

VIII. COVERT ACTION

No activity of the Central Intelligence Agency has engendered more controversy and concern than "covert action," the secret use of power and persuasion. The contemporary definition of covert action as used by the CIA—"any clandestine operation or activity designed to influence foreign governments, organizations, persons or events in support of United States foreign policy"—suggests an all-purpose policy tool. By definition, covert action should be one of the CIA's least visible activities, yet it has attracted more attention in recent years than any other United States foreign intelligence activity. The CIA has been accused of interfering in the internal political affairs of nations ranging from Iran to Chile, from Tibet to Guatemala, from Libya to Laos, from Greece to Indonesia. Assassinations, coups d'etat, vote buying, economic warfare—all have been laid at the doorstep of the CIA. Few political crises take place in the world today in which CIA involvement is not alleged. As former Secretary of Defense Clark Clifford told the Committee:

The knowledge regarding such operations has become so widespread that our country has been accused of being responsible for practically every internal difficulty that has occurred in every country in the world.¹

Senate Resolution 21 authorized the Committee to investigate "the extent and necessity of overt and covert intelligence activities in the United States and abroad."² In conducting its inquiry into covert action, the Committee addressed several sets of questions:

—First, what is the past and present scope of covert action? Has covert action been an exceptional or commonplace tool of United States foreign policy? Do present covert operations meet the standard—set in the Hughes-Ryan amendment to the 1974 Foreign Assistance Act—of "important to the national security of the United States?"

—Second, what is the value of covert action as an instrument of United States foreign policy? How successful have covert operations been over the years in achieving short-range objectives and long-term goals? What have been the effects of these operations on the "targeted" nations? Have the costs of these operations, in terms of our reputation throughout the world and our capacity for ethical and moral leadership, outweighed the benefits achieved?

¹ Clark Clifford testimony, 12/5/75. Hearings, Vol. 7, p. 51.

² Senate Resolution 21, Section 2, Clause 14. The CIA conducts several kinds of covert intelligence activities abroad: clandestine collection of positive foreign intelligence, counterintelligence (or liaison with local services), and covert action. Although there are a variety of covert action techniques, most can be grouped into four broad categories: political action, propaganda, paramilitary, and economic action.

—Third, have the techniques and methods of covert action been antithetical to our principles and ideals as a nation? United States officials have been involved in plots to assassinate foreign leaders. In Chile, the United States attempted to overthrow a democratically elected government. Many covert operations appear to violate our international treaty obligations and commitments, such as the charters of the United Nations and Organization of American States. Can these actions be justified when our national security interests are at stake?

—Fourth, does the existence of a covert action capability distort the decisionmaking process? Covert operations by their nature cannot be debated openly in ways required by a constitutional system. However, has this meant that, on occasion, the Executive has resorted to covert operations to avoid bureaucratic, Congressional, and public debate? Has this contributed to an erosion of trust between the executive and legislative branches of government and between the government and the people?

—Fifth, what are the implications of maintaining a covert action capability, as presently housed in the CIA's Directorate for Operations? Does the very existence of this capability make it more likely that covert operations will be presented as a policy alternative and be implemented? Has the maintenance of this standing capability generated, in itself, demands for more and more covert action? Conversely, what are the implications of *not* maintaining a covert action capability? Will our national security be imperiled? Will our policymakers be denied a valuable policy option?

—Sixth, is it possible to accomplish many of our covert objectives through overt means? Radio Free Europe and Radio Liberty may be instructive in this regard. For years RFE and RL were operated and subsidized, covertly, by the CIA. Today they operate openly. Could other CIA covert activities be conducted in a similar manner?

—Finally, should the United States continue to maintain a covert action capability? If so, should there be restrictions on certain kinds of activities? What processes of authorization and review, both within the executive and legislative branches, should be established?

Over the past year, the Committee investigated several major covert action programs. These programs were selected to illustrate (1) covert action techniques, ranging from propaganda to paramilitary activities, from economic action to subsidizing and supporting foreign political parties, media, and labor organizations; (2) different kinds of "target" countries, from developed Western nations to less developed nations in Africa, Asia and Latin America; (3) a broad time span, from 1947 to the present; and (4) a combination of cases that the CIA considers to be representative of success and failure. One of the Committee's case studies, Chile, was the subject of a publicly released staff report.³ It served as background for the Com-

³ Senate Select Committee, "Covert Action in Chile."

mittee's public session on covert action.⁴ During its covert action inquiry, the Committee took extensive testimony in executive session and received 14 briefings from the CIA. The staff interviewed over 120 persons, including 13 former Ambassadors and 12 former CIA Station Chiefs. The successor Senate intelligence oversight committee(s) will inherit the Committee's classified covert action case studies as well as a rich documentary base for future consideration of covert action.

In addition to the major covert action case studies, the Committee spent five months investigating alleged plots to assassinate foreign leaders. This inquiry led, inevitably, into covert action writ large. Plots to assassinate Castro could not be understood unless seen in the context of Operation MONGOOSE, a massive covert action program designed to "get rid of Castro." The death of General Schneider in Chile could not be understood unless seen in the context of what was known as Track II—a covert action program, undertaken by the CIA at the direction of President Nixon, to prevent Salvador Allende from assuming the office of President of Chile. During the assassination inquiry, the Committee heard from over 75 witnesses during 60 days of hearings.

The Committee has chosen not to make public the details of all the covert action case studies, with the exceptions noted above. The force of the Committee's recommendations on covert action might be strengthened by using detailed illustrations of what the United States did under what circumstances and with what results in country "X" or "Y." The purpose of the Committee in examining these cases, however, was to understand the scope, techniques, utility, and propriety of covert action in order to make recommendations for the future. The Committee concluded that it was not essential to expose past covert relationships of foreign political, labor and cultural leaders with the United States Government nor to violate the confidentiality of these relationships. Therefore, names of individuals and institutions have been omitted.

In addition, the Committee decided, following objections raised by the CIA, not to publicly release two sections of this Report—"Techniques of Covert Action" and "Covert Action Projects: Initiation, Review, and Approval." These two sections will be submitted to the Members of the Senate in a classified form. However, for a discussion of covert action techniques, as they were practiced in Chile, see the Committee Staff Report, "Covert Action in Chile: 1963-1973" (pp. 6-10, 14-40).

