilian and military security forces are in key positions for action as well as for information, and they are often drawn into an operational relationship with the station when they enter office merely by allowing ongoing liaison operations to continue. They are subjected to constant assessment by the station for use in political action and when deemed appropriate they may be called upon for specific tasks. Financial support is also available for furthering their political careers and for a continuing relationship once they leave the ministry.

As final arbiters of political conflicts in so many countries, military leaders are major targets for recruitment. They are contacted by station officers in a variety of ways, sometimes simply through straightforward introduction by US military attaches or the personnel of US Military Assistance Missions. Sometimes the liaison developed between the Agency and local intelligence services can be used for making these contacts. Again CTA officers can make contact with those military officers of other countries who come to the US for training. As in the case of politicians, most Agency stations have a continual programme for the development of local military leaders, both for the collection of intelligence and for possible use in political action.

The political actions actually undertaken by the Agency are almost as varied as politics itself. High on the list of priorities is the framing of Soviet officials in diplomatic or commercial missions in order to provoke their expulsion. Politicians working for the Agency are expected to take an active part in working for expulsion of 'undesirables'. Similarly, where the Soviet Union tries to extend its diplomatic or commercial activities, our politicians are expected to use their influence to oppose such moves. They are also expected to take a hard line against their own nationals engaged in left-wing or communist activities. In the last of these instances success means the proscription of the parties, the arrest or exile of their leaders, the closure of their offices, publications and bookstores, the prohibition of their demonstrators, etc. Such large-scale programmes call for action both by anticommunist movements and by national governments - where possible the Agency likes to use the same political action agents for both purposes. But it is not just a matter of financing and guiding local politicians. In situations regarded as dangerous to the US, the Agency will conduct national election operations through the medium of an entire political party. It will finance candidates who are both 'witting' and 'unwitting'. Such multi-million-dollar operations may begin a year or more before an election is due and will include massive propaganda and public-relations campaigns, the building of numerous front organizations and funding mechanisms (often resident US businessmen), regular polls of voters, the formation of 'goon-squads' to intimidate the opposition, and the staging of provocations and the circulation of rumours designed to discredit undesirable candidates. Funds are also available for buying votes and vote counters as well. If a situation can be more effectively retrieved for US interests by unconstitutional methods or by coup d'etat, that too may be attempted. Although the Agency usually plays the anti-communist card in order to foster a coup, gold bars and sacks of currency are often equally effective. In some cases a timely bombing by a station agent, followed by mass demonstrations and finally by intervention by military leaders in the name of the restoration of order and national unity, is a useful course. Agency political operations were largely responsible for coups after this pattern in Iran in 1953 and in the Sudan in 1958.

Paramilitary Operations

At times the political situation in a given country cannot be retrieved fast or effectively enough through other types of PP operations such as political action. In these cases the Agency engages in operations on a higher level of conflict which may include military operations - although these should not be seen as US sponsored. These unconventional warfare operations are called paramilitary operations. The Agency has the charter from the National Security Council for US government unconventional warfare although the military services also sustain a paramilitary capability in case of general war. These operations seem to hold a special fascination, calling to mind OSS heroism, resistance, guerrilla warfare, secret parachute jumps behind the lines. Camp Peary is a major Agency training base for paramilitary operations.

The need for getting agents into denied areas like certain parts of the Soviet Union, China and other communist countries, is satisfied in part by illegal infiltration by land, sea or air. The agents, usually natives of the denied area, are given proper clothing, documentation and cover stories and, if infiltrating by land, may be required to pass secretly through heavily guarded borders. Training in border crossing is given in a restricted area of Camp Peary where a mile or so of simulated communist borders is operated with fences, watch-towers, dogs, alarms and patrols. Maritime infiltration involves the use of a mother ship, usually a freighter operated by an Agency cover shipping company which approaches to within a few miles of the shore landing-site. An intermediate craft, often a souped-up outboard, leaves the mother ship and approaches to perhaps a mile off the shore where a rubber boat with a small silent outboard is inflated to carry the infiltration team to the beach. The rubber boat and auxiliary equipment is buried near the beach for use later in escape while the intermediate craft returns to the mother ship. Infiltration by air requires black overflights for which the Agency has unmarked long- and short-range aircraft including the versatile Helio Courier