A. EVOLUTION OF COVERT ACTION

Covert action was not included as one of the charter missions of the CIA. The National Security Act of 1947 (which established the Agency and the National Security Council) does not specifically mention or authorize secret operations of any kind, whether for intelligence collection or covert action.⁵ The 1947 Act does, however, contain a provision which directs the CIA to "perform such other functions and duties related to intelligence affecting the national security as the

⁴ Senate Select Committee, Hearings, 12/4-5/75, Vol. 7.

⁵ See Appendix I, "Congressional Authority for the CIA to Conduct Covert Actions."

National Security Council may from time to time direct.”⁶ One of the drafters of the 1947 Act, former Secretary of Defense Clark Clifford, has referred to this provision as the “catch-all” clause. According to Mr. Clifford:

Because those of us who were assigned to this task and had the drafting responsibility were dealing with a new subject with practically no precedents, it was decided that the Act creating the Central Intelligence Agency should contain a “catch-all” clause to provide for unforeseen contingencies. Thus, it was written that the CIA should “perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.” It was under this clause that, early in the operation of the 1947 Act, covert activities were authorized. I recall that such activities took place in 1948 and it is even possible that some planning took place in late 1947. It was the original concept that covert activities undertaken under the Act were to be carefully limited and controlled. You will note that the language of the Act provides that this catch-all clause is applicable only in the event that the national security is affected. This was considered to be an important limiting and restricting clause.⁷

Beginning in December 1947, the National Security Council issued a series of classified directives specifying and expanding the CIA’s covert mission.⁸ The first of these directives, NSC-4-A, authorized the Director of Central Intelligence (DCI) to conduct covert psychological operations consistent with United States policy and in coordination with the Departments of State and Defense.

A later directive, NSC 10/2, authorized the CIA to conduct covert political and paramilitary operations. To organize and direct these activities, a semi-independent Office of Policy Coordination (OPC) was established within the CIA. OPC took policy direction from the Departments of State and Defense.⁹ The directive establishing OPC referred to the “vicious covert activities of the U.S.S.R.” and authorized the OPC to plan and conduct covert operations, including covert political, psychological, and economic warfare. These early activities were directed against the Soviet threat. They included countering Soviet propaganda and covert Soviet support of labor unions and student groups in Western Europe, direct U.S. support of foreign political parties, “economic warfare,” sabotage, assistance to refugee liberation groups, and support of anti-Communist groups in occupied or threatened areas.

Until a reorganization in June, 1950, OPC’s responsibilities for paramilitary action were limited, at least in theory, to contingency planning. Networks of agents were trained to assist the escape of re-

⁶ 50 U.S.C. 403(d) (5).

⁷ Clifford, 12/5/75, Hearings, pp. 50-51.

⁸ For a full discussion of the National Security Council and its direction of intelligence activities, see Chapter IV, “The President’s Office.”

⁹ The semi-independent status of OPC within the CIA created a rivalry with the existing CIA component responsible for clandestine intelligence, the Office of Strategic Operations.

sistance forces and carry out sabotage behind enemy lines in the event of war. However, OPC did conduct some guerrilla-type operations in this early period against Soviet bloc countries, using neighboring countries as bases and employing a variety of "black" activities.¹⁰

The size and activities of the OPC grew dramatically. Many covert action programs initiated in the first few years as an adjunct to the United States policy of communist containment in Europe eventually developed into large-scale and long-term operations, such as the clandestine propaganda radios aimed at the Soviet bloc—Radio Free Europe and Radio Liberty.

Many early OPC activities involved subsidies to European "counterfront" labor and political organizations. These were intended to serve as alternatives to Soviet- or communist-inspired groups. Extensive OPC labor, media, and election operations in Western Europe in the late 1940's, for instance, were designed to undercut debilitating strikes by communist trade unions and election advances by communist parties. Support for "counterfront" organizations, especially in the areas of student, labor and cultural activities, was to become much more prevalent in the 1950s and 1960s, although they later became international rather than European-oriented.

Communist aggression in the Far East led the United States into war in Korea in June 1950. At the same time, Defense Department pressure shifted the focus of OPC activities toward more aggressive responses to Soviet and Chinese Communist threats, particularly military incursions. Large amounts of money were spent for guerrilla and propaganda operations. These operations were designed to support the United States military mission in Korea. Most of these diversionary paramilitary operations never came to fruition. For example, during this period the CIA's Office of Procurement acquired some \$152 million worth of foreign weapons and ammunition for use by guerrilla forces that never came into existence.

As a result of the upsurge of paramilitary action and contingency planning, OPC's manpower almost trebled during the first year of the Korean War. A large part of this increase consisted of paramilitary experts, who were later to be instrumental in CIA paramilitary operations in the Bay of Pigs, the Congo, and Laos, among others. In support of paramilitary activities the CIA had bases and facilities in the United States, Europe, the Mediterranean and the Pacific. OPC's increased activity was not limited to paramilitary operations, however. By 1953, there were major covert operations in 48 countries, consisting primarily of propaganda and political action.

Another event in 1950 affected the development and organizational framework for covert action. General Walter Bedell Smith became CIA Director. He decided to merge OPC with the CIA's Office of Special Operations.¹¹ Although the merger was not completed until

¹⁰ "Black" activities are those intended to give the impression that they are sponsored by an indigenous opposition force or a hostile power, rather than by the United States.

¹¹ In order to accomplish the merger, Smith first consolidated the OPC chain of command by ordering the Director of OPC to report directly to the DCI instead of through the Departments of State and Defense. Smith also appointed his own senior representatives to field stations to coordinate the covert activities of the OPC and the espionage operations of the OSO. The two offices were often competing for the same potential assets in foreign countries.

1954, the most important organizational step took place in August 1952—a single new directorate, entirely within the structure and control of the CIA, was established. Known as the Directorate for Plans (DDP),¹² this new directorate was headed by a Deputy Director and was assigned responsibility for all CIA covert action and espionage functions. The CIA's "Clandestine Service" was now in place.

By the time the DDP was organized, OPC had a large staff and an annual budget of almost \$200 million. It dominated the smaller and bureaucratically weaker OSO in size, glamour, and attention. Yet, one of the original purposes of the merger, according to General Smith, was to protect the OSO function of clandestine intelligence collection from becoming subordinate to the covert action function of OPC. In 1952, Smith wrote that the merger was:

designed to create a single overseas clandestine service, while at the same time preserving the integrity of the long-range espionage and counterespionage mission of the CIA from amalgamation into those clandestine activities which are subject to short-term variations in the prosecution of the Cold War.

Despite Smith's desires, the Cold War, and the "hot war" in Korea, increased the standing, and influence, of the covert "operators" within the CIA. This trend continued throughout the 1950s and 1960s.

The post-Korean War period did not see a reduction in CIA covert activities. Indeed, the communist threat was now seen to be world-wide, rather than concentrated on the borders of the Soviet Union and mainland China. In response, the CIA, at the direction of the National Security Council, expanded its European and crisis-oriented approach into a world-wide effort to anticipate and meet communist aggression, often with techniques equal to those of the Soviet clandestine services. This new world-wide approach was reflected in a 1955 National Security Council Directive which authorized the CIA to:

- Create and exploit problems for International Communism;
- Discredit International Communism, and reduce the strength of its parties and organization;
- Reduce International Communist control over any areas of the world.

The 1950s saw an expansion of communist interest in the Third World. Attempts to anticipate and meet the communist threat there proved to be an easier task than carrying out clandestine activities in the closed Soviet and Chinese societies. Political action projects in the Third World increased dramatically. Financial support was provided to parties, candidates, and incumbent leaders of almost every political persuasion, except the extreme left and right. The immediate purpose of these projects was to encourage political stability, and thus prevent Communist incursions; but another important objective of political action was the acquisition of "agents of influence" who could be used at a future date to provide intelligence or to carry out political action. Through such projects, the CIA developed a world-wide in-

¹² The name was changed to the Directorate for Operations (DDO) in 1973.

frastructure of individual agents, or networks of agents, engaged in a variety of covert activities.

By 1955, the CIA's Clandestine Service had gone through a number of reorganizations. It emerged with a structure for the support of covert action that remained essentially the same until the early 1960s. The Clandestine Service consisted of seven geographic divisions and a number of functional staffs—foreign intelligence, counterintelligence, technical support for covert action, and planning and program coordination. With the demise of paramilitary activities following the Korean War, the Paramilitary Operations Staff had been abolished and its functions merged with the staff responsible for psychological action. An International Organizations Division, created in June 1954, handled all programs in support of labor, youth, student, and cultural counterfront organizations.

Using the covert action budget as one measure of activity, the scope of political and psychological action during the 1950s was greatest in the Far East, Western Europe, and the Middle East, with steadily increasing activity in the Western Hemisphere. The international labor, student, and media projects of the International Organizations Division constituted the greatest single concentration of covert political and propaganda activities. Paramilitary action began to increase again in the late 1950s with large-scale operations in two Asian countries and increased covert military assistance to a third.¹³

The Bay of Pigs disaster in 1961 prompted a reorganization of CIA covert action and the procedures governing it. A new form of covert action—counterinsurgency—was now emphasized. Under the direction of the National Security Council, the CIA rapidly expanded its counterinsurgency capability, focusing on Latin America, Africa, and the Far East. After the Geneva agreements of 1962, the CIA took over the training and advising of the Meo army, previously a responsibility of U.S. military advisers. The Laos operation eventually became the largest paramilitary effort in post-war history. In 1962 the Agency also began a small paramilitary program in Vietnam. Even after the United States Military Assistance Command (MACV) took over paramilitary programs in Vietnam at the end of 1963, the CIA continued to assist the U.S. military's covert activities against North Vietnam.

The CIA's paramilitary effort continued to expand throughout the decade. The paramilitary budget reached an all-time high in 1970. It probably would have continued to climb, had not the burden of the Laos program been transferred to the Department of Defense in 1971.¹⁴

¹³ In 1962 a paramilitary office was reconstituted in the CIA. Following the Bay of Pigs, a panel headed by Lyman Kirkpatrick, then the CIA's Executive Director-Comptroller, recommended that an office be created in the Clandestine Service to centralize and professionalize paramilitary action and contingency planning, drawing upon Agency-wide resources for large-scale operations. As a result, a new paramilitary division was established. It was to operate under the guidance of a new NSC approval group—the Special Group (Counterinsurgency).

¹⁴ Part of the Agency's interest in paramilitary activities stemmed from the Agency's view that these activities are interdependent with intelligence collection functions. DCI John McCone protested the transfer of paramilitary programs in Vietnam to MACV in 1963–1964 because he thought that a third of the intelligence reporting of the CIA's Vietnam station might be lost with such a reduction of CIA participation.

Paramilitary action was but one of the CIA's collection of tools during the early and middle 1960s. Outside the Far East the CIA mounted an increasing number of political, propaganda, and economic projects. This was the era of Operation MONGOOSE, a massive covert assault on the Castro regime in Cuba.¹⁵ The need to combat the "export of revolution" by communist powers stimulated a variety of new covert techniques aimed at an increasingly broad range of "targets." Covert action reached its peak in the years 1964 to 1967.

In contrast to the period 1964 to 1967, when expenditures for political and propaganda action increased almost 60 percent, the period 1968 to the present has registered declines in every functional and geographic category of covert action—except for paramilitary operations in the Far East which did not drop until 1972. The number of individual covert action projects dropped by 50 percent from fiscal year 1964 (when they reached an all-time high) to fiscal year 1968. The number of projects by itself is not an adequate measure of the scope of covert action. Projects can vary considerably in size, cost, duration, and effect. Today, for example, one-fourth of the current covert action projects are relatively high-cost (over \$100,000 annually).

No matter which standards are used, covert activities have decreased considerably since their peak period in the mid- and late 1960s. Recent trends reflect this decrease in covert action. In one country, covert activities began in the early years of the OPC and became so extensive in the 1950s and 1960s that they affected almost every element of that society. A retrenchment began in 1965; by 1974 there were only two relatively small-scale political action projects. The only covert expenditure projected for fiscal year 1976 is a small sum for the development of potential "assets" or local agents who may be used for covert action in the future. In a second country, covert action expenditures in 1975 were less than one percent of the total in 1971. A slight increase was projected for fiscal year 1976, also for the development of potential assets for future use. The CIA has thus curtailed its covert action projects in these two countries, although its current investment in potential assets indicates that the Agency does not want to preclude the possibility of covert involvement in the future.