that can be used in infil-exfil operations with landings as well as parachute drops. Restricted areas of Camp Peary along the York River are used for maritime training and other parts of the base serve as landing-sites and drop zones. Once safely infiltrated to a denied area, a lone agent or a team may be required to perform a variety of jobs. Frequently an infiltration team's mission is the caching of weapons, communications equipment or sabotage materials for later retrieval by a different team which will use them. Or, an infiltration team may perform sabotage through the placing of incendiary devices or explosives at a target-site timed to go off days, weeks or even months later. Sabotage weapons include oil and gasoline contaminants for stopping vehicles, contaminants for jamming printing-presses, limpets for sinking ships, explosive and incendiary compounds that can be moulded and painted to look like bread, lamps, dolls or stones. The sabotage instructors, or 'burn and blow boys', have staged impressive demonstrations of their capabilities, some of which are ingeniously designed so as to leave little trace of a cause. Aside from sabotage, an infiltration team may be assigned targets to photograph or the loading or unloading of dead drops (concealed places for hiding film, documents or small containers). Escape may be by the same route as entry or by an entirely different method. The Economic Warfare Section of the PP staff is a sub-section under Paramilitary Operations because its mission includes the sabotage of key economic activities in a target country and the denial of critical imports, e.g. petroleum. Contamination of an export agricultural product or associated material (such as sacks destined for the export of Cuban sugar), or fouling the bearings of tractors, trucks or buses destined for a target country may be undertaken if other efforts to impede undesired trade fail. As Economic Warfare is undertaken in order to aggravate economic conditions in a target country, these operations include in addition to sabotage, the use of propaganda, labour, youth, student and other mass organizations under CIA control to restrict trade by a friendly country of items needed in the target economy US companies can also be called upon to restrict supply of selected products voluntarily, but local station political-action assets are usually more effective for this purpose.

Also coordinated in the paramilitary section of the PP staff is the effort to maintain Agency supplies of weapons used in support of irregular military forces. Although the Air and Maritime Support section of the staff supervises standing Agency operations to supply insurgents (Air America and Civil Air Transport in the Far East, for example) additional resources such as aircraft can be obtained from the Defense Department. These operations included the Guatemalan invasion in 1954 (aptly given the cryptonym LCSUCCESS); Tibetan resistance against the Chinese in 1958-9 and the rebellion against the Sukarno government in Indonesia in 1957-8; current training and support of irregular forces in South Vietnam and Laos; and increasing sabotage and paramilitary operations against the Castro government in Cuba. Leaflet drops as part of the propaganda aspect of paramilitary operations are also arranged through the Air and Maritime Support section.

Closely related to paramilitary operations are the disruptive activities known as militant action. Through organization and support of 'goon squads' sometimes composed of off-duty policemen, for example, or the militant sections of friendly political parties, stations attempt to intimidate communists and other extreme leftists by breaking up their meetings and demonstrations. The Technical Services staff of the DDP makes a variety of weapons and devices for these purposes. Horrible smelling liquids in small glass vials can be hurled into meeting halls. A fine clear powder can be sprinkled in a meeting-place becoming invisible after settling but having the effect of tear-gas when stirred up by the later movement of people. An incendiary powder can be moulded around prepared tablets and when ignited the combination produces ample quantities of smoke that attacks the eyes and respiratory system much more strongly than ordinary tear-gas. A tasteless substance can be introduced to food that causes exaggerated body colour. And a few small drops of a clear liquid stimulates the target to relaxed, uninhibited talk. Invisible itching powder can be placed on steering wheels or toilet seats, and a slight smear of invisible ointment causes a serious burn to skin on contact. Chemically processed tobacco can be added to cigarettes and cigars to produce respiratory ailments.