Some of the major reasons for the decline of covert activities since the mid- and late 1960s include:

- a reduction of CIA labor, student, and media projects following the 1967 *Ramparts* disclosure and the subsequent recommendations of the Katzenbach Committee;

- the transfer of covert military assistance in Laos from the CIA budget to the Defense Department budget in 1971, and the termination of many other covert activities in that area with the end of the war in Indochina in 1975;

- reductions in overseas personnel of the Clandestine Service as a result of studies and cuts made by James Schlesinger, first when he was with the Office of Management and Budget and later during his brief tenure as Director of Central Intelligence in 1973;

¹⁵ Senate Select Committee, "Alleged Assassination Plots Involving Foreign Leaders," p. 139 ff.

—shifting U.S. foreign policy priorities in the 1970s, which have de-emphasized sustained involvement in the internal affairs of other nations; and

—concern among Agency officials and U.S. policymakers that publicity given to CIA covert activities would increase the chances of disclosure and generally decrease the chances of success of the kinds of large-scale, high-expenditure projects that developed in the 1960s.^{15a}

B. CONGRESSIONAL OVERSIGHT

There is no reference to covert action in the 1947 National Security Act, nor is there any evidence in the debates, committee reports, or legislative history of the 1947 Act to show that Congress intended specifically to authorize covert operations.¹⁶ Since the CIA's wartime predecessor, the Office of Strategic Services, had conducted covert operations, Congress may have anticipated that these operations were envisioned.

Whether specifically authorized by Congress or not, CIA covert operations were soon underway. Citing the "such other functions and duties" clause of the 1947 Act as authority, the National Security Council authorized the CIA to undertake covert operations at its first meeting in December 1947. At that point Congress became responsible for overseeing these activities.

Shortly after the passage of the 1947 Act, the Armed Services and Appropriations Committees of the House and the Senate assumed jurisdiction for CIA activities and appropriations. In the Senate, following an informal arrangement worked out with Senators Vandenberg and Russell, small CIA subcommittees were created within Armed Services and Appropriations. Over time, the relations between the subcommittees and the CIA came to be dominated by two principles: "need to know" and "want to know."¹⁷ The "want to know" principle was best expressed in a statement made in 1956 by a congressional overseer of the CIA, Senator Leverett Saltonstall:

It is not a question of reluctance on the part of CIA officials to speak to us. Instead, it is a question of our reluctance, if you will, to seek information and knowledge on subjects which I personally, as a member of Congress and as a citizen, would rather not have, unless I believed it to be my responsibility to have it because it might involve the lives of American citizens.¹⁸

^{15a} The next two sections of this report "Covert Action Techniques" and "Covert Action Projects: Initiation, Review, and Approval," remain classified after consultation between the Committee and the executive branch. See p. 143.

¹⁶ For a full discussion of the statutory authority for CIA activities, and congressional authorization of covert action, see Chapter VII and Appendix I.

¹⁷ The Rockefeller Commission made a similar point in its Report:

"In sum, congressional oversight of the CIA has been curtailed by the secrecy shrouding its activities and budget. At least until quite recently, Congress has not sought substantial amounts of information. Correspondingly, the CIA has not generally volunteered additional information." (Report of the Commission on CIA Activities Within the United States, 6/6/75, p. 77.)

¹⁸ Congressional Record—April 9, 1956, p. S.5292.

From the beginning, the House and the Senate subcommittees were relatively inactive. According to information available to the Select Committee, the Senate Armed Services subcommittee met 26 times between January 1966 and December 1975. The subcommittee met five times in 1975, twice in 1974, once in 1973 and 1972, and not at all in 1971.

Relations between the CIA and the subcommittees came to be determined, in large part, by the personal relationship between the chairmen and the CIA Director, often to the exclusion of other subcommittee members. Staff assistance was minimal, usually consisting of no more than one professional staff member.

The two Senate subcommittees had somewhat different responsibilities.¹⁹ The Appropriations subcommittee was to concentrate on the budgetary aspects of CIA activities. The Armed Services subcommittee had the narrower responsibility of determining the legislative needs of the Agency and recommending additional or corrective legislation. It did not authorize the CIA's annual budget.

The CIA subcommittees received general information about some covert operations. Prior to the Hughes-Ryan Amendment to the 1974 Foreign Assistance Act, however, the subcommittees were not notified of these operations on any regular basis. Notifications occurred on the basis of informal agreements between the CIA and the subcommittee chairmen.²⁰ CIA covert action briefings did not include detailed descriptions of the methods and cost of individual covert action projects. Rather, projects were grouped into broad, general programs, either on a country-wide basis or by type of activity, for presentation to the subcommittees.

Chile can serve as an example of how oversight of covert action was conducted. According to CIA records, there was a total of 53 congressional briefings on Chile by the CIA between April 1964 and December 1974. At 33 of these meetings there was some discussion of covert action; special releases of funds for covert action from the Contingency Reserve were discussed at 23 of them. Of the 33 covert action briefings, 20 took place prior to 1973, and 13 took place after.²¹

Of the 33 covert action projects undertaken in Chile between 1963 and 1974 with 40 Committee approval, Congress was briefed in some fashion on eight. Presumably the 25 others were undertaken without congressional consultation.²² Of the more than \$13 million spent in Chile on covert action projects between 1963 and 1974, Congress

¹⁹ Initially the Armed Services and Appropriations subcommittees met separately. However, in the 1960s, because of overlapping membership the two committees met jointly. For several years Senator Richard Russell was chairman of both subcommittees.

²⁰ In 1967, the House and Senate CIA appropriations subcommittees began receiving notifications of withdrawals from the CIA's Contingency Reserve Fund within 48 hours of the release. In 1975 the two Armed Service subcommittees began receiving the same notifications, at the initiative of Director Colby.

²¹ The 13 briefings which occurred after 1973 (March 1973 to December 1974) included meetings with the Senate Foreign Relations Subcommittee on Multinational Corporations and the House Foreign Affairs Subcommittee on Inter-American Affairs. All these meetings were concerned with *past* CIA covert action in Chile.

²² Among the 25 projects were a \$1.2 million authorization in 1971, half of which was spent to purchase radio stations and newspapers while the other half went to support municipal candidates in anti-Allende political parties; and an additional expenditure of \$815,000 in late 1971 to provide support to opposition political parties in Chile.

received briefings (sometimes before and sometimes after the fact) on projects totaling about \$9.3 million. Further, congressional oversight committees were not consulted about projects which were not reviewed by the full 40 Committee. One of these was the Track II attempt by the CIA, at the instruction of President Nixon, to prevent Salvador Allende from taking office in 1970.²³

Congressional oversight of CIA covert operations was altered as a result of the Hughes-Ryan amendment to the 1974 Foreign Assistance Act. That amendment stated:

Sec. 662. Limitation on Intelligence Activities.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the United States Senate and the Committee on Foreign Affairs of the United States House of Representatives.²⁴

The Hughes-Ryan amendment had two results. First, it established *by statute* a reporting requirement to Congress on covert action. Second, the amendment increased the number of committees that would be informed of approved covert operations. The inclusion of the Senate Foreign Relations Committee and the House International Relations Committee was in recognition of the significant foreign policy implications of covert operations.

Despite these changes, the oversight role of Congress with respect to covert operations is still limited. The law does not require notification of Congress before covert operations are implemented. The DCI has not felt obligated to inform the subcommittees of approved covert action operations prior to their implementation, although in some cases he has done so. Problems thus arise if members of Congress object to a decision by the President to undertake a covert operation.

The recent case of Angola is a good example of the weaknesses of the Hughes-Ryan amendment. In this case, the Executive fully complied with the requirements of the amendment. In January 1975 the administration decided to provide substantial covert political support to the FNLA faction in Angola.²⁵ In early February, senior mem-

²³ With respect to congressional oversight of CIA activities in Chile, the Committee's Staff report on "Covert Action in Chile" concluded:

"Between April 1964 and December 1974, CIA's consultation with its congressional oversight committees—and thus Congress' exercise of its oversight function—was inadequate. The CIA did not volunteer detailed information; Congress most often did not seek it." (Senate Select Committee, "Covert Action in Chile," p. 49.)

²⁴ 22 USC 2422.

²⁵ There were three factions involved in the Angolan conflict: the National Front for the Liberation of Angola (FNLA), led by Holden Roberto; the National Union for the Total Independence of Angola (UNITA), led by Jonas Savimbi; and the Popular Movement for the Liberation of Angola, (MPLA) led by Agostinho Neto. The latter group received military and political support from the Soviet Union and Cuba.

bers of the six congressional committees received notification of this decision.

In late July the 40 Committee and President Ford approved an additional expenditure to provide covert military assistance to the FNLA and a second Angolan faction, UNITA. Again senior members of the six committees were notified. The Chairman, the ranking minority member, and Chief of Staff of the Senate Foreign Relations Committee were briefed in late July. Under procedures established within that committee, a notice of the CIA briefing was circulated to all committee members. When Senator Dick Clark, Chairman of the Foreign Relations Subcommittee on African Affairs, learned that the covert action program was in Africa, he requested further details. On July 28, Clark's subcommittee was briefed on the paramilitary assistance program to the FNLA and, apparently, some members of the subcommittee objected.

In early September the Administration decided to increase its covert military assistance to Angola by \$10.7 million, bringing the total amount to \$25 million. Again, the required notifications were carried out.²⁶

In early November, Senator Clark raised his objections to the Angola operation before the full Senate Foreign Relations Committee. The Committee in turn asked Director Colby and Secretary Kissinger to testify, in closed session, on U.S. involvement in Angola. At this meeting, several members of the Committee expressed their concern for the program to Director Colby and Undersecretary Joseph Sisco, who represented the State Department in Secretary Kissinger's absence. Despite this concern, in mid-November President Ford and the 40 Committee authorized the expenditure of another \$7 million for covert military assistance to Angola. In early December, the congressional committees were notified of this new infusion of military assistance.

Finding opposition within the briefing mechanism ineffective, Senator Clark proposed an amendment to a pending military and security assistance bill. In January 1976 after a complicated series of legislative actions, additional covert military assistance to Angola was prohibited by Congress by an amendment to the Defense appropriations bill.

The dispute over Angola illustrates the dilemma Congress faces with respect to covert operations. The Hughes-Ryan amendment guaranteed information about covert action in Angola, but not any control over this controversial instrument of foreign policy. Congress had to resort to the power of the purse to express its judgment and will.

C. FINDINGS AND CONCLUSIONS ^{26a}

Covert action has been a tool of United States foreign policy for the past 28 years. Thousands of covert action projects

²⁶ On September 25, 1975 the *New York Times* first reported the fact of U.S. covert assistance to the FNLA and UNITA. The article stated that Director Colby had notified Congress of the Angola operation in accordance with the Hughes-Ryan amendment, but "no serious objections were raised." There was little reaction to the *Times* article, either in Congress or by the public.

^{26a} See Appendix II which presents summaries of recommendations regarding covert action made to the Senate Select Committee during the course of its investigation.

have been undertaken. An extensive record has been established on which to base judgments of whether covert action should have a role in the foreign policy of a democratic society and, if so, under what restraints of accountability and control. The Committee's examination of covert action has led to the following findings and conclusions.

1. The Use of Covert Action

Although not a specific charter mission of the Central Intelligence Agency, covert action quickly became a primary activity. Covert action projects were first designed to counter the Soviet threat in Europe and were, at least initially, a limited and ad hoc response to an exceptional threat to American security. Covert action soon became a routine program of influencing governments and covertly exercising power—involving literally hundreds of projects each year. By 1953 there were major covert operations underway in 48 countries, consisting of propaganda, paramilitary and political action projects. By the 1960s, covert action had come to mean “any clandestine activity designed to influence foreign governments, events, organizations or persons in support of United States foreign policy.” Several thousand individual covert action projects have been undertaken since 1961, although the majority of these have been low-risk, low-cost projects, such as a routine press placement or the development of an “agent of influence.”

That covert action was not intended to become a pervasive foreign policy tool is evident in the testimony of those who were involved in the drafting of the 1947 National Security Act. One of these drafters, Clark Clifford, had this to say about the transition of covert action from an ad hoc response to a frequently used foreign policy tool:

It was the original concept that covert activities undertaken under the Act were to be carefully limited and controlled. You will note that the language of the Act provides that this catch-all clause is applicable only in the event that national security is affected.²⁸ This was considered to be an important limiting and restricting clause.