Our training in PP operations includes constant emphasis on the desirability of obtaining reportable intelligence information from agents engaged in what are essentially action (as opposed to collection) operations. A well-run action operation, in fact, can produce intelligence of extremely good quality whether the agents are student, labour or political leaders. Justification for continuing PP operations in Project Renewals includes references to the operation's value in strictly collection activities as well as effectiveness in achieving action goals. No action agent, therefore, can be allowed to neglect the intelligence by-product of his operation, although the action agent may have to be eased into the intelligence reporting function because of the collaborative nature of his early relationship with the Agency. Nevertheless with a little skill even leaders of some rank can be manipulated into collecting information by letting them know indirectly that financial support for them is based partly on satisfaction of intelligence reporting requirements.

The funding of psychological and paramilitary projects is a complex business. Project Outlines are prepared either in the station or at headquarters, depending on which of these is proposing or running the operation. Included in this, apart from those elements already mentioned for F! projects, will be a statement on the need for coordination with other US government agencies such as the State Department or the Department of Defense. Where appropriate further reports are attached giving greater detail on finances, personnel, training, supply and cover mechanisms.

Operational progress reports are required each trimester in the case of routine operations, but such reports may be more frequent in special cases. Intelligence received as a result of PP operations is processed in the same way as that which comes from PI operations.

Funding action operations, especially those involving labour, student, youth or other organizations is a perpetual problem. Under certain circumstances it can be done through foundations of one sort or another which have been

created as fronts for the Agency, but before this, or any other, method can be employed there first has to be a decision about the level at which the funds should be passed. If money is to be put into an international organization like WAY, for example, then it might be possible to do this through an American organization affiliated to it. The money can then be disguised as a donation from that organization. In other circumstances it might be possible to supply the money through a 'cutout', that is, through a person who can claim that the money is either a donation on his own account or from his business. If this system is used the money is sometimes paid by the 'cutout' to a US organization affiliated to the international group for whom the money is finally intended.

If it is paid direct then it is usual for the secretary-general or the finance committee chairman of the organization in question to be a 'witting' agent. The decision about the method to be used is subject to several considerations. First the matter of security and cover is considered; second comes the question of which method would best ensure that the recipient or recipients will then do what they have been paid for. Thus funds become a very effective method of guiding an action agent. When cover foundations or companies are used for funding they may be chartered in the US or in countries such as Lichtenstein, the Bahamas and Panama, where commercial secrecy is protected and governmental controls are minimal.

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The question is not whether, but when, to resign. I wonder what the reaction would be if I wrote out a resignation telling them what I really think. Something like this:

Dear Mr Helms,

I respectfully submit my resignation from the Central Intelligence Agency for the following reasons:

I joined the Agency because I thought I would be protecting the security of my country by fighting against communism and Soviet expansion while at the same time helping other countries to preserve their freedom. Six years in Latin America have taught me that the injustices forced by small ruling minorities on the mass of the people cannot be eased sufficiently by reform movements such as the Alliance for Progress. The ruling class will never willingly give up its special privileges and comforts. This is class warfare and is the reason why communism appeals to the masses in the first place. We call this the 'free world'; but the only freedom under these circumstances is the rich people's freedom to exploit the poor.

Economic growth in Latin America might broaden the benefits in some countries but in most places the structural contradictions and population growth preclude meaningful increased income for most of the people. Worse still, the value of private investment and loans and everything else sent by the US into Latin America is far exceeded year after year by what is taken out - profits, interest, royalties, loan repayments - all sent back to the US. The income left over in Latin America is sucked up by the ruling minority who are determined to live by our standards of wealth.

Agency operations cannot be separated from these conditions. Our training and support for police and military forces, particularly the intelligence services, combined with other US support through military assistance missions and Public Safety programmes, give the ruling minorities ever stronger tools to keep themselves in power and to retain their disproportionate share of the national income. Our operations to penetrate and suppress the extreme left also serve to strengthen the ruling minorities by eliminating the main danger to their power.

American business and government are bound up with the ruling minorities in Latin America - with the rural and industrial property holders. Our interests and their interests - stability, return on investment - are the same. Meanwhile the masses of the people keep on suffering because they lack even minimal educational facilities, healthcare, housing, and diet. They could have these benefits of national income were not so unevenly distributed.

To me what is important is to see that what little there is to go around goes around fairly. A communist hospital can cure just like a capitalist hospital and of communism is the likely alternative to what I've seen in Latin America, then it's up to the Latin Americans to decide. Our only alternatives are to continue supporting injustice or to withdraw and let the cards fall by themselves.

And the Soviets? Does KGB terror come packaged of necessity with socialism and communism? Perhaps so, perhaps not, but for most of the people in Latin America the situation couldn't be much worse - they've got more pressing matters than the opportunity to read dissident writers. For them it's a question of day-by-day survival.

No, I can't answer the dilemma of Soviet expansion, their pledge to 'bury' us, and socialism in Latin America.

Uruguay, however, is proof enough that conventional reform does not work, and to me it is clear that the only real solutions are those advocated by the communists and others of the extreme left. The trouble is that they're on the Soviet side, or the Chinese side or the Cuban side - all our enemies.

I could go on with this letter but it's no use. The only real alternative to injustice in Latin America is socialism and no matter which shade of red a revolutionary wears, he's allied with forces that want to destroy the United States. What I have to do is to look out for myself first and put questions of principle to rest. I'll finish the resume and find another job before saying what I really think.

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One has to take the realistic view in order to fulfill responsibilities you have to compromise with the system knowing full well that the system doesn't work for everybody. This means everybody has to get what he can within decency's limits - which can be stretched when needed to assure a little more security. What I have to do now is get mine, inside the system, and forget I ever worked for the CIA. No, there's no use trying to change the system. What happened at the

Plaza of the Three Cultures is happening all over the world to people trying to change the system. Life is too short r and has too many delights that might be missed. At thirty-three I've got half a lifetime to enjoy them.

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... Secret CIA operations constitute the usually unseen efforts to shore up unjust, unpopular, minority governments, always with the hope that overt military intervention (as in Vietnam and the Dominican Republic) will not be necessary. The more successful CIA operations are, the more remote overt intervention becomes - and the more remote become reforms. Latin America in the 1960s is all the proof one needs.

A book on the CIA could also illustrate how the interests of the privileged minorities in poor countries lead back to, and are identified with, the interests of the rich and powerful who control the US. Counter-insurgency doctrine tries to blur these international class lines by appeals to nationalism and patriotism and by falsely relating movements against the capitalist minorities to Soviet expansionism. But what counter-insurgency really comes down to is the protection of the capitalists back in America, their property and their privileges. US national security, as preached by US leaders, is the security of the capitalist class in the US, not the security of the rest of the people - certainly not the security of the poor except by way of reinforcing poverty. It is from the class interests in the US that our counter-insurgency programmes flow, together with that most fundamental of American foreign policy principles: that any government, no matter how bad, is better than a communist one - than a government of workers, peasants and ordinary people. Our government's support for corruption and injustice in Latin America flows directly from the determination of the rich and powerful in the US, the capitalists, to retain and expand these riches and power...

... The killings at Kent State and Jackson State show clearly enough that sooner or later our counter-insurgency methods would be applied at home.

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The key to adopting increasingly radical views has been my fuller comprehension of the class divisions of capitalist society based on property or the lack of it. The divisions were always there, of course, for me to see, but until recently I simply failed to grasp their meaning and consequences: adversary relationships, exploitation, labour as a market-place commodity, etc. But by getting behind the liberal concept of society, that concept that attempts to paint out the irreconcilable class conflicts, I think I have grasped an understanding of why liberal reform programmes in Latin America have failed. At the same time I have seen more clearly the identity of interests of the classes in Latin America (and other underdeveloped areas) with the corresponding classes in the US (and other developed areas).