However, as the Cold War continued and Communist aggression became the major problem of the day, our Government felt that it was necessary to increase our country's responsibilities in protecting freedom in various parts of the world. It seems apparent now that we also greatly increased our covert activities. I have read somewhere that as time progressed we had literally hundreds of such operations going on simultaneously. It seems clear that these operations have gotten out of hand.²⁹

²⁸ The CIA, under the 1947 Act, is directed “to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.”

²⁹ Clifford, 12/5/75, Hearings, p. 51.

2. Covert Action "Success" and "Failure"

The record of covert action reviewed by the Committee suggests that net judgments as to "success" or "failure" are difficult to draw.³⁰ The Committee has found that when covert operations have been consistent with, and in tactical support of, policies which have emerged from a national debate and the established processes of government, these operations have tended to be a success. Covert support to beleaguered democrats in Western Europe in the late 1940s was in support of an established policy based on a strong national consensus. On the other hand, the public has neither understood nor accepted the covert harassment of the democratically elected Allende government. Recent covert intervention in Angola preceded, and indeed preempted, public and congressional debate on America's foreign policy interest in the future of Angola. The intervention in Angola was conducted in the absence of efforts on the part of the executive branch to develop a national consensus on America's interests in Southern Africa.

The Committee has received extensive testimony that covert action can be a success when the objective of the project is to support an individual, a party, or a government in doing what that individual, party, or government wants to do—and when it has the will and capacity to do it. Covert action cannot build political institutions where there is no local political will to have them. Where this has been attempted, success has been problematical at best, and the risks of exposure enormously high.

The Committee's findings on paramilitary activities suggest that these operations are an anomaly, if not an aberration, of covert action.³¹ Paramilitary operations are among the most costly and controversial forms of covert action. They are difficult, if not impossible, to conceal. They lie in the critical gray area between limited influence, short of the use of force, and overt military intervention. As such, paramilitary activities are especially significant. In Vietnam, paramilitary strategy formed a bridge between the two levels of involvement. Paramilitary operations have great potential for escalating into major military commitments.

Covert U.S. paramilitary programs have generally been designed to accomplish one of the following objectives: (1) subversion of a hostile government (e.g., Cuba); (2) support to friendly governments

³⁰ Former Attorney General and Under Secretary of State Nicholas Katzenbach had this to say about covert action "success" and "failure":

"I start from the premise that some of our covert activities abroad have been successful, valuable in support of a foreign policy which was understood and approved by the electorate and Congress . . . I also start from a premise that some of our activities abroad have not been successful, and have been wrong and wrongheaded. In some cases we have grossly over-estimated our capacity to bring about a desired result and have created situations unintended and undesirable." (Nicholas Katzenbach testimony, House Select Committee on Intelligence, 12/10/75, Hearings, Vol. 5, p. 1797.)

³¹ The Committee studied, in detail, covert military operations in five countries, including Laos, Vietnam, and Angola. The Committee analyzed paramilitary programs in terms of (1) executive command and control; (2) secrecy and deniability; (3) effectiveness; (4) propriety; and (5) legislative oversight. The latter issue is vital because paramilitary operations are directly related to, and pose special problems for, Congress' authority and responsibilities in making war.

(Laos); (3) unconventional adjunct support to a larger war effort (Korea, Vietnam, Laos after the middle 1960s).

There are two principal criteria which determine the minimum success of paramilitary operations: (1) achievement of the policy goal; and (2) maintenance of deniability. If the first is not accomplished, the operation is a failure in any case; if the second is not accomplished, the paramilitary option offers few if any advantages over the option of overt military intervention. On balance, in these terms, the evidence points toward the failure of paramilitary activity as a technique of covert action.³²

Of the five paramilitary activities studied by the Committee, only one appears to have achieved its objectives. The goal of supporting a central government was achieved—the same government is still in power many years later. There were a few sporadic reports of the operation in the press, but it was never fully revealed nor confirmed.

In no paramilitary case studied by the Committee was complete secrecy successfully preserved. All of the operations were reported in the American press to varying extents, while they were going on. They remained deniable only to the extent that such reports were tentative, sketchy, and unconfirmed, and hence were not necessarily considered accurate.

3. The Impact of Covert Action

Assessing the "success" or "failure" of covert action is necessary. Just as important, however, is an assessment of the impact of covert action on "targeted" nations and the reputation of the United States abroad.

The impact of a large-scale covert operation, such as Operation MONGOOSE in Cuba, is apparent. Less apparent is the impact of small covert projects on "targeted" countries. The Committee has found that these small projects can, in the aggregate, have a powerful effect upon vulnerable societies.

In some cases, covert support has encouraged a debilitating dependence on the United States. In one Western nation the covert investment was so heavy and so persistent that, according to a former CIA Station Chief in that country:

Any aspiring politician almost automatically would come to CIA to see if we could help him get elected . . . They were the wards of the United States, and that whatever happened for good or bad was the fault of the United States.

Cyrus Vance, a former Deputy Secretary of Defense, cited another such example:

Paramilitary operations are perhaps unique in that it is more difficult to withdraw from them, once started, than covert

³² For example, the covert paramilitary program in Laos certainly ceased to be plausibly deniable as soon as it was revealed officially in the 1969 Symington hearings of the Senate Foreign Relations Committee (it was revealed unofficially even earlier). If U.S. policy was the preservation of a non-communist Laotian government, the program obviously failed. Some administration witnesses, nevertheless, including DCI Colby, cited the war in Laos as a great success. Their reasoning was based on the view that the limited effort in Laos served to put pressure on North Vietnamese supply lines, and therefore was a helpful adjunct of the larger U.S. effort in Vietnam.

operations. This is well illustrated by the case of the Congo, where a decision was taken to withdraw in early 1966, and it took about a year and a half before the operation was terminated. Once a paramilitary operation is commenced, the recipient of the paramilitary aid tends to become dependent upon it and inevitably advances the argument that to cut back or terminate the aid would do the recipient great damage. This makes it especially difficult to disengage.³⁴

In other cases, covert support to foreign political leaders, parties, labor unions, or the media has made them vulnerable to repudiation in their own society when their covert ties are exposed. In Chile, several of the Chilean nationals who had been involved in the CIA's anti-Allende "spoiling" operation had to leave the country when he was confirmed as President.