The result of this class conception, of seeing that class identity comes before nationality, leads to rejection of liberal reform as the continuous renovating process leading step by step to the better society. Reform may indeed represent improvement, but it is fundamentally a manoeuvre by the ruling class in capitalist society, the capitalists, to allow exploitation to continue, to give a little in order to avoid losing everything. The Alliance for Progress was just this kind of fraud - although it was heralded as a Marshall Plan for Latin America that would permit, indeed encourage, a Latin American New Deal to sweep through the region behind the leadership of liberals like Betancourt, Haya de la Torre, Kubichek and Munoz Marin.

But the Alliance for Progress failed as a social reform programme, and it failed also to stimulate sufficient per capita economic growth, partly because of high population growth and partly because of slow growth in the value of the region's exports. These two factors, combined with rising consumption by upper and middle classes, provided less for the investments on which growth must be founded.

Result? The division in Latin American society widened between the modern core, dependent largely on the external sector, and the marginalized majority. By 1969 over half the people in the labour market were unemployed or underemployed. Where progress occurred in education, health care and housing it accrued mostly to the core societies in cities. Flight to cities by rural unemployed continued with the cities unable to absorb them productively. The vicious circle of small internal markets and lack of internal growth momentum also continued.

Particularly in countries like Brazil, where economies have grown rapidly, wealth and income have tended to even greater concentration. Latest figures of the UN Economic Commission for Latin America (ECLA) show that the poorest 20 per cent of the Latin American population now receive only 3-1 per cent of total income and that the entire lower 50 per cent receives only 13.4 per cent of total income. The upper 5 per cent income bracket, on the other hand, receives 33.4 per cent of total income. The contrast between the high 5 per cent and the lower 50 per cent of the population according to ECLA rests on the dominance of the entrepreneurial class - the capitalists - in the upper 5 per cent whose extraordinary income results largely from distribution of profits which could be reinvested instead of being consumed. In Mexico, for example, 60 per cent of the income of the top 5 per cent is dividends, in El Salvador 80 per cent, in Argentina 85 per cent. Most important, income of the high 5 per cent is growing more rapidly than the middle- and lower-income levels - thus aggravating income imbalance still more. The assumption, therefore, that economic growth under the Alliance for Progress would result in higher standards of living for the poorer half of the population is now demonstrated to have been false.

Land-reform programmes have also failed. During the 1960s virtually every country in Latin America began some programme to reform restrictive, precarious and uneconomical tenure systems - long accepted as the most serious structural cause of imbalance in wealth and income. But with the exceptions of Cuba, Peru and Chile the impulse has been lost and little progress made where the bulk of the potential income-producing resources lies. Concentration

continues: the upper 1.8 per cent of the rural income scale holds more than 50 per cent of the farmland while the small landholders who number 25 per cent of the farm population hold only 2.4 per cent of farmland.

During these past ten years, while Latin American countries failed to establish more equitable distribution of land, wealth and income, considerable success could be claimed in counterinsurgency - including propaganda to attract people away from the Cuban solution as well as repression. As part of the counterinsurgency campaign, the Alliance for Progress in the short run did indeed raise many hopes and capture many imaginations in favour of the peaceful reform solutions that would not fundamentally jeopardize the dominance of the ruling capitalist minorities and their system. Since the 1960s however, as the psychological appeal of peaceful reform diminished in the face of failure, compensatory measures have been increasingly needed: repression and special programmes, as in the field of organized labour, to divide the victims and neutralize their leaders. These measures constitute the four most important counter-insurgency programmes through which the US government strengthens the ruling minorities in Latin America: CIA operations, military assistance and training missions, AID Public Safety programmes to help police, and trade-union operations through ORIT.; the International Trade Secretariats and the AIFED -all largely controlled by the CIA. Taken together these are the crutches given by the capitalist rulers of the US to their counterparts in Latin America in order to obtain reciprocal support against threats to American capitalism. Never mind all those marginals - what's good for capitalists in Latin America is good for capitalists in the USA.

A liberal reform programme like the Alliance for Progress is a safety-valve for capitalist injustice and exploitation - as the frontier served for release and escape from oppression in American cities during the last century. Such a programme is only what the ruling-class will allow by way of redistribution during a time of danger to the system as a whole - something that runs against the current and the inherent drive to concentrate wealth and political power in ever fewer hands. Once the sense of urgency and danger fades, so also the pressure on the safety-valve declines and the natural forces for accumulation recuperate, soon wiping out the relative gains that the exploited obtained through reform. Reforms are temporary palliatives that can never eliminate the exploitative relationship on which capitalism is based.

Increasingly, as the oppressed in capitalist society comprehend the myth of liberal reform, their ruling minorities have no choice but to increase repression in order to avert socialist revolution. Eliminate CIA stations, US military missions, AID Public Safety missions and the 'free' trade-union programmes and those minorities would disappear, faster perhaps, than they themselves would imagine.

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The functioning of the external sectors of Latin American economies (excepting Venezuela as a special case) during these ten years demonstrates how these economies have supported the US standard of living to the detriment of the Latin American people: Americans, in other words, can thank Latin American workers for having contributed to our ease and comfort. It is the external sector that counts because exports and foreign aid determine how much machinery and technology can be imported for economic growth, and during the past ten years the external sectors of Latin American economies failed to generate adequate growth.

From 1961 to 1970 Latin America paid out to other regions, mostly to the US, a little over 20 billion dollars, practically all in financial services (royalties, interest and repatriated profits to foreign capital). About 30 per cent of this potential deficit was offset by export surpluses, while the remaining 70 per cent was paid through new indebtedness, new private foreign investment and other capital movements. The new indebtedness, representing as it does new costs for financial services, raised still higher the proportion of export earnings required for repatriation of royalties, interest and profits to foreigners, mostly US, thus decreasing amounts available for investment.

During these ten years private foreign capital provided new investment of only 5~5 billion dollars while taking out 20 billion dollars. The lion's share went to US investors whose investment, which averaged about 12 billion dollars in value, returned about 13 billion dollars to the US. Without the loans and grants from the US under the Alliance for Progress, Latin America would have had to devote about 10 per cent more of its export earnings to the services account so that 'fair return' on investment could be satisfied. Otherwise a moratorium or some other extreme measure would have been necessary - hardly conducive to new credit and investment.

The Alliance for Progress has been, in effect, a subsidy programme for US exporters and private investors - in many cases the same firms. For Latin America this has meant a deficit in the external sector of about 6 billion dollars that limited the importation of equipment and technology needed for faster economic growth - the deficit compensated by new indebtedness. For the United States this has meant a return to private investors of about five dollars for every dollar sent from the US to Latin America during the period, plus a favourable trade balance, plus billions of dollars in loans that are earning interest and will some day be repaid. In other words Latin America through the Alliance for Progress has contributed to the economic development of the United States and has gone into debt to do it. No wonder we prop up these governments and put down the revolutionaries.

In contrast to the myth of the Alliance for Progress, which ensures that the gap between the US and Latin American economies will grow, the interesting alternative does not assume that economic growth is the determinant for integration of the marginalized majority. Based on a distinction between economic growth and social development, the revolutionary solution begins with integration. The Cuban position paper for this year's sessions of ECLA, entitled Latin America and the Second United Nations Decade for Development, views social integration through structural changes in institutions - revolutionary change rather than reform - as the condition for development. Economic growth

alone, with benefits concentrated in the modern core minority, cannot be considered as national development because the whole society doesn't participate. Institutional change, social integration and economic growth is the revolutionary order of priorities rather than economic growth, reform and eventual extension of benefits to the marginals - little by little so as not to affect the wealthy.