In addition, the history of covert action indicates that the cumulative effect of hidden intervention in the society and institutions of a foreign nation has often not only transcended the actual threat, but it has also limited the foreign policy options available to the United States Government by creating ties to groups and causes that the United States cannot renounce without revealing the earlier covert action.

The Committee also found that the cumulative effects of covert action are rarely noted by the operational divisions of the CIA in the presentation of new projects or taken into account by the responsible National Security Council review levels.

The Committee has found that certain covert operations have been incompatible with American principles and ideals and, when exposed, have resulted in damaging this nation's ability to exercise moral and ethical leadership throughout the world. The U.S. involvement in assassination plots against foreign leaders and the attempt to foment a military coup in Chile in 1970 against a democratically elected government were two examples of such failures in purposes and ideals. Further, because of widespread exposure of covert operations and suspicion that others are taking place, the CIA is blamed for virtually every foreign internal crisis.

4. The Executive's Use of Covert Action

In its consideration of covert action, the Committee was struck by the basic tension—if not incompatibility—of covert operations and the demands of a constitutional system. Secrecy is essential to covert operations; secrecy can, however, become a source of power, a barrier to serious policy debate within government, and a means of circumventing the established checks and procedures of government. The Committee found that secrecy and compartmentation contributed to a temptation on the part of the Executive to resort to covert operations in order to avoid bureaucratic, congressional, and public debate. In addition, the Committee found that the major successes of covert action tended to encourage the Executive to press for the use of covert action as the easy way to do things and to task the CIA with difficult requirements, such as running a large-scale "secret" war in Laos or

³⁴ Cyrus Vance testimony, 12/5/75, Hearings, Vol. 7. p. 85, footnote.

attempting to overturn the results of a national election in Chile—within a five-week period.

The Committee found that the Executive has used the CIA to conduct covert operations because it is less accountable than other government agencies. In this regard, Secretary of State Henry Kissinger told the Committee:

I do not believe in retrospect that it was good national policy to have the CIA conduct the war in Laos. I think we should have found some other way of doing it. And to use the CIA simply because it is less accountable for very visible major operations is poor national policy. And the covert activities should be confined to those matters that clearly fall into a gray area between overt military action and diplomatic activities, and not to be used simply for the convenience of the executive branch and its accountability.³⁵

Under questioning, Secretary Kissinger went on to say that in Laos there were two basic reasons why the CIA was used to fight that war: "one, to avoid a formal avowal of American participation there for diplomatic reasons, and the second, I suspect, because it was less accountable."³⁶

The Committee has found that the temptation of the Executive to use covert action as a "convenience" and as a substitute for publicly accountable policies has been strengthened by the hesitancy of the Congress to use its powers to oversee covert action by the CIA. Much of this hesitancy flowed from the legitimate desire on the part of congressional oversight committees to maintain the security of covert action projects. But it also resulted from a reluctance on the part of the appropriate committees to challenge the President or to become directly involved in projects perceived to be necessary for the national security. Congressional hesitancy also flowed from the fact that congressional oversight committees are almost totally dependent on the Executive for information on covert operations. The secrecy needed for these operations allows the Executive to justify the limited provision of information to the Congress.

5. Maintaining a Covert Capability

Former senior government officials have testified to their concern that the use and control of covert action is made more difficult by a strong activism on the part of CIA operational officers. McGeorge Bundy, a former Special Assistant for National Security Affairs to Presidents Kennedy and Johnson, has stated:

While in principle it has always been the understanding of senior government officials outside the CIA that no covert operations would be undertaken without the explicit approval of "higher authority," there has also been a general expectation within the Agency that it was its proper business to generate attractive proposals and to stretch them, in operation, to the furthest limit of any authorization actually received.³⁷

³⁵ Henry Kissinger testimony, 11/21/75, p. 54.

³⁶ *Ibid.*, p. 56.

³⁷ McGeorge Bundy testimony, House Select Committee on Intelligence, 12/10/75, Hearings, Vol. 5, pp. 1794-1795.

Clark Clifford, in testimony before the Select Committee, reinforced this view:

On a number of occasions a plan for covert action has been presented to the NSC and authority requested for the CIA to proceed from point A to point B. The authority will be given and the action will be launched. When point B is reached, the persons in charge feel that it is necessary to go to point C and they assume that the original authorization gives them such a right. From point C, they go to D, and possibly E, and even further. This led to some bizarre results, and, when investigation is started, the excuse blandly presented that the authority was obtained from the NSC before the project was launched.³⁸

The activism referred to by Bundy and Clifford is reflected in part, in the maintenance of a standing covert action capability and a worldwide "infrastructure." The Committee found that one of the most troublesome and controversial issues it confronted in evaluating covert action was the question of the utility and propriety of the CIA's maintaining a worldwide "infrastructure" (e.g., agents of influence, assets, and media contacts). Are these "assets" essential to the success of a major covert action program? Or does this standby capability generate a temptation to intervene covertly as an alternative to diplomacy?

There is no question that the CIA attaches great importance to the maintenance of a worldwide clandestine infrastructure—the so-called "plumbing"—in place. During the 1960s the Agency developed a worldwide system of standby covert action "assets," ranging from media personnel to individuals said to influence the behavior of governments.³⁹ In recent years, however, the Agency has substantially reduced its overseas covert action infrastructure even to the point of closing bases and stations. A limited infrastructure is still maintained, however. For example, although the United States has no substantial covert action program in the Western Hemisphere today, the CIA does continue to maintain a modest covert action infrastructure consisting of agents of influence and media contacts.

The CIA's infrastructure is constructed in response to annual Operating Directives. These directives set station priorities for both clandestine collection and covert action.⁴⁰ The Operating Directives are developed and issued by the CIA and informally coordinated with concerned CIA geographic bureaus and the Department of State. Therefore, the infrastructure that is in place at any given time is there at the direction of the CIA.

The Committee finds several troublesome problems with the CIA's development and maintenance of covert action infrastructures

³⁸ Clark M. Clifford testimony 12/5/75, Hearings, Vol. 7, pp. 51-52.