The institutional changes: first, the land tenure system must be altered to break the injustices and low productivity resulting from the latifundia-minifundia problem. Second, the foreign economic enterprises must be nationalized so that the product of labour is used for national development instead of being channelled to shareholders in a highly-developed, capital-exporting country. Third, the most important national economic activities must come under state control and be subjected to overall development planning with new criteria for marketing, expansion and general operations. Fourth, personal income must be redistributed in order to give purchasing power to the previously marginalized. Fifth, a real working union between government and people must be nurtured so that the sacrifices ahead can be endured and national unity strengthened.

During this early period of institutional change, attained with few exceptions, in the Cuban view, through armed struggle, the basic problems of priorities emerge: immediate development of social overhead projects in health and education v. expansion of consumption of the formerly marginalized v. investment in infrastructure. The redistribution of income, new costs of social projects, and increased internal consumption leave even less productive capacity for re-investment than before. High demand causes inflationary pressures and black markets, while rationing is necessary to assure equity in distribution.

The only source of relief to offset the investment deficit, according to the Cubans, is foreign aid. Aggravating the development problem is the exodus of managers and professionals who join the overthrown landed gentry and upper middle classes in seeking to avoid participation in national development by fleeing to 'free' countries. Another drain on investment is the obvious need to maintain oversized military forces to defeat domestic and foreign counter-revolutionary forces.

The romantic stage of the revolution ends, then, as the realities of the long struggle for national development take root. Internally the revolution calls for ever-greater productivity, particularly in exports, so that dependence on external financing can be kept as low as possible. Nevertheless, years will pass before economic growth will reach the point of decreasing reliance on foreign aid. Sacrifice and greater effort are the order of the day, and neither can possibly result if the producers - the workers, peasants and others - fail to identify in the closest union with the revolutionary government. Mistakes will be made, as every Cuban is quick to admit, but there can be no doubt that national development here is well underway and accelerating.

In Cuba the people have education, health care and adequate diet, while long strides are being made in housing. When one considers that over half the population of Latin America, over 150 million people, are still deprived of participation in these minimal benefits of modern culture and technology, it becomes clear that the only country that has really attained the social goals of the Alliance for Progress is Cuba.

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Only a few more months and ten years will have passed since that 31 March when the cables arrived in the Montevideo station reporting Goulart's overthrow. Such joy and relief! Such a regime we created. Not just through the CIA organization and training of the military regime's intelligence services; not just through the military assistance programmes - good for 165 million dollars in grants, credit sales and surplus equipment since 1964 plus special training in the US for thousands; not just through the AID police assistance programme worth over 8 million dollars and training for more than 100,000 Brazilian policemen; not just the rest of the US economic assistance programme - worth over 300 million dollars in 1972 alone and over 4 billion dollars in the last twenty-five years. Not just the multi-lateral economic assistance programmes where US influence is strong - worth over 2.5 billion dollars since 1946 and over 700 million dollars in 1972. Most important, every one of the hundreds of millions of private US dollars invested in Brazil is a dollar in support of fascism.

All this to support a regime in which the destitute, marginalized half of the population - some fifty million people - are getting still poorer while the small ruling elite and their military puppets get an ever larger share. All this to support a regime under which the income of the high 5 per cent of the income scale now gets almost 40 per cent of total income, while half the population has to struggle for survival on 15 per cent of total income. All this to create a facade of 'economic miracle' where per capita income is still only about 450 dollars per year - still behind Nicaragua, Peru and nine other Latin American countries - and where even the UN Economic Commission for Latin America reports that the 'economic miracle' has been of no benefit to the vast majority of the population. All this for a regime that has to clamour for export markets because creation of an internal market would imply reforms such as redistribution of income and a slackening of repression - possibly even a weakening of the dictatorship. All this to support a regime denounced the world over for the barbaric torture and inhuman treatment inflicted as a matter of routine on its thousands of political prisoners - including priests, nuns and many non-Marxists - many of whom fail to survive the brutality or are murdered outright. Repression in Brazil even includes cases of the torture of children, before their parents' eyes, in order to force the parents to give information. This is what the CIA, police assistance, military training and economic aid programmes have brought to the Brazilian people. And the Brazilian regime is spreading it around: Bolivia in 1971, Uruguay in February of this year and now Chile.

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The gap between rich and poor grows in developed countries as well as in poor countries and between the developed and underdeveloped countries. A considerable proportion of the developed world's prosperity rests on paying the lowest possible prices for the poor countries' primary products and on exporting high-cost capital and finished goods to those countries. Continuation of this kind of prosperity requires continuation of the relative gap between developed and underdeveloped countries - it means keeping poor people poor. Within the underdeveloped countries the ~t distorted, irrational growth dependent on the demands and vagaries of foreign markets precludes national integration, with increasing marginalization of the masses. Even the increasing nationalism of countries like Peru, Venezuela and Mexico only yield ambiguous programmes for liberating dependent economies while allowing privileged minorities to persist.

Increasingly, the impoverished masses are understanding that the prosperity of the developed countries and of the privileged minorities in their own countries is founded on their poverty. This understanding is bringing even greater determination to take revolutionary action and to renew the revolutionary movements where, as in Chile, reverses have occurred. Increasingly, the underprivileged and oppressed minorities in developed countries, particularly the US, perceive the identity of their own struggle with that of the marginalized masses in poor countries.

The US government's defeat in Vietnam and in Cuba, inspires exploited peoples everywhere to take action for their liberation. Not the CIA, police training, military assistance, 'democratic' trade unions, not even outright military intervention can forever postpone the revolutionary structural changes that mean the end of capitalist imperialism and the building of socialist society. Perhaps this is the reason why policymakers in the US and their puppets in Latin America are unable to launch reform programmes. They realize that reform might lead even faster to revolutionary awareness and action and their only alternative is escalating repression and increasing injustice. Their time, however, is running out.

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... In the CIA we justified our penetration, disruption and sabotage of the left in Latin America - around the world for that matter - because we felt morality changed on crossing national frontiers. Little would we have considered applying these methods inside our own country. Now, however, we see that the FBI was employing these methods against the left in the US in a planned, coordinated programme to disrupt, sabotage and repress the political organizations to the left of Democratic and Republican liberals. The murders at Kent and Jackson State, domestic activities of US military intelligence, and now the President's own intelligence plan and 'plumbers' unit - ample demonstration that CIA methods were really brought home. Prior restraints on using these methods against the 'respectable' opposition were bound to crumble. In the early 1960s when the CIA moved to its new headquarters in Virginia, Watergate methods obtained final institutional status.

How fitting that over the rubble of the CIA's old temporary buildings back in Washington, the new building that rose was called 'Watergate'.

When the Watergate trials end and the whole episode begins to fade, there will be a movement for national renewal, for reform of electoral practices, and perhaps even for reform of the FBI and the CIA. But the return to our cozy self-righteous traditions should lure no one into believing that the problem has been removed. Reforms attack symptoms rather than the disease, and no other proof is needed than the Vietnam War and Watergate to demonstrate that the disease is our economic system and its motivational patterns.

Reforms of the FBI and the CIA, even removal of the President from office, cannot remove the problem. American capitalism, based as it is on exploitation of the poor, with its fundamental motivation in personal greed, simply cannot survive without force - without a secret police force. The argument is with capitalism and it is capitalism that must be opposed, with its CIA, FBI and other security agencies understood as logical, necessary manifestations of a ruling class's determination to retain power and privilege.

Now, more than ever, indifference to injustice at home and abroad is impossible. Now, more clearly than ever, the extremes of poverty and wealth demonstrate the irreconcilable class conflicts that only socialist revolution can resolve. Now, more than ever, each of us is forced to make a conscious choice whether to support the system of minority comfort and privilege with all its security apparatus and repression, or whether to struggle for real equality of opportunity and fair distribution of benefits for all of society, in the domestic as well as the international order. It's harder now not to realize that there are two sides, harder not to understand each, and harder not to recognize that like it or not we contribute day in and day out either to the one side or to the other.