³⁹ During its assassination inquiry, the Committee found that certain CIA assets, with the cryptonyms QJ/WIN, WI/ROGUE and AM/LASH were involved, or contemplated for use in, plots to assassinate foreign leaders.

⁴⁰ For example, the Chilean Operating Directive for FY 1972 directed the Santiago Station to: "Sponsor a program which will enable the Chilean armed forces to retain their integrity and independent political power. Provide direct financial support to key military figures who can be expected to develop a meaningful following in their respective services to restrain and, perhaps, topple the Allende government." The Select Committee found no evidence to indicate that this "direct financial support" was provided.

throughout the world: (1) The operating decisions are made by the CIA, although infrastructure guidelines are cleared with the State Department; the Agency's Operating Directives are rarely seen outside the CIA and (2) the actual covert action projects which build and maintain these infrastructures rarely, if ever, go to the NSC for approval.

The Committee finds that the independent issuance of Operating Directives, and the fact that most covert action projects which establish and maintain the CIA's infrastructure around the world do not go to the NSC, combine to shield this important clandestine system from effective policy control and guidance. The Committee believes that all small so-called "non-sensitive" projects which do not now go to the NSC level for approval should, at a minimum, be aggregated into appropriate country or regional programs, and then brought to the NSC level for approval.

Covert action should be the servant of policy. Secretary Kissinger made this point before the Committee when he testified:

If the diplomatic track cannot succeed without the covert track, then the covert track was unnecessary and should not have been engaged in. So hopefully, if one wants to draw a general conclusion, one would have to say that only those covert actions can be justified that support a diplomatic track.⁴¹

6. *Conclusions*

Given the open and democratic assumptions on which our government is based, the Committee gave serious consideration to proposing a total ban on *all* forms of covert action. The Committee has concluded, however, that the United States should maintain the option of reacting in the future to a grave, unforeseen threat to United States national security through covert means.

The Hughes-Ryan amendment to the 1974 Foreign Assistance Act restricts the CIA from undertaking "operations in foreign countries, other than activities intended for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States."⁴² The Committee has concluded that an even stricter standard for the use of covert action is required than the injunction that such operations be "important to the national security of the United States."

The Committee's review of covert action has underscored the necessity for a thoroughgoing strengthening of the Executive's internal review process for covert action and for the establishment of a realistic system of accountability, both within the Executive, and to the Congress and to the American people. The requirement for a rigorous and credible system of control and accountability is complicated, however, by the shield of secrecy which must necessarily be imposed on any covert activity if it is to remain covert. The challenge is to find a substitute for the public scrutiny through congressional debate and press attention that normally attends government decisions. In its consideration of the present processes of authorization and review, the Committee has found the following:

⁴¹ Henry Kissinger testimony, 11/21/75, p. 38.

⁴² See p. 151, for full text of Hughes-Ryan amendment.

(1) The most basic conclusion reached by the Committee is that covert action must be seen as an exceptional act, to be undertaken only when the national security requires it and when overt means will not suffice. The Committee concludes that the policy and procedural barriers are presently inadequate to insure that any covert operation is absolutely essential to the national security. These barriers must be tightened and raised or covert action should be abandoned as an instrument of foreign policy.

(2) On the basis of the record, the Committee has concluded that covert action must in no case be a vehicle for clandestinely undertaking actions incompatible with American principles. The Committee has already moved to condemn assassinations and to recommend a statute to forbid such activity. It is the Committee's view that the standards to acceptable covert activity should also exclude covert operations in an attempt to subvert democratic governments or provide support for police or other internal security forces which engage in the systematic violation of human rights.

(3) Covert operations must be based on a careful and systematic analysis of a given situation, possible alternative outcome, the threat to American interests of these possible outcomes, and above all, the likely consequences of an attempt to intervene. A former senior intelligence analyst told the Committee:

Clearly actions were taken on the basis of some premises, but they seem not to have been arrived at by any sober and systematic analysis, and tended often, it appeared, to be simplistic and passionate. In fact, there was often little or no relationship between the view of world politics as a whole, or of particular situations of threat held by operators on the one hand, and analysts on the other. The latter were rarely consulted by the former, and then only in partial disingenuous and even misleading ways.

It says something strange about successive DCIs that they allowed this bifurcation, even contradiction, to obtain.⁴³

The Committee has concluded that bringing the analysts directly into the *formal* decision process would be a partial remedy to the problem of relating analysis to operations. More important would be the insistence of the Director of Central Intelligence that the political premises of any proposed covert operation be rigorously analyzed.

(4) The Committee also concludes that the appropriate NSC committee (e.g., the Operations Advisory Group) should review *every* covert action proposal. The Committee also holds strongly to the view

⁴³ John Huizenga testimony, 1/26/76, pp. 6-7. The Committee found, in its case study of Chile, that there was little or no coordination between the intelligence analysts and the covert operators, especially in politically sensitive projects, which were often restricted within the Clandestine Service and the 40 Committee. The project files for Chile gave no indication of consultation with the Intelligence Directorate from 1964 to 1973. The exclusion of expert analytic advice extended to the DCI's staff responsible for preparing National Intelligence Estimates. Today, however, the Deputy Director for Intelligence (DDI) is informed by the DDO of new covert activities. The DDI has an opportunity to comment on them and offer recommendations to the DCI, but he is not in the formal approval process.

that the small nonsensitive covert action proposals which, in the aggregate, establish and maintain the Agency's covert infrastructure around the world should be considered and analyzed by the appropriate NSC committee. The Committee also believes that many of the small covert action proposals for projects would fall away when forced to meet the test of being part of a larger covert action operation in support of the openly avowed policies of the United States.

(5) With respect to congressional oversight of covert action, the Committee believes that the appropriate oversight committee should be informed of all significant covert operations *prior* to their initiation and that all covert action projects should be reviewed by the committee on a semi-annual basis. Further, the oversight committee should require that the annual budget submission for covert action programs be specific and detailed as to the activity recommended. Unforeseen covert action projects should be funded only from the Contingency Reserve Fund which could be replenished only after the concurrence of the oversight and any other appropriate congressional committees. The legislative intelligence oversight committee should be notified prior to any withdrawal from the Contingency Reserve Fund.

